



Department
for Work &
Pensions

RICHARD HARRINGTON MP
Minister for Pensions

Jeane Freeman MSP
Minister for Social Security
Scottish Government
St Andrews House
Regent Road
Edinburgh
EH1 3DG

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Dear Jeane,

Thank you for your letter dated 6 April. Please accept my apology for the error in my previous letter to which you refer. The reference to section 25 of the Scotland Act 2016 should, of course, have instead referenced section 26: discretionary payments and assistance.

The decision to equalise the State Pension age for men and women dates back to 1995 and addresses a longstanding inequality in pension age. Due to increasing life expectancy, the Pensions Act 2011 accelerated this process to allow for a rise to age 66 by 2020 for both genders and the equalisation of the State Pension age by November 2018. During the passage of the bill that became the Pensions Act 2011, the UK Government made a concession costing £1.1 billion which slowed down the increase of the State Pension age so that no one would face an increase of more than 18 months compared to the Pensions Act 1995 timetable.

The substantial new welfare powers that the Scottish Parliament has provides you with options to support people affected by changes to the State Pension, including supporting women affected by increases in State Pension age, should you so wish. Of course, this is entirely a matter for the Scottish Government and the Scottish Parliament to decide.

One such option, however, could be for you to legislate to introduce new discretionary payments using section 26 the Scotland Act 2016 (exception 7 to Section F1 of Schedule 5 to the Scotland Act 1998). This power was introduced to give you the widest possible scope to help meet the short-term needs of people in Scotland, which could include those who are affected by changes to the State Pension. In respect of which, there is no prescribed definition of 'short-term', and this will be substantially for the Scottish Parliament to determine.

Another option could be to legislate under section 28 of the Scotland Act 2016 (exception 10 to Section F1) to create new benefits in Scotland. This is a significant power and one that gives the Scottish Parliament the competence to provide financial support in devolved areas of responsibility.

Whilst this power cannot be used to provide pensions to people who qualify by reason of old age, many of those affected by changes to the State Pension age will not yet have reached State Pension age. As a result, this broad power does offer the Scottish Government the possibility of introducing new financial support to help this group.

Finally, there are also powers available to you, should you wish to support people in Scotland who may already be in receipt of their State Pension. As I have mentioned, the wide ranging discretionary payments power, under section 26 provides one such option. You could also consider paying people a top-up to any reserved benefits they may be receiving by legislating under section 24 of the Scotland Act 2016 (exception 5 to Section F1). Individuals could be paid on a case by case basis or all benefit claimants could be provided with an on-going entitlement.

All the provisions that I have referenced in this letter have been fully commenced and competence transferred to the Scottish Parliament, so legislation in respect of them could have been introduced into at any time since September 2016.

Yours Sincerely

Richard Harrington

RICHARD HARRINGTON MP
MINISTER FOR PENSIONS