Researching the potential to devolve the administration of social security to Wales

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.

This document is also available in Welsh.

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Views expressed in this report are those of the researchers and not necessarily those of the Welsh Government

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Glossary

Broad Rental Market Area (BRMA)

A BRMA is a geographical area used by the Department for Work and Pensions and local authorities in the UK to set Local Housing Allowance rates for tenants renting from private landlords.

Council Tax Reduction

Council Tax Reduction is a Welsh Government scheme that helps people on a low income pay their Council Tax.

Department for Work and Pensions (DWP)

The DWP is the UK government department responsible for welfare, pensions, and supporting people into work.

Discretionary Housing Payment (DHP)

A DHP is an extra payment that local authorities can provide to help people who need additional financial support with housing costs.

Fiscal Framework

The Fiscal Framework is the agreement that sets out how devolved governments are funded and how tax and spending powers interact with the UK Government's budget.

HM Revenue and Customs (HMRC)

HMRC is the UK's tax, payments, and customs authority.

Housing Benefit

Housing Benefit is a means-tested benefit that helps people on a low income pay their rent.

Local Housing Allowance (LHA) rate

The LHA rate is the maximum amount of housing support that renters in the private sector can receive through Housing Benefit or the housing element of Universal Credit.

Pension Credit

Pension Credit is an income-related benefit that tops up the weekly income of pensioners who are on a low income.

Personal Independence Payment (PIP)

PIP provides financial support to people aged 16 to 64 who have long-term health conditions or disabilities that affect their daily living or mobility.

Scottish Child Payment (SCP)

SCP is a weekly payment from the Scottish Government for families on low incomes with children under the age of 16.

Universal Credit

Universal Credit is a means-tested benefit that provides financial support for people who are on a low income or out of work.

Welsh Benefits Charter (WBC)

The WBC is a Welsh Government initiative that sets shared principles for delivering devolved benefits in a way that is consistent, fair, and person-centred.

1. Introduction

The purpose of this report is to provide a comprehensive account of the opportunities, challenges, risks and costs of devolving the administration of social security to Wales; to assess the specific options for doing this, including through detailed case studies; and, through this, to provide clarity on the potential path forward, including the issues and challenges that would need to be addressed as part of the next steps.

The scope of the report is focused on "administrative" elements of social security, not on wholesale devolution. In broad terms, policy generally refers to the rules determining who is entitled to benefits, at what level, and under what conditions, while administration concerns how those rules are implemented in practice, including claims processing, eligibility verification, and communication with claimants. However, as we will explain, the distinctions are not always clear-cut, and administration and policy can often be very closely intertwined.

Phases of the project

This research has been delivered in three phases:

- The initial **scoping phase** established the policy context, relevant evidence sources, and research priorities through a desk-based review and exploratory interviews. In collaboration with the Welsh Government, we refined the stakeholder engagement plan and agreed on a set of criteria to assess different options for the potential devolution of social security administration.

- **Phase 1** focused on gathering and synthesising evidence through a Rapid Evidence Assessment (REA), an online survey, and in-depth interviews with 14 stakeholders. Findings from this phase summarise the emerging evidence and identify, against the agreed criteria, the most promising options for exploration in Phase 2.

- **Phase 2** developed detailed case studies of selected devolution options with additional insights gathered through in-depth interviews with 12 stakeholders. Two cases focused on potential models for Wales, and a third case examined an example implemented elsewhere in the UK to draw practical lessons. Insights from both phases will inform the final report and recommendations to the Welsh Government.

Report structure

The structure of the report includes the following chapters:

- Chapter 2 discusses the methodological approach undertaken for the research. Phase 1 involved a Rapid Evidence Assessment (REA) synthesising previous literature, an online survey, and in-depth interviews with 14 policy leads, experts, and other key stakeholders. This led to the identification of detailed case studies of devolution to be taken forward to Phase 2, which involved in-depth interviews with 12 key stakeholders across the three case studies.

- Chapter 3 details the key insights acquired in Phase 1 through implementing the REA protocol, online survey, and interviews. The section is divided into sub-sections by type of method applied, with a detailed description of the findings.

- Chapter 4 synthesises the key learnings from Phase 1 into a list of options for devolving social security administration arrangements. It then outlines the two case studies of hypothetical devolution of social security administration in Wales that were taken forward as most promising from this list, as well as a case study on lessons that can be learned from Scotland's changes to social security administration.

- Chapter 5 concludes by drawing together key reflections on the path forward.

2. Methodology

This section outlines the methodological approach for this research, which was carried out across two phases.

2.1 Phase 1 methods

Phase 1 aimed to explore the options for devolving the administrative elements of the social security system in Wales, and to assess the advantages, disadvantages, and risks associated with this. To achieve this, we employed a mixed-method approach comprising an REA, an online survey, and in-depth interviews with 14 policy leads, experts, and other key stakeholders.

2.1.1 Rapid Evidence Assessment (REA)

The REA approach is a commonly used research methodology which allows researchers to prioritise and review studies from a large body of sources from across the academic and grey literature, using a transparent, well-defined, and replicable approach.

This section will comprise the REA's (i) key research questions, (ii) the search strategy for literature, and (iii) the inclusion/exclusion criteria that have been used to decide if the retrieved studies are relevant to the research questions of this evidence review. An REA protocol was developed upon commencement of this research, outlining the key objectives of the evidence review, the search strategy, inclusion and exclusion criteria, and quality assessment criteria for the literature identified.

Developing the REA protocol

The REA protocol was designed to identify and assess relevant, high-quality evidence to address a series of research questions, with the purpose of informing the development of an administrative devolution of social security in Wales. The REA was targeted to address the following research questions:

1. How could devolution of social security administration in Wales enable better alignment with the Welsh Benefits Charter and other Welsh Government priorities?

   a. What additionality does devolution offer over the possibilities offered by existing administrative pathways?

2. What factors limit the potential of devolved social security administration to achieve its goals?

3. What are the costs and risks of devolved administration of social security in Wales?

4. Which elements of social security can most practically be administered by the Welsh Government, or a 'Welsh approach' to administration implemented by the Department for Work and Pensions?

The protocol first established the inclusion criteria for the REA, specifying the countries within scope, the language of the literature, the thematic areas of focus, and the publication

date of research. It then detailed the search strategy, outlining the search terms, databases to be consulted, and procedures for how records were to be kept. Third, it set out the relevance and quality assessment criteria used to evaluate the strength of the evidence.

Searches were conducted across databases and online libraries, including JSTOR, ScienceDirect, SAGE, RePEc IDEAS, Google Scholar, and RePEc EconPapers. Recognising that much of the relevant evidence lies in grey literature, the protocol also incorporated a targeted search of studies produced by UK and devolved governments, think tanks, research institutes, and third-sector organisations.

The implementation of the search strategy yielded an initial 'search list' of 118 documents, including a combination of academic papers, reports, and books. To reach the final 'reading list' of documents read in detail, the procedure described in the flowchart in Table 1 was followed. The flowchart diagram illustrates the document selection process for a research review, starting with 118 gathered documents and narrowing down to a short list of 27 reports and papers. Key steps include rejection criteria such as publication date before 2015, non-English language, non-UK studies, and duplicates, with additional screening of titles, keywords, and abstracts, and a final suggestion to include two more papers.

The findings of the reading list studies were summarised in a Research Extraction Sheet (RES). Apart from the studies' title, authors, and publication year, the RES was filled with information on the country/region of focus, abstract/executive summary, methodological approach, research question(s) addressed, type of benefit (e.g. housing, employment, disability, etc.), and administrative aspect of social security (e.g. payment frequency, assessment criteria, etc.). Finally, a quality scoring system was applied, assessing each study in terms of credibility, methodological approach, and relevance to the project's objectives.

Table 1. Procedure for moving from the search list to the reading list

Search list
118 documents gathered in a combination of academic papers, reports, and books using the agreed set of search items.

Studied were rejected following the first screening because they did not meet the broad inclusion criteria. For example, they:

1. Were published before 2015.
2. Were not written in English.
3. Were studies from Non-UK countries.
4. Were duplicates (i.e. retrieved from more than one library).

Long list
93 report and papers after the first screening.

Studied were excluded of the list following screening of the titles, keywords, and abstracts.

Short list
27 reports and papers following the screening of the long list.

WG suggested to include two more papers

Synthesis of key findings

The final stage of the REA involved synthesising key findings extracted from the literature review. This output is the present report that summarises the most useful insights and explicitly discusses the strengths and limitations of the evidence that was identified. The reviewed evidence was critically appraised for overall consistency, with evidence gaps identified, and the acquired insights were used to reach informed conclusions on administrative devolution of social security in Wales.

Challenges and limitations

The evidence reviewed in this REA shows some limitations which made it challenging to draw firm conclusions about the likely implications of devolving administrative elements of the social security system in Wales. In particular, the available literature rarely focused specifically on administrative devolution, instead addressing devolution in a broader constitutional or policy sense. This lack of specificity limited the extent to which findings could be applied directly to questions of administrative reform and governance within the Welsh context. Few studies provided detailed analysis of administrative design or delivery models, and few considered the operational challenges or fiscal implications that would accompany deeper devolution.

The limited scope, variability in quality, and lack of empirical data on administrative devolution in Wales mean that many findings are indicative rather than definitive. Future analysis would benefit from empirical evaluations or pilot evidence arising from any future devolution initiatives, which could provide a more reliable basis for assessing the potential benefits, risks, and costs of reform.

2.1.2 Online survey

Following the REA, we developed and disseminated an online survey to key stakeholders, which was open between 1st September 2025 and 28th September 2025 and hosted online on Microsoft Forms. One respondent requested an extension when they missed the deadline, and so the survey was re-opened until 3rd October 2025 for them. The survey was targeted towards: (i) academic experts, (ii) think tanks, (iii) research institutes, (iv) the third sector, and (v) individuals working in services which interact strongly with social security. Our recruitment of survey participants focused on individuals and organisations in Wales and in other parts of the UK where aspects of social security are devolved. Contact details were provided by the Welsh Government and members of the Alma Economics and Institute for Fiscal Studies project team or found publicly online.

The survey aimed to identify the perceived opportunities, challenges, and risks of the devolution of the administration of social security in Wales, and to understand views on what the priorities for devolution should be and why. The survey also helped us identify themes and stakeholders to follow up with in interviews (see below). The broad findings and lessons learnt will also directly inform our choice of case studies in the next phase (Phase 2) of our research.

The survey was distributed via email, and a reminder to complete the survey was sent 6 days before it closed (22nd September 2025). The survey itself was available in English and Welsh, and all recruitment for survey participation was conducted in both languages. To facilitate recruitment for interviews in the next stage, at the end of the survey, stakeholders were asked whether they would be willing to be contacted for a follow-up interview. The survey was distributed to 80 stakeholders and received 27 responses, of which 26 were valid (one response was blank). An analysis of survey responses is provided in section 3.1.2 of the report.

2.1.3   Interviews

Insights from the REA and survey were complemented by semi-structured interviews with 14 key stakeholders, including policy leads, academic experts, third-sector representatives, and officials involved in service delivery in Wales and other UK nations. The interviews aimed to gather a diverse range of perspectives on the potential implications, advantages, and risks of devolving administrative aspects of the social security system to Wales.

Interviewees included representatives from the Welsh Government, Department for Work and Pensions, Welsh Local Government Association, Scottish Commission on Social Security, Fraser of Allander Institute, Bevan Foundation, Welsh Revenues and Benefits Managers Group, Older People's Commissioner for Wales, Social Security Advisory Committee, Cardiff University, Welfare Rights Advisors Cymru, Disability Wales, and Child Poverty Action Group. Some of the interviewees also sit on the Streamlining Welsh Benefits Steering Group. The final list of interviewees was developed in consultation with the Welsh Government. Contact details were provided by the Welsh Government and members of the Alma Economics and Institute for Fiscal Studies project team or found publicly online.

Interviews were conducted via Microsoft Teams, typically lasting up to 60 minutes. With participant consent, interviews were recorded and transcribed to ensure accuracy; otherwise, detailed notes were taken by an additional team member. Interviewees received information on data handling and consent procedures in advance (available in English and Welsh).

Interviews explored the topics of the Welsh Benefits Charter and other priorities, limiting factors, costs, and risks of devolving social security administration to Wales, lessons learned from examples of devolved social security elsewhere in the UK, most promising options for devolving social security administration, and assessment of options against key criteria.

Data from the interviews were analysed thematically, following Braun and Clarke's (2006) framework. This approach enabled the identification of common themes, variations in stakeholder perspectives, and areas of convergence or divergence across sectors. Findings from the interviews provided valuable contextual understanding to support the REA and survey results and informed the development of proposed case studies for Phase 2.

2.2   Phase 2 methods

Phase 2 took forward two of the most promising options for devolving the administrative elements of the social security system in Wales, as well as lessons learned from Scotland's approach to reframe social security, and three case studies to explore in more depth. To do

so, we carried out interviews with 12 stakeholders with expertise across the case study areas – benefits-related data sharing, benefits advice and support, and devolution of social security to Scotland.

2.2.1 Interviews

Semi-structured, individual and group interviews were undertaken with 12 key stakeholders relevant to the case study areas. This included representatives from the Welsh Government, Welsh Treasury, Department for Work and Pensions (DWP), Bevan Foundation, Welsh Revenues and Benefits Managers Group, Social Security Commission Scotland, Policy in Practice, and University of Edinburgh.

The final list of interviewees was developed in consultation with the Welsh Government. Contact details were provided by the Welsh Government and members of the Alma Economics and Institute for Fiscal Studies project team or found publicly online. Some of these interviews were follow-up conversations to interviews undertaken in Phase 1.

Interviews were conducted via Microsoft Teams, typically lasting up to 45 minutes. With participant consent, interviews were recorded and transcribed to ensure accuracy; otherwise, detailed notes were taken by an additional team member. Interviewees received information on data handling and consent procedures in advance (available in English and Welsh).

