



Social Security Scotland  
Tèarainteachd Shòisealta Alba

# Social Security Scotland 2025 – 26 Budget

Dignity,  
fairness,  
respect.

## 1. Background

1.1. For 2025-26, Social Security Scotland has an administration budget of £309.1 million, £4.1 million for capital and a benefit budget of £6,726.6 million.

1.2. [REDACTED]

1.3. The majority of our operating cost budget is already legally committed to maintain essential live services and performance. [ REDACTED ]

whilst demonstrating value for money and protecting the public purse.

1.4. [ REDACTED]

## 2. 2025-26 Budget Allocation

2.1. A high-level budget breakdown of our 2025-26 budget allocation is shown in Table 1 below, including a comparison to the previous year's revised budget after Spring Budget Revision. The original budget at the beginning of the 2024-25 financial year has also been provided. [ REDACTED] Further detail on benefit expenditure is shown in **Annex B**.

**Table 1: Social Security Scotland 2025-26 budget**

	Original Budget 2024-25	Budget 2025-26	Revised 2024-25 Budget	Increase/(Decrease) Against Revised 2024-25 Budget
	£million	£million	£million	£million
Operating Expenditure	309.6	309.1	293.3	15.8
Capital Expenditure	5.0	4.1	4.0	0.1
Depreciation (Non-Cash)	7.4	7.4	7.0	0.4
Benefit expenditure	6,133.4	6,726.6	5,985.8	740.8

### 2025-26 Operating Expenditure

2.2. Our Operating Expenditure allocation for 2025-26 is £309.1 million, which is less than we were originally allocated for 2024-25, and is split as follows:

**Chart 1: Total operating expenditure by cost type**

[REDACTED]

1

**2.3.** Table 2 sets out the detailed 2025-26 operating expenditure budget allocation compared with both our 2024-25 original budget allocation and the revised budget allocation which reflects changes made through both the Autumn and Spring Budget Revision exercises.

**Table 2: Operating Expenditure Budget Allocations**

[REDACTED]

[REDACTED]

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## **2.4. Staff costs**

**2.4.1.** Staff costs of **£237.7 million** (2024-25 - **£217.6 million**) are being allocated. The increase includes forecast pay inflation from the Scottish Government Pay Policy, an increase in full time equivalent staff of 285 full time equivalents since April 2024 and an increase in employer's National Insurance Contributions.

**2.4.2.** [REDACTED]

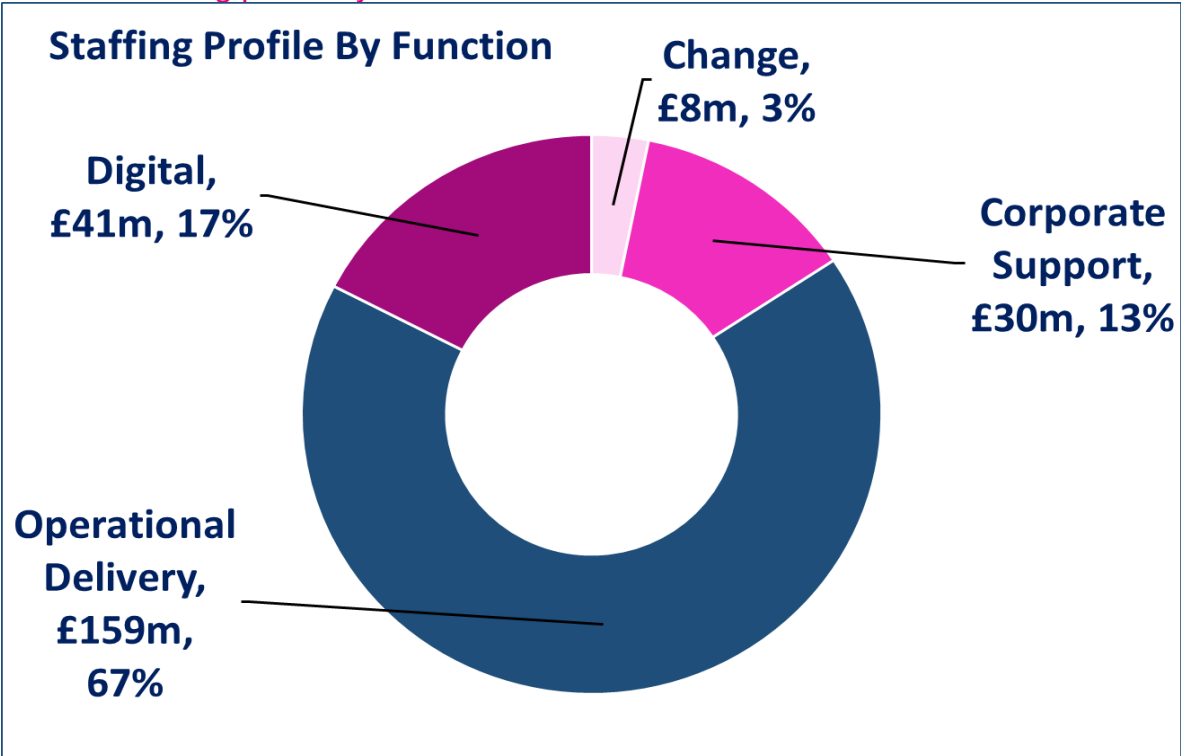
**2.4.3.** [REDACTED]

**2.4.4.** [REDACTED]

**2.4.5.** [REDACTED]

**2.4.6.** The following chart shows the split of staff across the organisation. [REDACTED]

Chart 2: Staffing profile by function



[REDACTED]

## 2.5. Administration costs

### 2.5.1. Accommodation (£4.5 million) (2024-25 - £4.8 million)

The accommodation budget includes the costs for Agnes Husband House, High Street (Glasgow), Enterprise House and for hub locations. There has been a reduction in our outreach and base location usage.

