

Welfare

The current Scottish Government's approach to the design of our future welfare system is set out in Chapter 4.

143. What will happen to the welfare system in an independent Scotland?

Governments of an independent Scotland will be able to use welfare powers to deliver a system that helps people into work and protects the vulnerable.

144. How will my benefits be paid in an independent Scotland?
Benefits to which people are entitled will continue to be paid in exactly the same way as they are now.

145. What will happen to Universal Credit and the Personal Independence Payment introduced by the Westminster Government?

The current Scottish Government proposes that the further roll-out of Universal Credit and the Personal Independence Payment should be stopped. Following a vote for independence, we will ask Westminster to halt the roll-out of Universal Credit and the Personal Independence Payment in Scotland.

146. Will I get the same benefits after independence?
Yes. We plan that, on independence, there will be a transitional period when the Scottish and Westminster Governments will share the administration and delivery of benefits and State Pensions. It is in both countries' interests that this should happen.

Following independence, the immediate priorities will be to reverse the most damaging and counterproductive of the UK welfare changes. We propose to:

- abolish the "bedroom tax" within the first year of the first independent Scottish Parliament
- halt the further rollout of Universal Credit and Personal Independence Payments in Scotland
- ensure that benefits and tax credits increase in line with inflation to avoid the poorest families falling further into poverty

Full details of the current Scottish Government's proposed approach are set out in Chapter 4.

147. Will I still need to go to the Jobcentre?

Yes. Scotland will inherit the Jobcentre structure and its functions but the Scottish Government and Parliament will have powers to look at welfare to work programmes in a different way, enabling them to develop a new approach to supporting people based on joint rights and responsibilities and a culture of respect.

148. Will I still get my benefits on the same day of the week?

Yes.

149. Will I get the same amount of benefit?

On independence our proposals mean you will continue to receive benefit payments and tax credits in the same way as you do now. Becoming independent will not, in itself, change your entitlement. However, future Scottish governments can choose to do things differently from the rest of the UK. For example, this Government will stop the damaging changes to our welfare system being introduced by Westminster, including scrapping the "bedroom tax" and stopping the roll out of Universal Credit. Full details of our proposals for a fairer welfare system are set out in Chapter 4.

150. Will I need to apply again?

No. We will make sure that independence does not disrupt benefits payments, and that existing claims will continue as now.

151. Will I need to be assessed again?

No. Scotland becoming independent will not result in a need for reassessment.

We propose that, on independence and for the transitional period, the benefits system will continue to be administered in the same way as it is now. Once Scotland establishes its own distinct system, the Scottish Government will be able to review the application process we inherit.

152. If I am from another country and move to Scotland, will I be entitled to benefits?

At the moment, the UK rules for benefits entitlement vary depending on which country you move from. These rules will

continue to apply in an independent Scotland until such times as the Parliament of an independent Scotland decides to change them.

153. How will I apply for benefits if Scotland is independent?
On independence and for the transitional period, the Scottish Government proposes that the administration of the benefits system will continue to work in the same way as it does now. Governments in an independent Scotland will be able to review the application process we inherit.

154. Will benefits change for disabled people?
We intend that people living in Scotland and in receipt of Disability Living Allowance will not be migrated to Personal Independence Payment.

We have also committed to abolishing the “bedroom tax”, saving 82,500 households in Scotland – including 63,500 households with disabilities and 15,500 households with children – an average of £50 per month.

In addition, this Government proposes to launch an urgent review of the conditionality and sanctions regime, and review the system of assessments for disability benefits. Then, as the new independent benefits system is developed, we will work with disabled people and others with an interest in how to improve things further.

155. Will work be an important feature of welfare and benefits?
Yes. Where people can work they should work. Work is important for people’s health and wellbeing, as much as for their economic position. This Government is committed to seeing an independent Scotland improve support for people that are out of work and create a welfare to work plan that is based on an individual’s circumstances and on the support they need to move towards, and into, sustainable work.

156. Will the forms be the same for new benefits applicants?
During the transitional period, the benefits forms will remain the same.

When Scotland has its own welfare system, the government in an independent Scotland will be able to review the application process to make it simpler.

157. When will the benefits system change in an independent Scotland?

The first government of an independent Scotland can start to plan for major changes during the transitional period, with a view to implementing them after the transitional period ends, which this Scottish Government intends should be in 2018.

We set out our full proposals for early changes to the benefits system in Chapter 4.

158. Why won't Scotland run its own benefits system from the first day of independence?

We accept the Expert Working Group on Welfare's recommendation that there should be a transitional period of shared administration for delivery of benefit payments. As highlighted by the Group, this offers the best arrangement in the short-term. It also ensures continuity of payments for millions of benefit recipients elsewhere in the UK whose applications and payments are currently processed in Scotland. However, it is our intention that such a system of shared administration will last only until 2018 and be organised in such a way that will:

- allow the first government of an independent Scotland to introduce its priorities for change from 2016
- allow that government also to begin work towards creating a welfare system that better reflects Scotland's priorities and needs

159. Can an independent Scotland afford its own welfare system?

Yes. Scotland spends proportionally less on welfare and State Pensions than the UK as a whole. Spending on social protection as a share of overall spending is estimated to have been lower in Scotland for each year of the past five years.