Interviews for the Welsh case studies on data sharing and benefits advice and support explored topics of what current measures are in place, what aims could be achieved through proposed changes to administration, what barriers exist that limit these aims, the respects in which capacity and authority would need to transferred from DWP to the Welsh Government, legal and fiscal arrangements that would be necessary, resource requirements, and likely impacts of the proposed administrative change.

Interviews for the case study on devolution of social security administration to Scotland explored the purpose of the changes in Scotland, practical steps and institutional transformation that were implemented, unexpected complexities and barriers to achieving desired outcomes, what could have been done differently in hindsight, and what evaluation or other evidence tells us about the impacts of the changes.

Data from the interviews were analysed thematically, following Braun and Clarke's (2006) framework, and presented as a series of three in-depth case studies (see Chapter 5).

3. Findings

3.1 Definition of social security administration

The distinction between administration and policy in social security is a useful heuristic, and many aspects fall quite clearly into one bucket or the other. Broadly speaking, policy concerns the rules that determine who is entitled to benefits, at what level, and under what conditions. Administration, by contrast, generally focuses on the implementation of those rules, such as how claims are processed and how eligibility is verified, how claimants are communicated with, and the governance and delivery structures through which these functions are carried out.

However, there is no guarantee that "common sense" distinctions between administration and policy always align with other distinctions that are, perhaps, of more direct relevance for decision-making. For example, whilst "policy" measures may generally sound of more first-order importance for benefit recipients, there can be policies with very small effects on very few people, and administrative practices that might affect the experiences of large numbers of people, or might affect whether they claim a benefit at all, by shaping the complexity of the process. Nor does an everyday distinction between administration and policy necessarily map onto the legal position. An excellent example is given by the [Wales Centre for Public Policy (2020)](): "…legislation requires that Universal Credit is generally…paid monthly…. Thus what might be considered an administrative decision – the timing of payments – is in fact set out in policy in England and Wales. Primary legislation would therefore be required to change the payment frequency of Universal Credit in Wales."

Equally importantly, the close interaction between the rules and their implementation can make them difficult to disentangle in practice. For example, there may be fuzzy boundaries between how benefit claimants and Jobcentres interact (broadly "administration") and what claimants are required to do in order to receive benefits (broadly "policy", and specifically "conditionality"); or the processes around benefit administration and the rigour with which policy rules are actually enforced. This may matter in concrete ways when thinking about the most practical path forward. For example, even where the goal is purely administrative change, the UK government might still worry about whether its impacts are limited to that in practice, and might want the Welsh Government to take on fiscal risks associated with the policy area, making negotiations between the Welsh and UK governments complex even if the intention is "only" administrative change.

3.2 Rapid Evidence Assessment

3.2.1 In summary

- The majority of evidence on devolution of social security administration comes from grey literature, such as policy reports and publications from governments and research organisations.

- Much of the literature focuses on broad social security devolution (including policy decisions) rather than only the administrative elements of social security.

- The evidence emphasises the need to make the benefits system in Wales more flexible, person-centred, responsive to Wales' distinct needs, and boost take-up.

- The literature also focuses heavily on fiscal risks and uncertainty. For example, costs to establish new administrative infrastructure and capability as well as ongoing costs.

3.2.2 The nature and quality of the evidence base

Our original shortlist contained 25 papers, and after the conclusion of our REA we identified and added 2 recently published reports, bringing the list of papers to 27. The majority of documents are grey literature, including policy reports and publications from government and research organisations. The remaining documents include research papers and one book chapter. Collectively, the evidence examines the evolving landscape of devolved social security arrangements across the United Kingdom, particularly in Wales (for which the literature mostly discusses hypothetical changes) and Scotland (for which much of the literature discusses actual devolved arrangements).

Social security devolution in Wales is largely a matter of ongoing discussion and planning rather than established practice. Reflecting this, the literature primarily discusses possible options for devolution, potential models, and anticipated risks and benefits. Therefore, the evidence base often draws on similar experiences elsewhere in the UK where devolved powers are already in operation, most notably in Scotland and Northern Ireland, as well as from some English city regions, particularly in Greater Manchester.

The specific issue of the devolution of administrative elements of the social security system in Wales (such as assessment processes, payment systems, or service delivery arrangements) is often raised only briefly or without much depth. Discussions of this type of devolution typically appear as part of broader analyses of welfare devolution (including the devolution of welfare policy, which is out of scope of this research), or devolution in general.

The literature highlights both opportunities and risks associated with devolution. Opportunities discussed include the ability to align social security arrangements more closely with Welsh or local-level priorities, embedding a people-centred approach, and improving integration with devolved services such as housing, employability, and health. Meanwhile, identified risks include administrative complexity, fiscal risks and uncertainty for Wales. Scotland is the most frequently cited case study, providing concrete examples of how devolved powers may support more flexible and people-centred systems.

Much of the literature focuses on broad social security devolution (including policy decisions) rather than only administrative elements of social security. However, some lessons from policy devolution may also apply to administrative devolution, and the two can be intertwined in the sense that what can be achieved through administrative change may depend on what policy-making powers exist alongside this. This review, therefore, focuses on the subset of evidence provided on social security administration, but it does also refer to policy discussions in some cases where it is relevant.

3.2.3 Devolution of social security administration and a better alignment with the Welsh Government priorities

An emphasis on making the system more flexible, person-centred, responsive to Wales' distinct needs, and boosting take-up

The administration of social security in Wales is currently reserved for the UK Government and delivered primarily through the DWP and HMRC. Some literature argues that, as a result, the current system does not adequately reflect the distinct needs of Welsh communities. The Equality, Local Government and Communities Committee (2019) reported that there is often a perception that the existing UK-wide system is complex, unfair, and lacking compassion, for example, in the delivery of the Employment and Support Allowance (ESA) and Personal Independence Payment (PIP). It argued that administrative devolution is an opportunity to tailor welfare delivery to the Welsh context, and that devolution could improve alignment with Welsh Government priorities and values.

The Welsh Affairs Committee (2022) similarly highlighted that Wales faces distinct demographic, economic, and geographic pressures compared to the rest of the UK. Higher levels of disability and economic inactivity create challenges that call for social security approaches tailored to the Welsh context. While recognising concerns around financial risks, the Committee argued that devolving powers could enable Wales to tailor delivery of social security to its demographics and achieve better integration between social security and adjacent systems and services in Wales.

A major challenge identified by the Welsh Affairs Committee (2022) is a lack of awareness and accessibility of benefits. For example, many older people in Wales remain unaware of Pension Credit, contributing to low take-up. The Committee suggested that better coordination and clearer communication, similar to approaches in Scotland, could enhance awareness and help people to navigate the system more easily. This could imply that devolved administration has the potential to simplify access and increase take-up – a leading priority highlighted in the Welsh Benefits Charter.

Research by Taylor-Collins and Bristow (2020) stressed the importance of guiding devolved social security design through clearly defined principles and intended outcomes. They identified three essential principles for any welfare system - accessibility, adequacy, and flexibility – and argued that, for Wales, intended outcomes would include reducing poverty, maximising incomes, and improving outcomes for children and families. These principles and outcomes align closely with the subsequent Welsh Benefits Charter. To achieve some of these aims, they argued that Wales could follow Scotland's example, where extensive citizen consultation and the creation of 'Our Charter' placed dignity, fairness, and respect at the heart of welfare delivery.

Davies, Evans, and Cross (2025) focus on the role of stigma within the UK welfare system, arguing that it undermines fairness, accessibility, and public trust, and can result in lower take-up rates. To tackle stigma, the authors recommend a "humanised approach" like that adopted in Scotland, where welfare delivery emphasises empathy, dignity, and flexibility – goals closely aligned with those in the Welsh Benefits Charter.

Earlier work by the Bevan Foundation (2016a) had highlighted many of the same themes. They argued for a fresh assessment of the potential for devolving welfare, particularly given the changing UK policy context – and in particular, the impacts of austerity – and its disproportionate effects in Wales. They highlighted the scale and significance of welfare to Welsh society and the economy. Approximately half of the population in Wales receives some form of benefit, including state pension, child benefit, or a benefit for people of working age, and welfare payments injected around £10 billion into household budgets annually at the time of writing. On this basis, they argued that administrative devolution could have a transformative impact, as even a relatively modest improvement in take-up, responsiveness, or targeting could improve the lives of a substantial number of people and households in Wales. They argued that closer alignment of welfare delivery with Welsh needs could potentially improve outcomes across areas, including housing support, employment, and disability benefits.

3.2.4   Additionality and practicality of options for devolution of social security administration in Wales

While there is a significant amount of writing about further devolution to Wales in general, and on social security policy, only a relatively small number of options specifically for administrative devolution are discussed in the existing literature. The practicality of those options – operationally, or in terms of the complexity of negotiation that would be required – tends not to be discussed in detail and is often considered only implicitly (in light of the fact that the authors are suggesting or proposing the option). As a result, below we address Questions 1a and Question 4 (concerned with the additionality and practicality of options for devolution) together, but we note that it is generally Question 1a (additionality) that is directly addressed.

A small number of papers elaborated further on how specific examples of administrative devolution could add to the Welsh Government's ability to pursue some of the objectives discussed.

Both the Bevan Foundation (2016a) and Miles and Rutter (2024) highlight the area of employment services and support, with administrative devolution among one of several options on a spectrum from no change to full devolution of administration and policy. Administrative devolution would allow Wales to have control over how employment support is delivered. In Miles and Rutter's view, this could allow Wales to design an approach that better accounts for local labour market conditions across Wales and is better aligned with adjacent devolved policy areas and integrated with related support, e.g. for health and skills. In addition, it would create clearer accountability for employment support and related services within Wales, which may help to drive further improvement over the longer term.

Another area in which the Bevan Foundation (2016a) argued for some administrative devolution was in housing. They argued for increased flexibility over payment frequency, and direct payments to landlords, of housing support. That said, other changes to housing support that they felt would be beneficial tended to fall more squarely in the area of policy than administration.

Payment flexibility is an area in which there is a relatively direct example of devolution from Scotland. The evaluation of "Scottish Choices" in Universal Credit conducted by Rennick (2021)), and also discussed in Adam and Philips (2021), offers some reason for optimism that additional payment options can help create a more people-centred and flexible system. These options have helped claimants to manage their budgets more effectively, with take-up relatively high among social tenants and those with limited work capability. It highlights that just over one-third of new Universal Credit claimants in Scotland had opted to use at least one of the payments. However, Scotland's experience also suggests some reasons for caution: awareness has been limited, and there has been some confusion around the consequences for payment timings (perhaps partly because, as explained by Adam and Philips (2021), taking up the more frequent payment option actually results in receiving some of the support later than it would otherwise have been received). It is also worth noting that, while these changes sound administrative in everyday language, changing the relevant payment arrangements in Universal Credit does, in fact, require a change in legislation because payment frequency is specified in primary legislation (Taylor-Collins and Bristow, 2020).

The Davies, Evans, and Cross (2025) study which focused on the role of stigma also drew lessons from Scotland. Among a range of options they discuss, one that is relatively likely to be facilitated by administrative devolution is changes to delivery of the assessment process for health-related benefits (and in particular Personal Independence Payment). They argue that having initial health assessments conducted by professionals more specifically trained for that purpose, and other changes to the training of staff, as in Scotland, to make the process more sensitive and flexible, can make an important contribution to reducing stigma.

Finally, the potential for re-design of staff training to help better pursue Welsh Government objectives was also raised in a different context, by Taylor-Collins and Bristow (2020). They argued that training front-line benefits staff in specialist or trauma-informed practices could make a positive difference. Efforts of this nature are not impossible without devolution – the authors note a previous partnership between Oxfam Cymru and the DWP to deliver poverty awareness training – but administrative powers would mean that Wales can choose to deliver and design such training without the need to broker bespoke agreements or partnerships.

3.2.5 Limitations, costs, and risks of devolved administration of social security in Wales

We found that discussions of the limitations, costs, and risks of devolved social security administration tended to be blended together, and they covered only a small range of issues, centred around fiscal liabilities and risks. There was very little discussion specifically of what might prevent administrative change from achieving its goals, as opposed to what costs or risks it might bring. As a result, we address Questions 2 and 3 together.

Literature focuses heavily on fiscal risks and uncertainty

Taylor-Collins and Bristow (2020) noted that devolving social security carries fiscal costs and risks. Establishing new administrative infrastructure and capability would likely involve upfront costs for staffing, establishing complex data-sharing arrangements, and ongoing

costs of new administrative layers within Wales, which would be the responsibility of the Welsh Government.

Some papers discuss the distribution of fiscal risks under devolution more broadly, often in the context of wholescale policy devolution. Nevertheless, while the specific examples discussed do not necessarily translate to the case of administrative devolution, some of the general issues they highlight do. Eiser (2019) discusses fiscal risks in the case of the eleven social security payments devolved to the Scottish Government. Faster population ageing in Scotland increased spending pressures on these benefits relative to England, leaving the Scottish budget vulnerable when Block Grant Adjustments (BGAs) from Westminster did not fully offset those higher costs.

Eiser (2019) also highlighted the risk of forecasting errors, where actual social security spending diverges from the projections on which BGAs are based. History suggests that UK-level forecasts are typically inaccurate by around 3.5%, which translates to over £100 million annually for Scotland's devolved benefits. For Wales, this serves as a cautionary example of the potential fiscal exposure that accompanies the devolution of social security responsibilities. The risks of purely administrative devolution are not necessarily of the same scale or nature (and are discussed in much more detail later in this report), but the point remains that the costs of implementing new functions or powers can be unpredictable and are susceptible to change due to external pressures.