### 2.5.2. Travel and subsistence (£0.7 million) (2024-25 - £0.8 million)

This allocation will fund travel where required across the organisation. This is broadly in line with the prior year enhanced spending controls.[REDACTED]

### 2.5.3. Office Costs (£15.9 million) (2024-25 - £17.1 million)

This includes various costs including our mailroom services (£6.5 million), marketing and communications of existing and new benefits to ensure benefit uptake and awareness (£0.4 million), computer software and licences costs (£3.8 million) and utilities charges (£0.6 million).

The decrease has been driven mainly by mailroom services, [REDACTED]

#### **2.5.4. Supplies and services (£4.7 million) (2024-25 - £5.0 million)**

This includes various costs such as licences for our systems, bank charges, translation services, GP expenses and payment services.

#### **2.5.5. Training (£0.3 million) (2024-25 - £0.3 million)**

This allocation will support the development of our people. This is based on actual 2024-25 external training spend with spending controls implemented.

[REDACTED]

All options for essential training required for staff to undertake their role should be considered, including whether it can be supported by our internal learning and leadership team who can deliver the majority of our training needs.

[REDACTED]

#### **2.5.6. Information Technology (£19.8 million) (2024-25 - £20.8 million)**

The majority of this budget is within Chief Digital Office [REDACTED]

#### **2.5.7. Shared Service Recharges (£9.8 million) (2024-25 - £9.5 million)**

This is the estimated cost of Scottish Government providing HR/Payroll, IT, Legal and Property Services. A number of the recharges are based on employee headcount.

#### **2.5.8. Formal Agreements (£4.9 million) (2024-25 - £16.4 million)**

These costs relate to the delivery of benefit administration by the Department for Work and Pensions (DWP) for benefits not yet administered by Social Security Scotland.  
[REDACTED]

#### **2.5.9. [REDACTED]**

[REDACTED]

#### **Corporate Priorities (£4.9 million)**

[REDACTED]

[REDACTED]

[REDACTED]

#### **2.5.10 Transition Fund**

Our 2025-26 budget includes £9.2 million for products & services that transitioned from Social Security Programme in 2024-25. [REDACTED]

[REDACTED]

### **3. 2025-26 Capital budget**

**3.1.** We have a capital budget of £4.1 million. We will have capital spend on IT equipment such as laptops for any new staff, licences and replacement of laptops where required in 2025-26. [REDACTED]

**3.2.** [REDACTED]

**3.3.** [REDACTED]

**3.4.** [REDACTED]

## **4. Future year allocations & Fiscal Sustainability**

**4.1.** [REDACTED]

**4.2.** [REDACTED]

**4.3.** [REDACTED]

## **5. Risks**

**5.1.** [REDACTED]



**5.2.** [REDACTED]

**5.3.** [REDACTED]

**5.4.** [REDACTED]

## **6. Next Steps**

**6.1.** [REDACTED]

**6.2.** [REDACTED]

**6.3.** REDACTED].

## **ANNEX A – Operating Expenditure**

[REDACTED]

## ANNEX B – Benefit Expenditure

Table 4 shows the latest budget for all benefits which will be delivered by Social Security Scotland and those being delivered by Department for Work and Pensions under Agency Agreements. Most of these figures match those of The Scottish Fiscal Commission<sup>2</sup>.

Table 4: Benefit Expenditure Budget

Budget Allocation	2025-26 Budget	2024-25 Revised Budget
	£m	£m
<b><u>Delivered by Social Security Scotland</u></b>		
Adult Disability Payment	3,604.6	3,146.1
Best Start Foods	19.3	15.8
Best Start Grant	21.4	20.4
Carer's Allowance Supplement	62.0	53.9
Carer Support Payment	458.7	401.8
Child Disability Payment	617.7	518.0
Child Winter Heating Payment	11.9	10.2
Funeral Support Payment	13.9	12.9
Pension Age Winter Heating Payment	100.6	32.3
Scottish Child Payment	471.0	456.0
Winter Heating Payment	28.3	28.8
Young Carer's Grant	1.6	1.6
Job Start Payment	0.3	0.3
<b>Total delivered by Social Security Scotland</b>	<b>5,411.4</b>	<b>4,697.9</b>
<b><u>Delivered by the Department for Work and Pensions</u></b>		
Pension Age Disability Payment	833.5	763.8
Scottish Adult Disability Living Allowance	393.9	435.2
Industrial Injuries Disablement Scheme	83.4	83.7
Severe Disablement Allowance	4.4	5.2
	<b>1,315.2</b>	<b>1,287.9</b>
<b>Total</b>	<b>6,726.6</b>	<b>5,985.8</b>

3

We will continue to rely on the work of the Benefit Forecasting Review Group which reviews the monthly benefit expenditure and forecasts. This group includes representatives from Social Security Scotland, Social Security Programme, Social

<sup>2</sup> The Scottish Fiscal Commission have not produced forecasts for Young Carers Grant as this is below the materiality threshold or Job Start Payment as this is not within their legislative scope.

<sup>3</sup> Pension Age Disability Payment is the Scottish replacement benefit for Attendance Allowance

Security Analysis, Forecasting and Evaluation's Community Analysis Division and  
Scottish Government Central Finance.

[REDACTED]