Administrative Justice Working Group: Scotland

Personal tax

01 October 2017

Discussions about how to administer the law fairly in Scotland, particularly in relation to welfare benefits.

Background to group

This forum, organised by the Scottish government, is for networking with interested parties and for shaping best practice. While our interest is primarily tax law, similar concerns around fairness and accessibility arise in other areas of law. A meeting of the group in early August mainly concerned social security.

Changes to social security benefits in Scotland

The Social Security (Scotland) Bill was introduced to the Scottish parliament at the end of June. The Bill provides for a social security charter to be published. It is likely this will establish broad principles governing the actions of both claimants and the state.

Following the devolution of new powers, the Scottish government will control around 15% of the total social security spend in Scotland, mainly in relation to disability benefits and housing payments. It is proposed that certain benefits may be paid at a higher rate than in the rest of the UK, or instead with a supplementary payment. We have raised concerns that the taxation treatment of any such payments needs to be agreed and communicated.

There will be a two-stage appeal process against decisions made – first to have a redetermination, where the whole claim will be reviewed by a team separate from the one who made the original decision, and from there to a Tribunal if the claimant

remains dissatisfied. The Scottish government have recruited around 2,000 volunteers, who are currently claiming benefits or who have claimed benefits in the past, to help them make the system as user-friendly as possible. Claims will be able to be made by telephone, online and face to face.

A complaints system is to be put in place but it is unclear how cross-border (within the UK) issues are to be dealt with.