Eiser (2020)'s analysis of the Scottish experience of devolution notes the significant institutional infrastructure involved, and the costs of this, in particular (for our purposes) Social Security Scotland. This required over £300 million for initial setup and around £150 million annually to operate, partially offset by UK government contributions of £200 million upfront and £66 million per year. Purely administrative devolution of social security in Wales would be highly unlikely to entail set-up or running costs of a similar scale, but such costs would exist, and they would often scale with the level of ambition embodied in the changes being made. Ifan and Siôn (2019) emphasise there would likely be administrative and implementation costs of future social security devolution to Wales (albeit in the context, again, of a wider analysis of policy as well as administrative devolution). They make the point that transferring powers over multiple benefits, rather than just one at a time, could help to diversify the funding risks, given that risks may materialise in different directions (or to different extents) for different benefits.

3.3   Survey

3.3.1   In summary

- Children and families, benefits for disability and ill health, Jobcentres, employment and conditionality, and housing were the areas of social security that respondents felt devolution of administration could make the most significant positive difference.

- Respondents most often felt that devolution of social security administration could be helpful in providing a more flexible, less one-size-fits-all system as well as ensuring people are treated with dignity and respect (in line with the social model of disability).

Respondents were particularly likely to disagree that the Welsh Government can adequately pursue a more flexible system with its current powers.

- Respondents commonly felt that the pursuit of higher take-up and awareness of benefits is something that can already be achieved with existing powers (corroborated, but also significantly caveated, within stakeholder interviews).

- In terms of risks and challenges, concerns over costs and funding as well as what can be achieved when both policy and much of funding is Westminster-led, were prominent. Choosing from a pre-set list, respondents were most likely to select "powers not being matched by resources" as the biggest threat to devolution of administration achieving its goals.

- When asked about more specific options for devolution of administration, the most popular related to processes around assessment (in particular for health-related benefits) and applications for benefits.

The survey included 20 questions covering the opportunities, challenges, and risks of devolving social security administration, as well as the best candidates for devolution. There was a total of 7 closed-text questions (6 excluding the first question on consent to participate in the survey) and 13 open-text questions. All but 2 open-text questions were designed to follow the preceding closed-text questions, providing respondents with the opportunity to offer explanatory comments or to suggest additional options not already included. Overall, Q3 to Q13 explored opportunities, Q14 to Q17 examined challenges and risks, and Q18 to Q20 focused on identifying the most suitable candidates for devolution.

The following section provides an overview of the 26 valid survey responses received.

3.3.2   Q2: What is your area of expertise within social security?

All survey respondents (26) answered this question. Six predefined areas of expertise were included, of which respondents were able to select all that apply. Respondents could also add an "Other" option. Table 2 depicts the frequency of responses.

Table 2. Distribution of responses for Q2

Area of expertise	Frequency
Disability and ill health	16
Jobcentres, employment, and/or conditionality	6
Children and families	5
Housing	<5
16–24-year-olds	<5
Pension-age support	<5
Other	7

Note: Personally identifiable information has been redacted to protect respondents' anonymity.

Respondents most commonly considered themselves experts in social security relating to disability and ill health (16 respondents). Among the listed options, the second most frequently reported area of expertise was jobcentres, employment, and/or conditionality (6 responses). It was also common for respondents to provide their own input, with the "Other" option being the second most frequently selected (7 respondents). "Other" responses included expertise in the social security system more broadly, including areas that overlapped with the predefined options; expertise in devolution; and more specific areas of specialism (e.g. mental health).

3.3.3   Q3 to Q5: In which broad areas of social security do you think that devolution of administrative powers to Wales could make a significant positive difference to households or communities in Wales?

In Q3, respondents were asked to rank six broad areas of social security in order of where they felt the devolution of administrative powers to Wales could have the most to least positive impact. This question required ranking every option rather than selecting a single area. An "Other" category was also included to allow respondents to introduce an additional area of social security not already listed. Those who wished to do so could rank this "Other" category alongside the six predefined options and then specify the alternative area in the following question (Q4). Respondents who did not wish to propose an additional area were instructed to place "Other" last in their ranking. Respondents could also offer additional explanatory comments through their response to Q5.

Q3 received a total of 22 responses.

Figure 1 shows the overall ranking of these areas of social security according to respondents' views. The bar chart shows overall ranking of social security areas by perceived positive impact of devolving administrative powers to Wales with horizontal blue bars representing scores from 0 to 6. Each area was assigned a score based on its rank: higher-ranked areas received higher scores, and lower-ranked areas received lower scores. These scores were then averaged across all respondents to produce a total value for each option. As a result, the numbers shown in the figure may include non-integer values, reflecting the average relative importance assigned to each area rather than the number of respondents placing it in a particular position. Children and families rank highest near 5.5, followed by disability and ill health, jobcentres and employment, housing, 16-24-year-olds, pension-age support, and other at lowest around 1.5.

Figure 2 shows the distribution of respondents' rankings across each social security area - Children and families, Disability and ill health, Jobcentres/employment/conditionality, Housing, 16-24-year-olds, Pension-age support, and Other. For each area of social security, the figure depicts the percentage of respondents who placed it in first, second, third, and subsequent positions. This provides a clear view of which areas were ranked highest overall, as well as the spread of opinions across all respondents. This complements the overall scores shown in the bar chart Figure 1 by providing additional detail on the spread of rankings.

Figure 1. Overall ranking of social security areas by perceived positive impact of devolving administrative powers to Wales
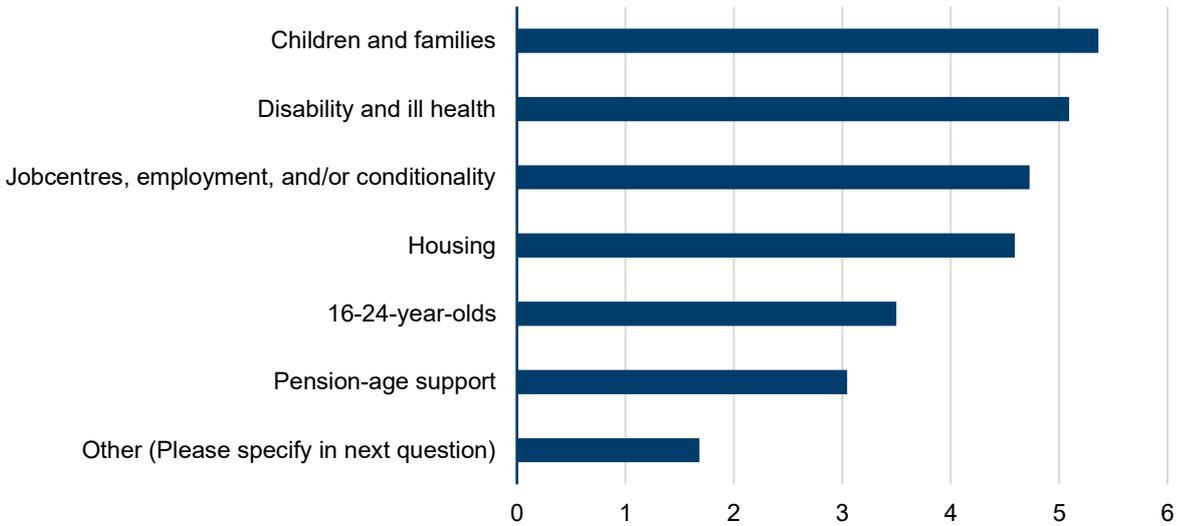
Figure 2. Distribution of rankings of social security areas by perceived positive impact of devolving administrative powers to Wales
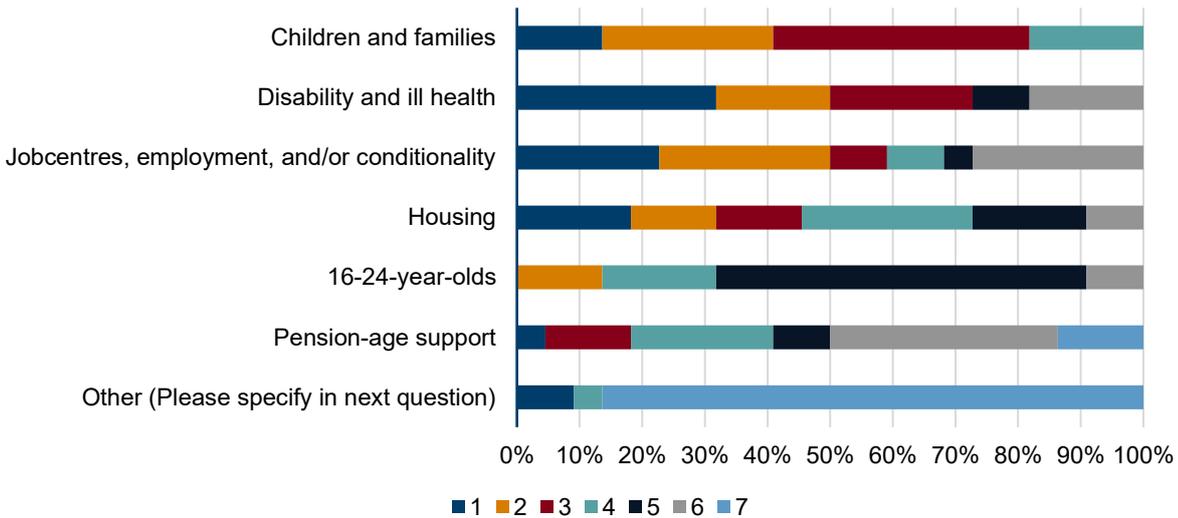
Note: Numerical rankings are expressed such that "1" indicates first place, "2" indicates second place, and so forth.

The top four categories - (i) children and families, (ii) disability and ill health, (iii) Jobcentres, employment, and/or conditionality, and (iv) housing - were all ranked highly, with relatively little variation between them. Differences in average ranking scores between the first and second positions, as well as between the third and fourth, were modest. This indicates that respondents did not express a strong consensus that any single area would benefit substantially more than others from devolution.

Among these four areas, disability and ill health and jobcentres, employment, and/or conditionality were most frequently ranked first by respondents (32% and 23%, respectively. In comparison, children and families were less often ranked first (14%) but were consistently placed among the top options and never ranked lower than fourth. This suggests that while

disability and ill health and Jobcentres, employment, and/or conditionality were viewed as the most immediate priorities, children and families were widely regarded as an area with strong and broad potential for positive impact.

Pension-age support had the greatest spread in rankings, with some respondents ranking it very low and others very high. Impacts on 16–24-year-olds were relatively consistently ranked towards the bottom, with 59% of respondents placing it fifth.

Around 9% of respondents ranked "Other" options, of which none ranked this category last. Other areas which were introduced, via responses to Q4, as having potential to be positively impacted by devolution included the provision of Welsh-medium services as well as aspects of the administration of Universal Credit. Other themes raised by respondents included the dependence of impacts on the level of resources provided, and disagreement over whether any positive impacts would in fact arise from devolution.

Eleven respondents provided explanatory comments within Q5. Some of these respondents noted that the positive impact on households or communities in Wales will depend on how much the Welsh Government decides to spend. The respondents also highlighted that devolving administrative power will allow the Welsh Government to play a stronger role and make a difference in benefits by changing the frequency of payments and introducing new payments, for example, a Wales Child Payment.

Respondents suggested that devolving administrative powers could improve the design and delivery of support programmes and assessments. For example, they might help to make assessments more people-centred; or more streamlined and less cumbersome, e.g. by facilitating efforts to integrate parts of the claiming process for Pension Credit with existing local authority-administered benefits like Housing Benefit and Council Tax Reduction.

Some respondents noted that devolving administrative powers could improve responsiveness to local needs. They suggested that a devolved system would be better placed to support local contexts, for instance, to respond to local challenges faced by smaller towns, rural areas, and farming communities. Other respondents highlighted the potential benefits for Welsh speakers, suggesting that delivering services in Welsh could strengthen cultural identity, build trust, and enhance communication, particularly in sensitive areas such as social care.

3.3.4 Q6 to Q10: To what extent do you agree or disagree that the following can already be met using existing powers and capabilities, without further devolution of social security arrangements?

In Q6, respondents were asked to what extent they believe that specific objectives in the Welsh Benefits Charter could be adequately pursued using existing powers, without the devolution of social security administration. These objectives are: (i) providing a flexible system that is not 'one-size-fits-all', (ii) improving awareness and take-up of support, (iii) supporting children and young people from low-income families, (iv) treating individuals with dignity and respect and in line with the social model of disability. For each objective, respondents provided a ranking on a five-point scale: strongly agree, agree, neither agree

nor disagree, disagree, and strongly disagree. In Q7-Q10, respondents were able to provide any explanatory comments on their ranking for each of the objectives.

Figure 3 depicts the distribution of respondents' levels of agreement with four statements about support systems, with categories ranging from strongly disagree to strongly agree. The length of each coloured segment represents the share of respondents selecting that level of agreement. Positive values indicate agreement, while negative values indicate disagreement. Neutral responses are split evenly, with half assigned a positive value and half a negative value, so that the overall bar is centred around zero. As such, the chart displays the overall tendency of responses along the agreement–disagreement spectrum as well as the proportion of respondents in each category.