Scotland's Balance Sheet demonstrates that social protection expenditure, which includes welfare payments and State Pensions, accounted for 14.4 per cent of our economic output (GDP) in Scotland compared to 15.9 per cent in the UK as a whole in 2011/12.

160. How long would the transition take to establish welfare administration in an independent Scotland?

It is our intention that a system of shared administration will last until 2018.

The Scottish Government understands people's concerns about the changes Westminster is bringing in. That is why we propose to give Westminster immediate notice, after a vote for independence, that further roll-out of Universal Credit and Personal Independence Payment should be stopped in Scotland.

161. What will change in the first years of independence, during the transitional period?

During a transitional period, Scotland will start to develop a welfare system better suited to Scottish needs and priorities. Immediate priorities for change that the current Scottish Government will pursue are set out in Chapter 4.

162. What would be different about the welfare system after the transition period?

The political parties will put forward their proposals for the people of Scotland to consider in the 2016 election. That means decisions on the future shape of our welfare state will be taken by the elected representatives of the people of Scotland.

The current Scottish Government's approach to the design of our future welfare system is set out in Chapter 4.

163. Even if welfare is more affordable now, doesn't Scotland's ageing population mean that in the long run welfare will become unaffordable?

The longer-term demographic challenge of an ageing population affects every western country, including Scotland and the UK as a whole. The particular challenge Scotland faces is projected lower growth in our working-age population, although Scotland's total dependency ratio (working age population compared to pensioners and children) is projected to be more advantageous than the UK's for at least 15 years. The Government Economic Strategy sets out a target to match average European (EU-15) population growth over the period from 2007 to 2017, supported by increased healthy life expectancy in Scotland over this period.

What is clear is that this challenge is best addressed in an independent Scotland. An independent Scotland can address population growth by creating new opportunities for young people to build their careers and families within Scotland, and through action to attract people to Scotland the right people with the right skills – either Scots who have moved away or new migrants.

These matters are currently reserved to Westminster, which has different priorities for the UK economy and migration, so without independence, Scotland will not have the mechanisms to address its projected demographic issues.

164. How will an independent Scotland afford higher levels of spending on disability-related benefits?

Scotland does spend proportionately more on disability-related benefits than the UK as a whole. But this needs to be set against other areas, such as housing benefit, where we spend less. Overall, welfare is more affordable in Scotland.

Scotland is the eighth wealthiest nation in the developed world in terms of GDP per head, which means we have the money we need to support our most vulnerable people. As an independent country, we will be able to choose how to spend our money, based on the needs and values of the Scottish people, not on choices made at Westminster. The current Scottish Government's approach will continue to be that Scotland should prioritise spending on protecting vulnerable citizens over spending on policies that we do not agree with.

165. Will immigrants and asylum seekers have access to the welfare system?

Yes. Asylum seekers and immigrants will have access to the welfare system. On independence, existing UK rules will apply. With Scotland continuing as a member of the European Union, the rules on free movement of labour within Europe will also still apply.

166. What will happen to the "bedroom tax" in an independent Scotland?

Our proposals include a commitment to abolish the "bedroom tax" if elected as the government of an independent Scotland.

This will happen within a year of the first election to the Parliament of an independent Scotland.

167. Would the welfare system in an independent Scotland tackle poverty?

Yes. We can only deal with an issue as complex as poverty with access to the full range of powers available to an independent country. Future Scottish governments can choose to do things differently from the UK.

Pensions

State Pensions

Full details of the Scottish Government's proposed approach to State Pensions are set out in Chapter 4.

168. Can an independent Scotland afford the State Pension?

Yes. Scotland is in a strong position to afford a high quality pensions system. Scotland is already better able to afford the current levels of social protection spending (which includes pensions) than the UK as a whole, on the basis of government revenue and share of GDP:

- expenditure on social protection as a share of GDP has been lower in Scotland than in the UK in each of the past five years – in 2011/12, social protection expenditure accounted for 14.4 per cent of GDP in Scotland and 15.9 per cent in the UK
- a smaller percentage of Scotland's tax revenues are spent on social protection compared to the UK. Figures from 2011/12 show that 38 per cent of Scottish tax revenues were spent on social protection, compared with 42 per cent for the UK

169. How would an independent Scotland manage State Pension responsibilities with an ageing population?

All western countries need to take account of ageing populations, which brings with it pension affordability issues. Addressing these issues in Scotland requires targeted action to improve growth, boost productivity, and in particular, to increase the working-age population as a share of overall population. An

