



T: 0300 244 4000
E: scottish.ministers@gov.scot

The Rt Hon Dr Thérèse Coffey
Secretary of State for Work and Pensions
Caxton House
Tothill Street
London
SW1H 9AJ

02 October 2019

Dear Thérèse

The Scottish Government remains deeply concerned about the very real prospect of leaving the EU without a deal due to the unacceptable and deep damage it will do to people, society and the economy. Scottish Government analysis suggests that the effects of No Deal could cause 130,000 people in Scotland to be pushed into poverty and the Yellowhammer papers have highlighted that plans must be put in place to protect citizens.

The very fact we are having to make these requests to you signals clearly that the UK is not, and cannot be, ready for a No Deal EU exit on 31 October. As set out above, a No Deal EU exit will cause significant disruption to the lives of citizens in Scotland and across the rest of the UK. As a responsible government, we are doing everything we can with the powers that we have to prepare, but it will not be possible to mitigate all the impacts of leaving the EU without a deal.

Bearing in mind the magnitude of a No Deal crisis, anticipated by all the analysis available to us, we will not be able to mitigate impacts fully. I am therefore writing to urge you to put the following measures in place immediately:

1. **Fully resource and launch a UK wide benefit awareness and take-up campaign.** This should include all benefits, but in particular Universal Credit and Pension Credit so people are positively encouraged to access the financial support they are eligible for.

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

St Andrew's House, Regent Road, Edinburgh EH1 3DG
www.gov.scot



INVESTORS
IN PEOPLE

Accredited
Until 2020



2. Implement a range of immediate changes to Universal Credit to safeguard incomes during what will be a time of economic turmoil. Given the impact of a no-deal Brexit is likely to be felt for at least six months and beyond, the UK Government should prioritise, as a matter of urgency, the following actions:

- Enable the minimum wait for the first payment of Universal Credit to be reduced.
- Maximise advance payments of Universal Credit awards and convert the advance into a grant or suspend repayment until the recipient begins earning over a certain level of income again.
- Reverse the two-child limit for Universal Credit and Child Tax Credits, including the “rape clause” exemption.
- Suspend some third party deductions present within Universal Credit, if not in support of children, or consider lowering the overall rate of deductions allowed, to increase income among vulnerable households.
- The conditionality requirements in respect of work preparation and search should be removed for those in receipt of Universal Credit to account for potential labour market changes.
- Legislation should also be brought forward as soon as practicably possible to reverse the change, introduced on 15 May, to benefits for mixed age couples, so that eligibility for Pension Credit is determined by the oldest person in a couple, rather than both having to have reached the qualifying age.

3. Remove the Benefit Cap. The Benefit Cap should be lifted with immediate effect. A total of 3,320 Scottish households are affected and 92% contain children.

4. Lift the freeze on working age benefits. This freeze has been in place since April 2016 and its full effects are estimated to reduce spending in Scotland by up to £300 million per year. There is, therefore, a pressing need to bring forward secondary legislation to enable benefits to be uprated in line with inflation the minute a No Deal exit occurs.

Scottish Ministers are clear that the best option for future wellbeing and prosperity is for Scotland to remain in the European Union – a view supported by the large majority of Scots in the 2016 EU Referendum. In addition, the Scottish Parliament has agreed that the UK should in no circumstances leave the EU on a No Deal basis.

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

St Andrew’s House, Regent Road, Edinburgh EH1 3DG
www.gov.scot

That's why, if the UK Government will not take No Deal off the table despite all the evidence available to it of its disastrous impacts, the immediate programme to protect vulnerable communities that we have outlined above must be taken forward.

I look forward to your earliest response.



AILEEN CAMPBELL

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

St Andrew's House, Regent Road, Edinburgh EH1 3DG
www.gov.scot