Figure 3. Respondents' agreement with the extent to which WBC objectives can be achieved using existing powers
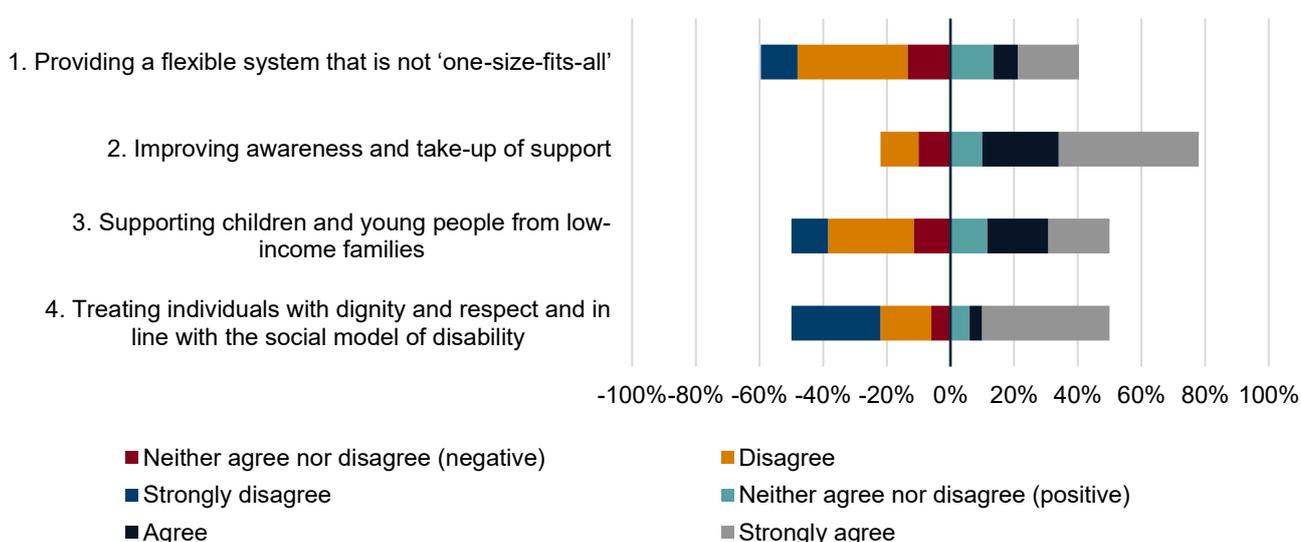
Note: The figure displays the number of respondents selecting each point on the agreement scale. Positive values reflect agreement, while negative values indicate disagreement.

Among the objectives listed, improving awareness and take-up of support (Objective 2) was the one that respondents were most likely to feel could be achieved with existing powers and capabilities. 68% of respondents either agreed or strongly agreed that this is the case. No respondent expressed strong disagreement with this view.

For all other objectives, there was less consensus. Responses were evenly split for children and young people from low-income families (Objective 3), with agreement and disagreement distributed across the spectrum. Opinion was even more sharply divided on treating individuals with dignity and respect (Objective 4), with substantial proportions at both extremes (40% strongly agreeing and 28% strongly disagreeing), and fewer respondents selecting middle categories, indicating significant divergence in views. There was also no clear consensus on providing a flexible system tailored to individual needs (Objective 1), although responses showed a slight tilt toward disagreement: 48% of

respondents felt that existing arrangements are insufficient to allow for flexibility, including 12% who strongly disagreed.

Twelve respondents provided explanatory comments on their ranking for each of the objectives.

For **providing a flexible system that is not 'one-size-fits-all'**, respondents felt that dealing with the DWP and related services can be a difficult and often distressing process, and some families in Wales face complex circumstances that require more sensitive, inclusive support. Greater encouragement and provision for using the Welsh language in support services should be prioritised.

The reliance on digital platforms, such as mobile apps or online forms, fails to consider the needs of elderly people, those with learning disabilities, or individuals who struggle with literacy.

Respondents who neither agree nor disagree mentioned that devolving certain responsibilities to Wales could improve accessibility by allowing control to be exercised locally. Providing better Welsh language services, tailored specifically to users in Wales, could also increase usage and awareness of these services.

Some respondents questioned whether administrative devolution alone – without devolution of policy decisions alongside it – would be sufficient to make the system more flexible.

For **improving awareness and take-up of support**, respondents noted that the Welsh Government is already working to improve awareness and take-up of benefits.

Therefore, some thought that devolution efforts would be better focused on other problems. That said, others felt that there is still significant room for further improvement to ensure that all individuals eligible for benefits are fully informed and supported. Low uptake of direct payments and lack of awareness about discretionary housing payments were raised as specific examples.

Multiple respondents felt that, while Wales is already taking steps to **support children and young people from low-income families**, more needs to be done. Many families remain unaware of available help, such as school uniform grants or free school meals, and some feel stigma when seeking support. Even with administrative devolution, however, some respondents feared support for children and young people would remain inadequate without much wider change (for example, several called for fairer taxation, with greater contributions from the wealthiest, or suggested introducing a Wales Child Payment like Scotland's).

For **treating individuals with dignity and respect and in line with the social model of disability**, some respondents highlighted that greater awareness and training around the social model of disability would be key to treating people as equals and with respect, and felt that current efforts remain insufficient in this regard. This was again an area in which respondents remarked that, while the Welsh Government may be able to drive small improvements already with existing powers, more substantial change would require devolved powers alongside a clear commitment of resources.

3.3.5 Q11 to Q13: Which of the Welsh Benefits Charter objectives do you think could be better supported through devolution of social security arrangements?

Within Q11, respondents were asked to rank the same WBC objectives as in Q6, and this time they were asked whether they felt these objectives could be better supported through the devolution of administrative powers to Wales. An option disagreeing that any of the WBC objectives could be better supported was also included. Finally, an "Other" option was included, with respondents instructed to rank it last if they did not wish to consider an additional option. Those who selected "Other" were able to specify their alternative choice in the subsequent question (Q12). Respondents were able to provide any explanatory comments as part of Q13.

There was a total of 22 responses to Q11.

Figure 4 shows the overall ranking of these objectives according to respondents' views. Similar to Figure 1, each objective was assigned a score based on its rank: higher-ranked objectives received higher scores, and lower-ranked objectives received lower scores. These scores were then averaged across all respondents to produce a total value for each option. Top objectives include providing a flexible system and treating individuals with dignity, both rated 5, followed by improving awareness and supporting low-income families rated 4, with lower ratings for social security devolution and other unspecified objectives. Figure 5 shows the distribution of respondents' rankings for objectives including flexible systems, dignity in disability support, awareness improvement, support for low-income families, and social security arrangements. It depicts the percentage of respondents who placed it in first, second, third, and subsequent positions.

Figure 4. Ranking of WBC objectives by the extent to which they could be better supported through devolution of social security arrangements
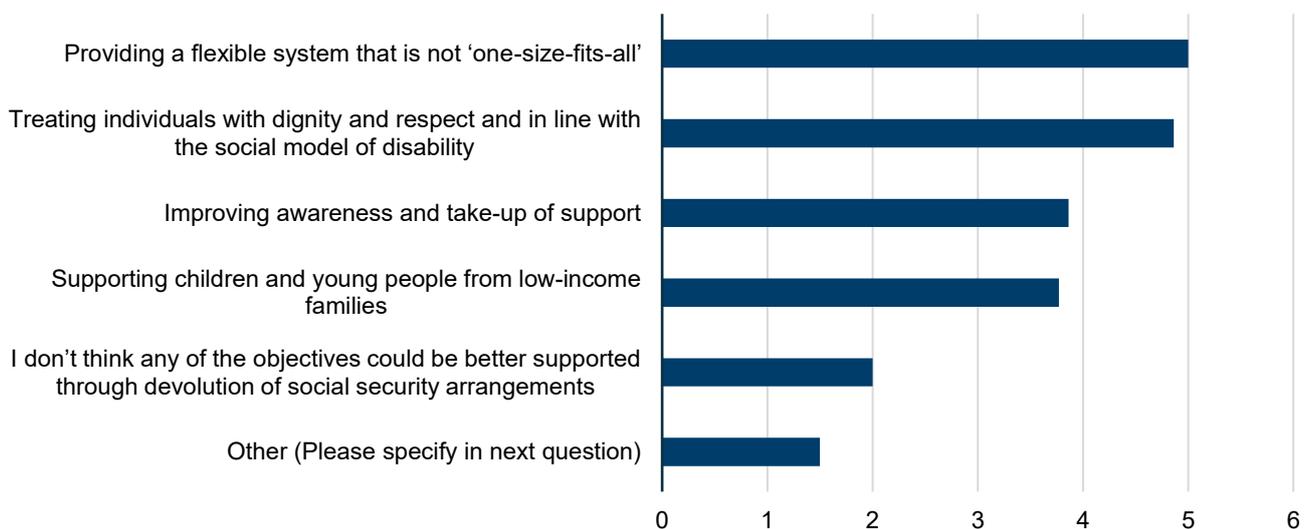
Note: Higher rank indicates greater need for devolution of social security arrangements

Figure 5. Distribution of rankings of WBC objectives by the extent to which they could be better supported through the devolution of social security arrangements
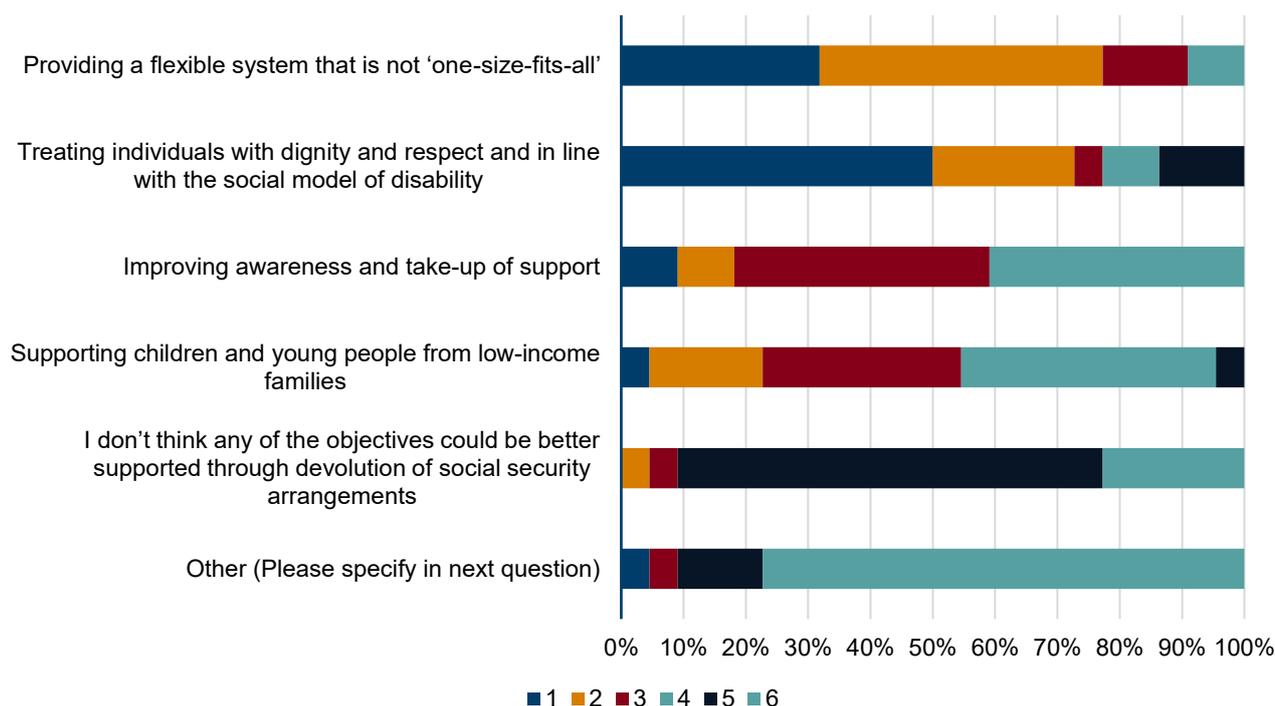
Note: Numerical rankings are expressed such that "1" indicates first place, "2" indicates second place, and so forth.

Overall, respondents tended to hold the view that at least some of the WBC objectives could be better supported after the devolution of social security arrangements. The statement "I don't think any of the objectives could be better supported through devolution of social security arrangements" was ranked lowest among the predetermined list of options, with 90% of respondents ranking it at the bottom or second-to-last.

"Providing a flexible system tailored to individual needs" and "Treating individuals with dignity and respect" ranked highest as the objectives that respondents felt could be better supported by devolving social security arrangements. This broadly aligns with responses to Q6, especially for the objective of providing a flexible system, which respondents tended to view as the objective that current capabilities and powers are least able to secure.

A minority of respondents (22%) also introduced and ranked "Other" objectives. Often, the other objectives were not subsequently specified, but one respondent suggested that devolving social security administration could better support families in becoming financially resilient.

Five respondents provided explanatory comments in Q13. Among the views expressed here were that devolution could be beneficial in providing alternatives to reliance on crisis support (such as the Discretionary Assistance Fund and food banks).

3.3.6 Q14 to Q15: What factors do you consider likely to limit the potential of devolution of social security arrangements to Wales to achieve its goals?

Within Q14, respondents were asked to select, from a set of 3 options, which they believe are likely to limit the potential of devolution in enabling Wales to achieve its goals. Respondents were able to select all that apply, and to add an additional "Other" option. Q15 allowed respondents to provide any explanatory comments to their selection.

Twenty-four respondents answered this question. The bar chart in Figure 6 shows factors likely to limit devolution of social security arrangements to Wales, with counts for each factor. "Powers not matched by resources" leads at 20, followed by "Other powers that remain reserved constrain scope of Welsh initiatives" at 14, "The system becomes more complex and disjointed" at 10, and "Other" at about 2.

Figure 6. Frequency bar chart depicting factors perceived by respondents as likely to limit the potential of social security administration devolution in Wales
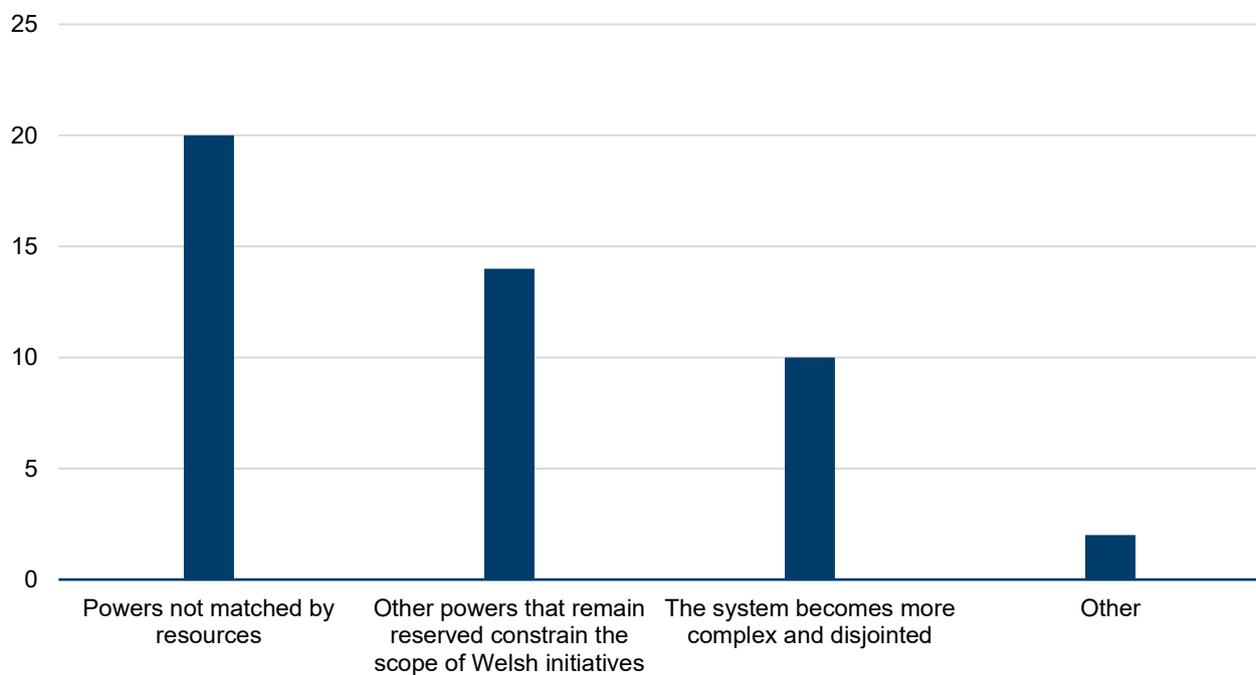
All of these factors were quite commonly considered to be potential limiting factors, and many respondents chose multiple options. Resource constraints were most commonly selected as a potential barrier (80% of respondents), followed by constraints on what devolution can achieve while other powers remain reserved (58% of respondents), and then by increased complexity or disjointedness in a partially devolved, partially reserved system (41%).

A small number (8%) of respondents included barriers not mentioned in the predetermined list by using the "Other" field. Among these responses, themes included bureaucracy as a barrier to receiving adequate support and the potential for mismanagement of new powers or failing to deliver on promises.

Seven respondents provided explanatory comments in Q15. A prominent concern raised here was that Wales' continued reliance on the UK Government for funding would limit its

ability to design a system that truly meets Welsh needs. It was highlighted that ensuring the right people receive the appropriate support at the right time is particularly challenging without full control over the entire system and sufficient funding.

Some also highlighted challenges around data access, noting that key information held by UK departments is needed to identify individuals missing out on benefits and to simplify claims. Hence, data-sharing barriers, if left unaddressed, may act as another constraint on what devolution could achieve.

3.3.7 Q16: Are there any other risks or challenges that you foresee with the devolution of social security arrangements?

This question was less commonly answered than most: 11 respondents answered Q16. Risks or challenges raised here included:

- Continued reliance on UK government decisions (perhaps better thought of as a limiting factor on what devolution can achieve, and hence repeating a theme raised in the previous subsection).

- Risks around the cost and funding of new arrangements, including uncertainty over what fiscal settlements would be reached with the UK government.

3.3.8 Q17: Are there specific examples of devolved social security administration elsewhere in the UK that you think should be replicated in Wales? If so, please specify.

Six respondents answered Q17. Most said that they were not sure or didn't know. Answers most commonly referred to Scotland, and measures such as the SCP (although this is policy rather than administration) and the "Scottish Choices" over Universal Credit payment arrangements. However, it was also noted that any lessons from the Scottish case must be taken with care – for example, because Scotland has more scope to fund additional costs through devolved taxation decisions.

3.3.9 Q18 to Q20: Below are some specific hypothetical examples of social security arrangements that could be devolved to Wales. Which of these do you think holds the most promise?

As part of Q18, respondents were asked to rank 6 hypothetical examples of social security arrangements that could be devolved to Wales according to which they felt that devolution could be the most promising. An "Other" option was included in the question, with respondents instructed to rank it last if they did not wish to consider an additional option. Those who selected "Other" were able to specify their alternative choice in the subsequent question (Q19). Respondents were able to provide any explanatory comments as part of Q20.

This question received a total of 22 responses.

Figure 7 shows the overall ranking of these examples according to respondents' views. Similar to figures 1 and 4, each objective was assigned a score based on its rank: higher-ranked examples received higher scores, and lower-ranked examples received lower

scores. These scores were then averaged across all respondents to produce a total value for each option. Assessment processes for health and/or disability benefits rank highest near 6, followed by application processes around 5.5, with other categories like sanctions regime, Jobcentre Plus, and payment arrangements showing progressively lower values. Figure 8 shows the distribution of respondents' rankings for each example. It depicts the percentage of respondents who placed it in first, second, third, and subsequent positions.

Figure 7. Ranking of hypothetical social security arrangements by perceived level of effectiveness
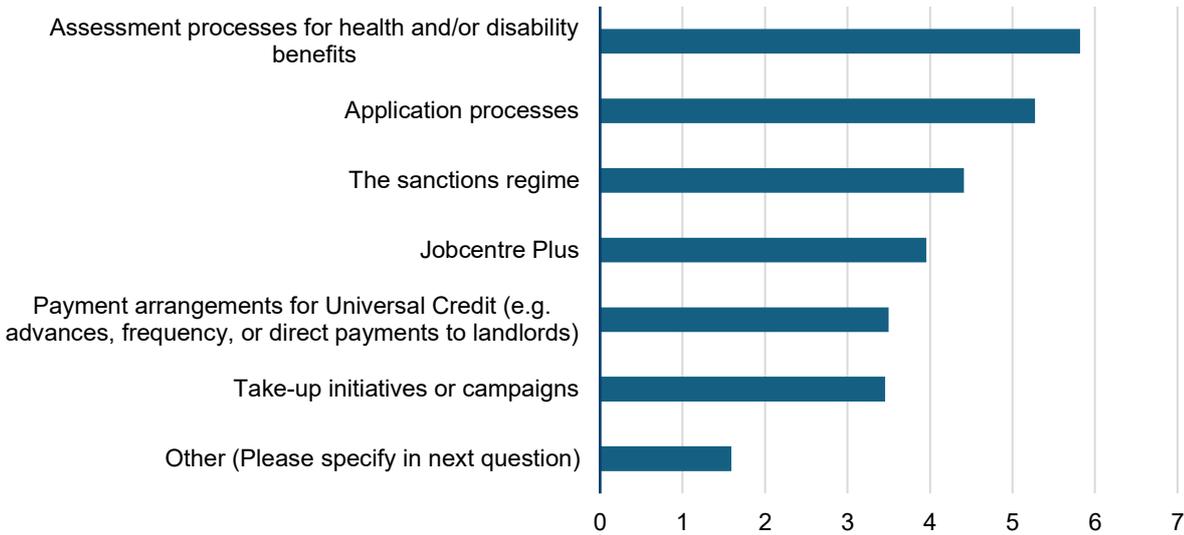
Figure 8. Distribution of rankings of hypothetical social security arrangements by perceived level of effectiveness
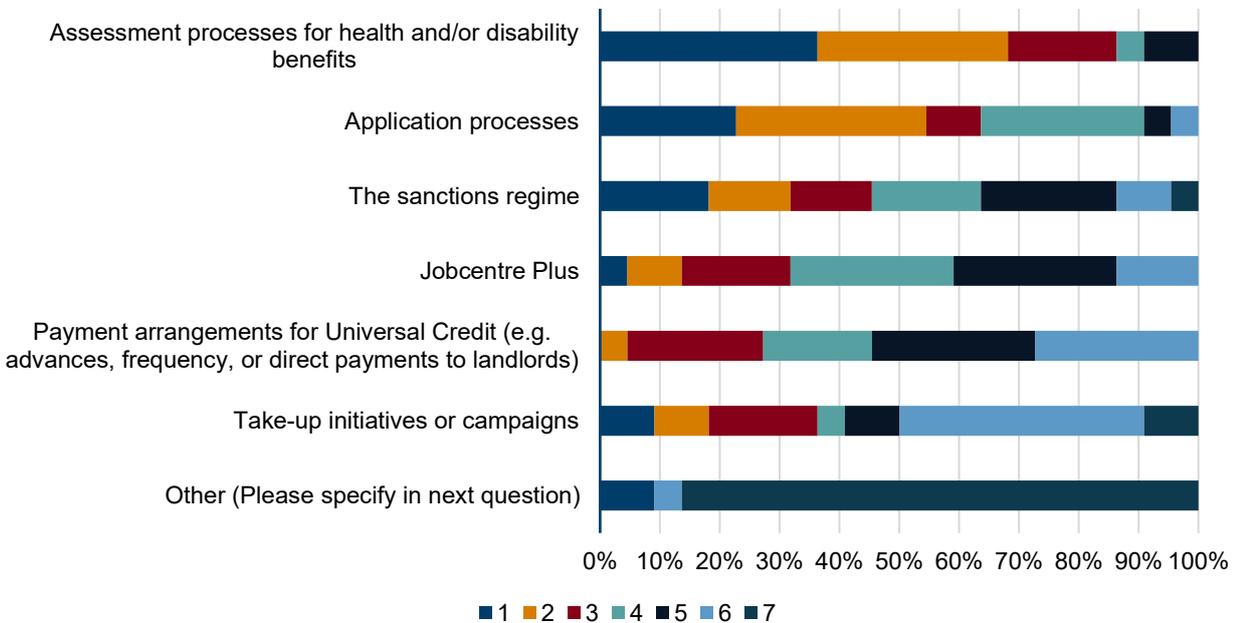
Assessment processes for health and/or disability benefits, and application processes, were ranked by respondents as the two most promising areas of devolution for Wales. Payment arrangements and take-up initiatives were ranked as the least promising.

A small minority of respondents (18%) introduced and ranked "Other" options, although these tended either to repeat more general themes (e.g. the importance of treating people with dignity and respect) or to refer to options such as a Welsh equivalent of the Scottish Child Payment that are likely out of the scope of administrative devolution.

Seven respondents provided explanatory comments within Q20. Dissatisfaction with current assessment processes for disability benefits was expressed, with concern that they cause distress and negatively impact health. In addition, respondents highlighted that they would prioritise addressing how elderly people and those who are illiterate are supported, particularly in a system that increasingly relies on digital tools. It was felt that measures to help with this could include simplifying application processes, providing tailored support for older people who struggle with technology, using data to target take-up initiatives more effectively rather than relying on generic campaigns, and ensuring that assessment procedures consider transport, healthcare, and other practical needs.

3.4   Interviews

3.4.1   In summary

- Most interviewees believed that devolving social security to Wales could improve the benefits system and advance Welsh priorities, such as those in the WBC. Others were more sceptical, arguing either that devolution was unnecessary to achieve these aims or that partial devolution would not go far enough.

- Interviewees most often discussed the priorities of streamlining administration processes, providing a flexible system, and treating individuals with dignity and respect. They suggested changes such as improving data sharing between the DWP and Welsh administrators, expanding options for how people engage with the system (e.g. face-to-face or online), and fostering cultural shifts through staff training and re-framing materials.

- Interviewees felt that children and families should be prioritised, as this aligns well with existing efforts in Wales. Others suggested focusing on areas closely linked to already-devolved policy areas, such as housing and employment, to improve system coherence. Some also highlighted disability and ill health, noting that Scotland's experience indicates potential positive impacts in this area.

- Interviewees identified several limiting factors, costs, and risks associated with devolving administration to Wales, including:

    i.   Challenges around data sharing, access, and analytical capacity;

    ii.   financial constraints, funding risks, and upfront costs;

    iii.   limited institutional and administrative capacity;

    iv.   governance and structural barriers;

    v.   fragmentation, communication difficulties, and issues with public understanding;

    vi.   duplication of effort and difficulties defining discrete areas of responsibility; and

    vii.   the inherent limitations of partial devolution.

Interviewees' knowledge and expertise spanned the whole social security system in Wales, with some being more generalist and others having a focus on specific areas (such as children and young people, disabled people, older people, etc.). Interviewees' roles ranged across policy, research, and administration, and there were also experts in Scottish and Northern Irish devolution of social security.

3.4.2   Alignment with the Welsh Benefits Charter and other Welsh Government priorities

Many interviewees felt that devolution of social security administration to Wales could improve the benefits system in Wales and help to better pursue many of the Welsh Government's priorities for it. Sometimes this came from a general view that simply doing things differently and/or looking at the system with a "fresh pair of eyes" could support this, while others were specific and suggested that devolution could allow Wales to decide its priorities and tailor services and efforts in particular ways. More than one interviewee remarked that, whatever changes were made, they would like them to be backed by evidence to the extent possible.

Other interviewees were more sceptical of the overall potential of devolution of social security administration to meet Welsh priorities. Some of these interviewees felt that devolution might not be necessary or may even distract from what needs to be done and can already be done. Conversely, others felt that devolution of administrative processes would not go far enough, and that wholescale devolution might be necessary for truly "transformative" change to occur.

Streamlining administration processes

Overall, most interviewees felt that devolution of social security administration could help to streamline processes. The most common suggestion here was that devolution could lead to better data sharing between DWP and administrators within Wales, for example leading to improved efforts to identify eligible non-claimants of certain benefits and reduce the burden of making multiple applications for similar benefits. Avoiding having to fill in multiple forms was said to be a particular priority for some disabled people.

Providing a flexible system

The majority of the discussion around providing a flexible system was around expanding the options available for how people engage with the benefits system in Wales. For example, interviewees felt that while some people prefer online, phone, and mail applications (sometimes due to reduced feelings of stigma), others would prefer an increase in number of local, face-to-face services. The feeling was that the more devolved administration is to the Welsh Government, the more opportunity there is to provide flexibility and to build support and advice around people's circumstances and the distinct challenges faced by communities in Wales. Some interviewees, however, cautioned around creating a "postcode lottery".

Improving awareness and take-up

There was not complete consensus among interviewees on whether devolution of social security administration could improve awareness and take-up beyond what can already be

achieved within the current system. Those who felt devolution might unlock the pursuit of this goal further often pointed to data sharing (see above) as the mechanism by which it could do so. Others felt that improving awareness and signposting to support does not require devolution.

Supporting children and young people from low-income families

A few interviewees felt that devolution of social security administration to Wales could particularly help better enable support for children and young people from low-income families. However, this tended not to be related to a specific idea for administrative change that would be closely targeted at this demographic. Rather, it flowed from a feeling that many within this group claim social security and would benefit from improved delivery of support.

Treating individuals with dignity and respect

The majority of interviewees felt that improvements could be made to treat individuals with more dignity and respect, and some felt that devolution of social security administration has promise here. Changes suggested included cultural changes to reduce stigma (e.g. through training of staff and reframing of materials shared with benefit recipients, as in Scotland), allowing work coaches more time to engage with claimants and spend longer in appointments supporting them, and improving data sharing so that administrators can have more information about individuals and better tailor support accordingly.

3.4.3   Claimant groups and benefit types to prioritise

Many interviewees felt that children and families were a group that should be prioritised if social security administration were to be devolved to Wales. Reasons for this included child poverty being a key priority within Wales and the Welsh Government already having made changes and improvements in this space, so devolution could align well with current efforts.

Other interviewees felt that devolving social security administration in areas adjacent to policy that is already devolved should be a priority, as this would enable more coherent, integrated policy within Wales. The main examples of this were in relation to housing and employment, although this point was also made with respect to health.

Some interviewees also felt that disability and ill health should be a priority area for future devolution. For example, one interviewee referred to where changes to disability assessment processes in Scotland seemed to have improved people's experiences with the system, indicating that similar improvements might be made in Wales – while noting that these changes were often more than just administrative given Scotland has full devolution of these benefits, which makes it more complicated to transfer lessons directly. Changes that could make the system more flexible or more streamlined were also often felt to be of particular benefit to disabled people.

When discussing pension age support, a couple of interviewees felt that more personalised and face-to-face support, as well as more consistent take-up campaigns, would be beneficial, and so this group could be prioritised.

Finally, two interviewees felt that devolving social security administration could support 16-24-year-olds in particular and should focus on young people who are unemployed or in precarious employment, care leavers, and those transitioning from child to adult services. One interviewee provided the example of Scotland's Developing the Young Workforce programme as something Wales could take inspiration from.

3.4.4 Lessons learned from elsewhere in the UK

When asked about examples of social security devolution elsewhere in the UK that Wales could learn from, several interviewees discussed Scotland. Positive lessons learned included Scotland (i) simplifying aspects of the application process, (ii) changing the framing and communications around social security to try to make it more sensitive, compassionate, and supportive, (iii) allowing more opportunity for face-to-face contact with the system, and (iv) reducing burden around disability assessments through basing decisions on one piece of evidence rather than multiple. Through these changes, interviewees felt that Scotland has created a more positive experience for claimants and has likely increased take-up.

However, interviewees also discussed challenges and risks faced by Scotland that Wales can learn from. For example, whilst the Scottish Government introduced flexibility around payment arrangements for Universal Credit, there was some sense that the effects of this have been underwhelming, with low awareness of the options. Another interviewee said that potential fiscal risks for Scotland limit what the Scottish Government can achieve, and that uncertainty over the fiscal arrangements with Westminster may constrain what the Scottish Government does. For example, it is unclear how far the SCP can be increased before the UK Government thinks it is increasing claims for Universal Credit (which is a passport to SCP) and seeks recompense. Other lessons from the Scottish experience, in particular in relation to its efforts to promote dignity and respect in the social security system, were covered in further detail as part of interviews later conducted for our case study (see Section 5.1.3).

3.4.5 Limiting factors, costs, and risks of devolved administration of social security in Wales

Interviewees were asked to reflect on practical, financial, political, and operational constraints, drawing on their direct experience of working within the welfare system.

Data sharing, access, and analytical capability

Interviewees identified the loss of integrated UK-wide data systems as a limitation of devolution. An interviewee underscored the experience in Scotland, where the break from UK Government data-sharing arrangements has created significant challenges for both administration and policymaking. DWP and HMRC have established procedures that allow different datasets to be linked, enabling authorities to identify claimants' circumstances and understand interactions between benefits. The arrangements reached around devolution did not give the Scottish Government the same access to these data. Although this may not directly disrupt day-to-day payments to claimants, it limits governments' ability to monitor trends, evaluate policies, or design policy in the way that it otherwise would.

As noted by an interviewee, Scotland's experience suggests that without the requisite analytical capability and data infrastructure, devolved systems can struggle to maintain the depth and quality of insight that UK-wide systems currently provide.

On the other hand, some interviewees highlighted better data sharing as a priority that devolution could, with the appropriate focus, help to overcome. They cited ongoing data protection concerns, with uncertainty over how far the Welsh Government or local authorities can use or share data without breaching the Data Protection Act. For some interviewees, the Data Protection Act has created a risk-averse culture and limited proactive efforts to try to use data to improve the situation for benefit claimants. Administrative devolution could, if designed appropriately, be used to create clearer pathways for the use and sharing of data within Wales.

Financial constraints, funding risks, and upfront costs

For many interviewees, there are funding pressures or risks that devolution could bring. They noted that new systems, training, and administrative processes require substantial upfront investment, particularly for new staff, IT infrastructure, and system integration. New processes also take time to embed, creating a period of operational uncertainty. Interviewees felt that without secure funding, the system could become unstable or collapse, leaving claimants without essential support.

Some interviewees stressed that devolution without adequate funding may place significant strain on already stretched budgets. Increased uptake (a positive outcome) of Welsh benefits would bring additional costs to Wales directly, while increased uptake of reserved benefits would bring costs whose distribution would depend on fiscal settlements reached with Westminster. Some interviewees therefore suggested that administrative devolution should be accompanied by broader reforms that could create the fiscal resilience needed for sustainable social security administration.

Institutional and administrative capacities and capabilities

Interviewees commonly raised concerns about the capacity and capability required to administer devolved social security functions effectively. Some of them felt that, if this were under-appreciated, it could lead to unrealistic assumptions about what can be changed effectively and how easily new functions could be introduced. Local authorities already face substantial financial pressures and limited capacity and expertise to take on new responsibilities. This partly links back to previously discussed concerns around costs. With enough money (and time), capacity constraints can be addressed, but this can be a big "if".

Governance and structural constraints

Some interviewees stressed that devolving administration without devolving policy powers would severely limit the potential for meaningful change. They noted that under an administrative model, Wales would remain bound by UK eligibility rules and payment levels, as well as UK-level decisions. This link could leave Welsh institutions responsible for delivery but unable to tailor benefits to local needs, and could create administrative challenges and public confusion. As several interviewees observed, such arrangements risk leaving devolved administrations blamed for unpopular UK-level decisions. This may be

particularly risky during the first stages of any such devolution, where one would instead hope to showcase its positive potential.

Along the same lines, interviewees felt that governance constraints also shape what is feasible in Wales. Collecting new types of data or altering administrative processes may require explicit legal powers, and uncertainty about these powers acts as a constraint. Some interviewees mentioned that a wholescale devolution approach (of policy and administration) would enable Wales to overcome structural limitations.

Risks of fragmentation, communication challenges, and public understanding

Interviewees identified the risk of fragmentation as a significant challenge in devolving social security administration. Change in general, and new layers of administration in particular, could create confusion and disengagement. Some interviewees underscored that, during the transition, there must be an effective communication strategy to ensure that claimants understand any changes and how the new system works. Language-tailored messaging and multiple communication channels would be needed to comprehensively reach all potential claimants. Groups most likely to fall through the cracks during any disruption or confusion caused by changes would likely include some of the most vulnerable groups that change would presumably be designed to help (e.g. older populations who may not use digital channels). Interviewees explained that this strategy would require careful planning, sufficient lead-in time, and active engagement with stakeholders, all of which demand considerable time and resources.

Duplication risks and the difficulty of carving out 'pockets' of devolved responsibility within a highly integrated system

Some interviewees felt there is a risk of duplication, with individuals receiving overlapping support from Welsh and UK programmes, leading to wasted resources or confusion for benefit recipients. One interviewee highlighted that the strong operational interconnectedness of existing systems (particularly since the introduction of Universal Credit) creates a significant challenge to devolved administration. In particular, Jobcentres combine a bundle of inter-related functions, including employment services and conditionality enforcement, back-office payment administration and application processing, and ID verification and fraud control.

Wholescale devolution of all of what Jobcentres do was generally considered unrealistic, so a question would arise around what functions can be devolved without creating problems at the boundary between reserved and devolved functions. Interviewees also questioned how Wales could manage these interconnected processes without replicating functions that are currently integrated within a single UK-wide system, potentially resulting in inefficiencies rather than improvements.

Limitations and risks of partial devolution

Some interviewees underscored the importance of managing expectations among policymakers, delivery partners, and the public. According to them, even though the Welsh Benefits Charter is a useful aspirational framework, it is only a high-level statement of

priorities. In that sense, they concluded that it is essential to understand collectively, with different stakeholders, what failure and success look like.

These interviewees felt that administrative devolution alone is too limited to achieve meaningful change. They questioned what such a change could accomplish and stressed the importance of defining clear intended outcomes that could be used to drive accountability and improvement. Without a clear theory of change with robust evidence behind it, stakeholders feared that expectations might exceed what administrative reforms can deliver. A particular challenge was raised in relation to drawing lessons from Scotland: it is difficult to be sure whether positive change there has been enabled specifically by aspects of administrative devolution, given that policy devolution has gone alongside it.

Some interviewees worried that Wales could find itself responsible for administering a system it cannot shape, while still being judged on outcomes largely determined by UK policy. This misalignment could strain the relationship between the devolved and central government and deteriorate public trust, undermining support for further devolution measures, however valuable they might be.

For some interviewees, to generate real improvements, reforms need to be more ambitious and integrated into a broader redesign of the system.

3.3.6   Potential options for devolution of social security administration to Wales

Interviewees were asked to comment on potential options for devolving social security administration to Wales. To aid the discussion they were presented with a list of options for potential devolution, or goals that might be pursued via devolution: (i) Jobcentre Plus, (ii) the sanctions regime, (iii) changes to application processes, (iv) changes to assessment processes for health and/or disability benefits, (v) payment arrangements for Universal Credit, and (vi) devolution enabling more effective take-up initiatives or campaigns. However, interviewees were told this was not an exhaustive list and were encouraged throughout the interview to make their own suggestions.

Interviewees generally focused little on the sanctions regime or payment arrangements for Universal Credit and viewed these as less promising options to take forward. For the sanctions regime, they commented that this would be impractical and difficult to negotiate with DWP, with the potential to veer into changes to policy. For payment arrangements for Universal Credit (such as more frequent payments or payments direct to landlords), despite this appearing to possibly be a natural choice for providing flexibility for claimants in the social security system, interviewees felt that where these options have been offered (e.g. Scotland and Northern Ireland), there has been little take-up, so it may not be worth devolution to make these changes.

From the suggested list, interviewees most commonly discussed the activities of Jobcentres, the application and claiming process, and assessments around health and disability benefits. They also made many suggestions and comments on other options. We cover the key points from this further in Chapter 4 and in even more detailed case studies taken forward in Chapter 5.

4. Options for devolution of social security administration

This chapter summarises the options for devolving social security administration to Wales that emerged most from Phase 1 of the research. This includes detailed case studies that are taken forward at the end of the Chapter, in Section 4.1.5.

In assessing different options, we have been particularly guided by the following criteria, developed and agreed early within Phase 1 of the research: alignment with Welsh priorities, size of impact, additionality over what can be achieved through existing pathways, practicality, and cost.

The summaries and discussion in this section are informed by the evidence review, survey, interviews, as well as our in-house expertise at Alma Economics and expert advice from our project partners at the Institute for Fiscal Studies.

4.1   Devolution of certain functions of Jobcentre Plus

One option is to focus devolution on the employment services side of benefits administration – essentially devolving some aspects of the functions of Jobcentre Plus. Some stakeholders thought that this would have the potential to make a significant positive difference in Wales.

There are at least two broad types of goals that could be pursued here, and the distinction between them is important.

First, there would be leeway to vary details of the claimant engagement process that can make a significant difference to their experience, such as the frequency of engagement, length of meetings, and the scope for taking the time to signpost and discuss options and available support. Generally, enthusiasm for these sorts of measures arose from a sense that Wales could make the system more compassionate, sensitive, and person-centred. Although these are understandable goals which align well with stated WG priorities, there are some complications with pursuing them via this route. For those of working-age using Jobcentres, it may be difficult to entirely separate these aspects of "process" from conditionality, and hence policy. Essentially, efforts to improve the claimant experience by reducing the burdens and hassle placed on them may be viewed by the UK government as a softening of conditionality. In this case, there would likely be an insistence that some degree of fiscal responsibility (that is, fiscal risk) in relation to affected benefits is transferred to Wales. This sort of complication, arising from an entanglement with conditionality, would be lessened if similar goals were pursued outside of the working-age system (as discussed later in the report, this is one reason why Pension Credit may be a more practical place to begin).

A second goal here could be to help link more seamlessly with already-devolved employment and skills services in Wales, or to help provide people with better, more tailored guidance on the most promising routes towards employability and work – accounting better for the specific local labour market challenges across Wales and integrating better with available local support. This is importantly different from the previous objective, in part because, if anything, it would be of direct benefit to the UK government if Wales successfully improved employment outcomes for its population (meaning less spending on reserved benefits in Wales).

While this option appears promising in some ways (dependent on key operational details being worked out) and worthy of further exploration, the key reason for not pursuing this as an in-depth case study within this piece of work relates to adjacent work already taking place in this policy area regarding devolving non-Jobcentre employment services to Wales (UK Parliament, 2025a).

4.2 Devolution enabling changes to health and disability assessment processes

There is widespread dissatisfaction with the system for assessing health and disability within the UK benefits system, including how people feel treated by it. There are also many overturned decisions. Some stakeholders feel that this indicates the potential for improving the situation if Wales has more control over how the process is conducted. The potential for impact is undoubtedly significant: Wales has high rates of disability and ill health compared to the rest of the UK; the amounts of money at stake are significant, meaning a big difference to people's lives when someone is awarded this support compared to when they are not; and the process leaves a lot of scope for disillusionment and feelings of poor treatment among vulnerable populations. This is an area in which promoting dignity and respect within social security, as the Welsh Benefits Charter highlights, could make a big difference to claimants.

On the other hand, if this area were subject to administrative devolution, a lack of control over policy decisions (e.g. actual eligibility criteria) limits what can be done. There are real questions over the extent to which, for example, reframing of communications and retraining of staff can, on their own, substantially improve the claimant experience when the actual award criteria and monetary amounts at stake remain the same. The example of Scotland, which has replaced Personal Independence Payment with its own Adult Disability Payment while attempting to place dignity, fairness and respect at the heart of its system, does not fully clarify this question – in part because Scotland has policy control as well as administrative power in this area.

One possibility raised is that partial devolution of responsibility means that the administrators (i.e. those in Wales) would merely become associated with negative outcomes which arise from things (i.e. policy) that they cannot control. In addition, the history of reform in this area across the UK suggests that effects are unpredictable and that reform is invariably controversial. Assessments inevitably have a subjective element, which can also lead to appeals, complaints and dissatisfaction. Viewed within the wider potential project of administrative devolution of social security, this could be a relatively risky first move in terms of demonstrating its utility.

This is also an area of spending that has been rapidly increasing at the UK level, and there is likely to be nervousness from DWP around ceding control over anything that might plausibly affect that spending level further. This is particularly the case given that DWP has announced plans to link the health assessment for Personal Independence Payment (PIP) directly to entitlements to the health-related element of Universal Credit, meaning that any changes to PIP entitlements can, in future, directly increase Universal Credit spending. The details of any fiscal settlement around devolution in this area would be important. If any

fiscal risks around elements of spending on health and disability benefits were effectively transferred to Wales, this would be significant given the history of large and unexpected shifts in the spending outlook for disability benefits.

In summary, it is difficult to see what can be done here that has a meaningful impact without veering into policy. Agreeing fiscal arrangements with Westminster would likely be difficult or result in a large amount of fiscal risk ending up with Wales, for potentially limited gains

4.3   Devolution around housing-related benefits

A key reason to consider devolution with respect to housing-related benefits is that housing policy more broadly is already devolved to Wales, so devolution of housing benefits could enable more joined-up policy. For example, housing benefits can affect house-building needs or the needs for social housing by affecting which areas are more and less affordable, and the needs for housing of different sizes.

The main challenge in this area is the risk that administrative devolution may fall between two stools:

On the one hand, without policy devolution, administrative change in this area might be considered 'tinkering around the edges'. For example, setting LHA rates would be policy, so instead, options raised include the ability to define the boundaries of Broad Rental Market Areas (BRMAs) differently. This could have important distributional effects within Wales, such as benefitting low-income households in higher-cost areas of BRMAs. However, if it is not to increase overall housing benefits spending, it would then need to take money away from low-income households in lower-cost localities – creating 'losers' as well as 'winners'. If it did increase overall housing benefits spending, then it is more akin to a rise in LHA rates (on average), and there would very likely be cost implications for Wales under the Fiscal Framework.

On the other hand, this is an area where there is already some scope for Wales to provide targeted additional housing support to households without further powers, especially through Discretionary Housing Payments (DHPs), and particularly if it is willing to devote additional budget to it (e.g. as Scotland has done by effectively offsetting the so-called "bedroom tax"). The Welsh Government can, if it wishes, provide funding to Welsh local authorities to help them top up their DHP allocation from DWP (up to a limit permitted by regulations). For example, it could achieve some of the same objectives as BRMA boundary changes through tilting more DHP funds towards local authorities that include higher-cost areas.

4.4   Options chosen for in-depth case studies

Two further options discussed by key stakeholders and experts within Phase 1 were, on balance, deemed the most worthy of more detailed exploration, and hence were taken forward as in-depth case studies.

The options taken forward as case studies of hypothetical devolution in Wales were:

- The potential for devolution to unlock greater data sharing, giving Wales greater visibility of who its vulnerable households are and what their circumstances are leading to better identifying and targeting people with the right services or support, or with take-up initiatives.

- The potential for a renewed, devolved form of benefits advice and support in Wales to help create the more flexible and person-centred system desired. Particularly because when benefits agencies and employment services were integrated to form DWP Jobcentres, a localised presence dedicated to benefits was lost.

The main criteria used to prioritise different options were alignment with Welsh priorities and objectives (such as those set out in the Welsh Benefits Charter), potential scale of impact (including which regions or groups of people would benefit most), additionality over what can be achieved through existing pathways, practicality, and cost (including potential fiscal negotiations necessary with DWP). The main reasons why our chosen case studies were taken forward were their potential to align with central Welsh Government objectives (e.g. around take-up and a person-centred system), as set out in more detail in Section 4.1.5.

Another case study of devolution elsewhere in the UK was also chosen, in order to learn any relevant lessons for Wales:

- Lessons that can be learned from Scotland's efforts to reframe social security and place dignity and respect front and centre. This comprises changes to training of administrative staff, re-framing communications around benefits, and certain changes to application processes.

4.5 Case studies

This section outlines our three in-depth case studies. Two of these explore how devolution of social security administration to Wales might help to achieve key goals that emerged from our research, both of which relate to stated Welsh Government priorities: (i) improved visibility of the circumstances of vulnerable households in Wales and (ii) more localised, personalised support for benefit claimants. The third case study explores Scotland's approach to reframing social security through changes to framing, communication, and training. This approach shares many goals in common with those in the Welsh Benefits Charter, and we examine what lessons from Scotland's experience might apply to Wales.

The insights in this section are informed by interviews with relevant stakeholders, complemented by the expertise of the project team at Alma Economics and that of our project partners at the Institute for Fiscal Studies, who have provided expert advice and challenge throughout.

4.5.1 Devolution to achieve better data sharing and improved visibility of low-income households in Wales

What aims could be furthered if devolution enabled better data sharing?

In our engagement with policymakers and the third sector, improved data sharing was repeatedly raised as one potential outcome of devolved social security administration that

could further key objectives and Welsh Benefits Charter commitments. The main reasons for interest in data sharing are:

- Maximising take-up, primarily by increasing visibility of who low-income households in Wales are, and what their likely eligibility for different forms of support is;

- Providing a person-centred system in which people can be linked to support and services relevant to them, including services linked to employment, social services and homelessness;

- Increasing the potential for more streamlined application processes in cases where the same, or similar, information is submitted more than once for different purposes – potentially reducing administrative cost, making life easier for claimants, and hence driving higher take-up;

- Providing a stronger foundation for analytical work focused on how best to help vulnerable households in Wales, including impact and cost analyses of interventions.

The current situation

The use and sharing of benefits-related data in local authorities in Wales is currently not uniform, and attitudes towards it can vary substantially.

Local authorities can submit data re-use requests to DWP. When granted, this means that data can be shared at specific times for specific purposes, but if another purpose arises, this requires another bespoke request. One interviewee stated that data governance procedures make this a lengthy process. An example of data re-use that a local authority representative described was using Universal Credit data to help assess likely eligibility for the Council Tax Reduction Scheme and other Welsh benefits. This requires explicit consent from the Universal Credit claimant to have their data shared for this purpose.

Another interviewee remarked that DWP currently only link data on different DWP benefits, and not to Welsh benefits data or to other forms of support, which limits the amount of useful information that can be brought together about low-income households in Wales.

Common constraints to more data sharing include both structural (i.e. governance and legal) barriers and cultural barriers. We were told that local authorities are often very risk-averse with data, that they have to adhere to their own legal departments' advice and that there is often a very high level of wariness around data protection laws. One local authority representative said that despite the Welsh Government being increasingly proactive in providing local authorities with guidance around data use and sharing, some local authorities are still cautious - wanting to hear directly from DWP before acting, as DWP are the data controller.

There are several initiatives in this space happening across Wales. Fourteen Welsh local authorities in Wales have been using Policy in Practice's Low-Income Family Tracker (LIFT) tool – twelve of them as a result of a trial funded by the Welsh Government, which has bought LIFT licenses covering January 2025 to March 2026. LIFT is a data analytics platform that draws on information held in administrative data on beneficiaries of Housing

Benefit, the Council Tax Reduction Scheme (CTRS), and Universal Credit. It is being used with the aim of proactively identifying and engaging those missing out on entitlements to benefits.

One local authority has been using CTRS and Housing Benefit data to try to identify children in the education system who may be eligible for free school meals. This local authority carried out an auto-enrolment campaign, sending communications to parents that told them that, unless they opted out, they would be enrolled. The local authority representative stated that some of these families then also went on to access the school essentials grant.

Finally, one interviewee told us about a workshop that a local authority would be facilitating for other Welsh local authorities focused on data re-use and streamlining Welsh benefits, in order to combat risk aversion

In short, this is a very active area within Wales – unsurprisingly, given its links to Welsh Benefits Charter objectives. However, efforts remain somewhat piecemeal, ad hoc and inconsistent across local authorities, with widespread acknowledgement that a lack of data sharing remains a constraint on what can be achieved. Without consistent solutions in which all local authorities are confident, there is also some duplication of effort, with similar attempts being made in slightly different ways by different authorities.

When asked what data they would specifically like better access to, interviewees engaged in this case study most commonly said that they would like to be able to access Universal Credit data for all claimants without the need for consent, as well as access data on Pension Credit and Carer's Allowance claimants.

Could devolution help to overcome these barriers, and if so, how?

Devolving the administration of a specific benefit (or set of benefits) to Wales would necessitate it having visibility of the relevant data, and more direct control over the governance arrangements for its use and re-use.

This would remove the dependence on reaching bespoke agreements with DWP, meaning not only a "one-off" gain but the ongoing advantage of being able to use data in a more frictionless, agile manner when new use cases or needs arise. If the Welsh Government were the data controller, then given its explicit priorities around data sharing for the benefit of households in Wales, it would likely be far easier to reach practical arrangements for the sharing and re-use of data within Wales than it is currently with DWP. One interviewee felt that devolution could allow the Welsh Government to alter or remove consent questions around data sharing in claim application forms for households in Wales.

The most common suggestion among interviewees engaged in this case study was to devolve the administration of Pension Credit. It was deemed much more realistic than achieving any devolution with respect to Universal Credit for those of working age, but it is still a major benefit, claimed by more than 80,000 people in Wales (UK Parliament, 2025b). It would therefore achieve much better visibility of the low-income elderly population of Wales, and their circumstances. Pension Credit is also itself a benefit with a relatively low take-up rate, and the subject of existing take-up drives (including as part of the LIFT pilot).

Having Pension Credit data can help further with that, in part by helping to target take-up efforts better, since one problem that can be encountered in take-up drives is fear of burdening people who are already claiming with unnecessary or confusing communication. That said, Pension Credit data is probably at least as much use in identifying who would be eligible for, or benefit from, other forms of support – with Council Tax Reduction Scheme likely being the leading example - as for increasing the take-up of Pension Credit itself (which, after all, also requires identifying non-recipients).

What aims could practically be achieved without devolution?

One question we addressed was whether devolution in order to achieve better data sharing would be "using a sledgehammer to crack a nut". One view expressed to us in our Phase 1 fieldwork was that it would be more straightforward to "just reach a data sharing agreement".

This is difficult to assess, as it depends on the dynamics of negotiation (in a context with many relevant actors, including both lawyers and policymakers). One interviewee felt that simply beginning the conversation between Welsh Government and DWP around devolving the administration of a benefit could force more progress around data sharing, making it a higher priority than it would be if broached as a standalone matter which the UK Government feels little incentive to prioritise. There is however no question that devolution of the administration of a whole benefit does require a number of issues to be worked out, and structures put in place, which a data sharing agreement alone would not require. Hence, the case for it relies on unlocking progress on data sharing that would not be achievable over the same timescale if it were approached as a standalone issue; and/or it relies on there being other significant arguments for devolving a benefit, meaning that data sharing itself is just one part of a larger, cumulative case. We come back to this in our conclusions.

Interviewees felt that there remained scope for the Welsh Government to release more guidance around data sharing, aiming to enhance local authorities' understanding of, and confidence in, data use and governance. Another suggestion was for the Welsh Government to embark on a project to compile all data that Welsh local authorities currently collect and/or have access to into an integrated database. Finally, it is hoped that the LIFT pilot could result in changes to how local authorities use and act on benefits-related data, driving further improvement in the absence of any devolution measures.

Legal or fiscal settlements that would need to be worked through between the Welsh and UK Governments

The most likely uses of any data that would become controlled by Wales under a social security devolution settlement would relate to i) targeting drives to increase take-up and ii) targeting other offers of services and support. The first of these could increase the costs to the UK government of reserved benefits, but this would be due to people simply taking up what the UK government says they are entitled to, so it is not something that the Welsh Government could be directly asked to pay for. The second of these would most likely be support provided with Welsh money (e.g. in relation to homelessness), so again does not seem likely in itself to lead to fiendish fiscal negotiation (but would require Wales to be willing to fund any increase in uptake of those services).

However, the devolution of the administration of a whole benefit (in order to achieve data sharing) would require settlements or agreements that would likely not be trivial. The details depend importantly on which benefit it is, and we do not cover all of the possible complexities of devolution settlements here. The simplest case is probably a benefit that is not closely entangled with processes that are hard to separate from policy, such as those around conditionality or health assessments. Indeed, to the extent that the aim is just to gain better visibility of a large number of vulnerable households in Wales, the case is extremely strong for doing this via a benefit that does not bring those complexities. Pension Credit is an obvious example of such a benefit. We discuss the potential fiscal settlements and arrangements in relation to devolution of Pension Credit administration in the concluding section of this report.

The potential resource requirements this change would entail for Wales

Many of the use cases of better data visibility would be fully realised only with additional activity that needs resources. Take-up campaigns are a prime example of this. Identifying households who might be missing out on entitlements is just the first step: they then need to be engaged with, potentially intensively, if large results are to be obtained. Hence, these sorts of efforts only make sense if the Welsh Government or Welsh local authorities are willing to follow up the increased data sharing with additional resources.

On the other hand, improved data sharing could lead to some streamlining of processes and hence cost savings, if they result in information that is currently processed more than once by different people or for different purposes only being processed once.

A lot could depend, however, on what benefit is devolved in order to unlock more data sharing, and the fiscal arrangements around that devolution. As mentioned above, a leading candidate is Pension Credit. It will emerge as a leading option with respect to the next case study, too, and we discuss it more fully in the concluding section of the report.

4.5.2   More local, personalised advice and support for benefit claimants

When benefits agencies and employment services were integrated to form DWP Jobcentres, a localised presence specifically dedicated to the provision of support and advice on benefits was lost. This case study focuses on the potential for a renewed, devolved form of this in Wales to help provide the more flexible and person-centred system desired.

The current arrangements for where people seeking benefits advice can go

DWP primarily try to guide people through digital interfaces. This is more cost-efficient, and some customers prefer to 'self-serve'. Jobcentres do provide a lot of in-person contact, but their main role is to support people into employment while administering work- or conditionality- related benefits, and ensuring that claimants meet their agreed commitments around job search and work readiness. They offer 'front-of-house' services at reception for people to seek advice, but their scope and level of support were felt by interviewees to be quite limited. Moreover, Jobcentre-based support is not relevant at all to some benefit claimants (for example, pension-age people). In sum, some people find only online tools and phone lines rather than in-person support within their locality. This can limit the level and quality of advice a person can receive. One particular aspect of this that was raised by

stakeholders is that resources online often only cover the benefit someone has specifically already said they are interested in; it is not currently well suited to providing a more holistic advice service, e.g. by pointing them to other benefits or support.

The third sector also provides various avenues for accessing support within the community, and some of this is funded by the Welsh Government. However, there are limitations to the kind of help and advice that they can provide, given that these organisations do not have access to the data on citizens that an official administrator would. One example raised was that Citizens Advice advisors are sometimes stationed within Jobcentres. Although they are often a very valuable source of support, this means that there can be multiple touch points for citizens and key information is not shared between them, meaning they have to repeat their story to different advisors.

Which groups are most likely to fail to get adequate support in the current system?

Interviewees engaged in this case study said that the people missing out on support with benefits were commonly those with limited digital skills, those who prefer in-person support (such as older people), and those with mental health challenges.

There was no one specific benefit said to be more confusing than others. Instead, the general view is that it is the complexity of a person's overall circumstances, such as the existence of multiple needs, that can make it difficult to secure effective, joined-up support and advice. For example, someone with housing issues alongside health-related issues – both of which can interact heavily with benefit entitlements - is reliant on how effectively local services collaborate and share information. This can lead to patchy and disjointed support, which can differ across different parts of Wales.

What are the likely impacts of change on benefit recipients and communities in Wales?

Increased capacity within Wales for local, personalised advice and support for benefit claimants could help address the issues discussed above – relating directly to the Welsh Benefits Charter commitments of providing flexible, person-centred support in the way that works best for claimants. It could, if delivered effectively, support better alignment and integration of services, allowing advisers to tailor advice or referrals holistically based on a personalised assessment of people's circumstances and needs. Relatedly, advice and relevant services (e.g. around health or skills) could even be co-located to support this further. An increase in options around the mode of engagement – and in particular an increased in-person presence – could, as discussed, be of particular value for certain vulnerable groups, including older individuals and those with certain health conditions.

Is devolution needed to achieve this?

An important question here is over the additionality provided by devolution. Without devolution, it would, for example, already be possible for the Welsh Government to fund additional benefits advisors within communities if it deemed the advantages to be worth the cost.

A key limitation of such an approach without devolution relates to data and information sharing (and hence overlaps with some of the issues discussed in the previous case study). If this goal were pursued via the devolution of benefit administration, then:

i) additional advice and support could be informed by the data that is held on the claimant's circumstances, providing more possibilities for tailored and comprehensive advice, referral and support

ii) it would be possible to provide more effective support through the actual benefit claiming process for the benefit whose administration is devolved, because this support could be provided by the same people as those tracking and managing the claims process.

Both of these factors may also support efforts to boost take-up by better identifying eligible non-recipients of other benefits, and by making the claiming process easier. In summary, this could represent a significant potential improvement over simply running additional support in parallel to what is currently available and without any devolution.

Potential costs and fiscal risks for Wales

There would be increased resource requirements and costs for the Welsh Government associated with additional staff to provide the desired support and advice and, presumably, additional infrastructure such as office space. As with the previous case study, then, in order to unlock the hoped-for advantages for Wales this devolution would need to go alongside a willingness for Wales to spend more. Devolution does not itself achieve the objective; rather, it creates the opportunity, and taking the opportunity costs money.

The Welsh Government and local authorities do, however, currently fund third sector support for benefits advice. In particular, part of the £12 million Single Advice Fund (Welsh Government, 2024) goes towards benefits advice and support, as well as debt, employment, housing, and other advice. There may therefore be some offsetting savings to the Welsh Government through a reduced need to rely on and fund third sector organisations. It would also be hoped that providing more effective and tailored support and advice to people can help prevent problems and ultimately reduce costs further down the line, including perhaps very expensive problems such as homelessness. That said, while those benefits are certainly plausible, they are also longer-term and uncertain in magnitude.

As in the previous case study, fiscal arrangements with Westminster, and any associated fiscal risks for Wales emerging from those, would depend on which specific benefit(s) were devolved at an administrative level. Interestingly, while there are in principle several options here, Pension Credit emerges as a leading candidate, just as in the previous case study. In part, this is for reasons that overlap with those in the previous case study. For example, it is a major benefit, meaning significant scope for impact across Wales. Meanwhile, it is likely to be simpler to devolve the administration of Pension Credit than major working-age benefits, and easier (though not necessarily easy) to reach an agreement with the UK government while limiting the fiscal risk that Wales would be asked to incur, because it is not entangled with key aspects of "policy" like conditionality and health assessments. In addition, however, Pension Credit stands out as an obvious option here because the elderly population is relatively likely to benefit from increased in-person support, and to have less of this at the

moment due to their lack of interaction with Jobcentres. As Pension Credit has emerged from both case studies so far, we discuss the potential fiscal arrangements around the devolution of administration of Pension Credit in the concluding section.

4.5.3   Scotland's efforts to reframe social security

This case study focuses on lessons that can be learned from Scotland's efforts to reframe social security, placing dignity and respect front and centre. We draw parallels between the principles behind this and key objectives within Wales, outline the different ways in which Scotland has tried to enshrine these principles within social security, consider the evidence on what impact administrative change has had in supporting these principles, and assess what lessons can be transferred to Wales.

Purpose of change in Scotland and how this relates to Welsh Government priorities and objectives

The Charter of Social Security Scotland (Social Security Scotland, 2024) contains a strong emphasis on treating people with dignity, fairness and respect. In fact, it contains those three words on its front cover. This aligns very closely with the commitments to dignity and respect in the Welsh Benefits Charter.

Interviewees engaged for this case study all remarked that the changes Scotland has made with its devolved benefits powers – covering both administration and policy – have been very closely aligned with, and motivated by, the Charter commitments. Some changes (described below) have also aligned with broader but related Scottish Government priorities around participatory practices, which are designed to involve service users in how decisions and policies are made, as one way of ensuring a person-centred system.

Practical steps and institutional transformation to operationalise dignity and respect

Scotland's efforts in this space have included several components.

First, the Scottish Government set up a new agency, Social Security Scotland, to deliver benefits in Scotland. Two different interviewees expressed a view that the setting up of a new agency has been an important component, as it would have been much more difficult to create and embed cultural change in an existing agency. They also noted that, because Social Security Scotland is a smaller agency than DWP, staff often deal with more than one area of benefits and are therefore in a better position to join up services or support.

The Scottish Government had aimed to foster a person-centred system with more human touch points (i.e. face-to-face or on the phone support) and a "call centre style" model, in some contrast with DWP's methods which are increasingly moving towards digital interfaces and automated encounters. These ideas are clearly closely linked to the second case study discussed above, for Wales.

Interviewees also described increased staffing levels, more training, and increased pay for administrators compared to DWP, and that Scotland has tried to infuse the Charter's principles throughout the pipeline from recruitment to training to delivery. One interviewee had compared job descriptions between the two agencies, and had found that while the job

roles and responsibilities listed were essentially the same, the Social Security Scotland job descriptions used different language around them, centred on dignity and respect.

Some administrative offices have physical printouts of the Charter around the offices, and some staff have said that this helps to guide their work. Interviewees also mentioned changes to the wording in communications to individuals around benefits, generally trying to enshrine dignity and reduce stigma.

Aligned with wider Scottish Government aims around participatory practice, "Social Security Experience Panels" were set up so that groups of people with direct personal experience of social security were involved in shaping how Scotland's new social security system was designed and delivered. This included input into research, policy decisions, and service design.

The impacts of changes to administration in Scotland on the experience of benefit claimants

There are two important limitations to acknowledge when it comes to our understanding of what impact administrative changes have had.

First, the extent to which people feel better treated as a result of Scotland's changes is difficult to say. There is a general feeling that the kinds of changes Scotland has made do matter in important ways for the user experience. But the size of any impact is difficult to ascertain – there is no formal evaluation evidence that speaks directly to this, and it would be difficult to produce such evidence. There are some relevant descriptive statistics. Social Security Scotland's satisfaction survey 2024-2025 reported that around eight-in-ten respondents believed they had been treated with dignity (79%), fairness (76%), and respect (80%). Most respondents felt that they had enough choice in how they communicated with Social Security Scotland (76%). The majority also said that their overall experience with staff was 'very good' or 'good' (84%), with 91% of respondents saying that staff treated them with kindness. DWP also runs an Customer Experience Survey. It does not focus on exactly the same things, which itself is informative about the different emphasis in Scotland, but there are some similarities in some of the questions, and results do not seem dramatically different to those in Scotland. For example, 78% of customers felt that DWP staff understood their needs, and 87% reported overall satisfaction with the service provided.

Second, it is important to remember that Scotland also has devolved policy powers over many benefits – in addition to administrative power. In particular, in some cases Scotland is giving people more money than they would have got otherwise. Changes of that nature may also affect how people feel about the system, and it would be very difficult to separate the impacts of the two. Key examples include the additional Scottish Child Payment and, at least initially, substantially higher award rates for Scotland's Adult Disability Payment than is the case for its counterpart in the rest of the UK, Personal Independence Payment (although more recently the award rate has fallen back, as discussed in Judge and Murphy (2025); it remains unclear whether this reflects a deliberate change in approach in order to rein in spending).

Complexities or barriers experienced within Scotland

A point commonly raised was the high cost of Social Security Scotland. The UK Government covered some of the one-off set-up costs, and it covers some of the ongoing costs through its annual Block Grant Adjustment, which is set at a level designed to recompense Scotland for what it would have cost DWP to continue to pay and administer benefits in Scotland without devolution. However, both the set-up costs and the ongoing costs are significantly more than what was/is covered by DWP. It is not possible to properly disentangle different factors here. For example, Scotland being smaller than the UK means that it will not benefit from the same economies of scale in administration, which would push administrative costs higher than what DWP would have spent on administration in Scotland; the Scottish Government has made policy choices to create new benefits; and it is administering them in a different, e.g. more "person-centred" way. Hence, we cannot identify the magnitude of any cost that would likely be relevant to Wales. Devolution within Wales that is narrower in scope could cost much less. However, as Scotland is larger than Wales, and is administering quite a broad range of benefits, it may actually benefit from more economies of scale in administration than Wales would.

Another point made in our stakeholder engagement was that intentionally administering benefits differently to DWP, such as using a different 'look' and branding, as well as having different expectations of the user, can actually be confusing for some claimants. Bennett (2025) carried out participatory workshops in Scotland to gather qualitative data on people's experiences with social security digital interfaces. The research found that welfare coming from multiple different authorities can sometimes create a complex and unsettling experience for claimants. Users struggled to understand who was asking for what information and when. Those who felt they understood the system more referred to getting additional support from Citizens Advice and friends or family who had also gone through the claiming process.

Conclusions and recommendations based on lessons learned from Scotland's experience

As outlined, Scotland has done numerous things with its devolved powers to try to embed dignity and respect in the social security system, as Wales wants to do. It therefore provides many useful ideas and examples of what can be done that are relevant for Wales.

Caution is needed when transferring lessons from Scotland to Wales, however. First, while there is a general feeling that Scotland's changes have made a difference to users, it is important to point out that hard evidence of this is very limited. At the very least, there is uncertainty over the magnitude of the impact, as well as the extent to which it can be attributed to purely administrative changes. We also encountered some scepticism about whether all the changes had contributed meaningfully to the user experience, or whether there were elements of tokenism. For example, although the language used in job descriptions for Social Security Scotland and DWP staff was different, the objective descriptions of tasks and responsibilities were very similar. We were also told that there are mixed feelings about whether the Social Security Experience Panels had had much concrete impact.

Some interesting trade-offs emerge when thinking about the question of setting up a new agency to deliver benefits administration. This has come at significant cost to Scotland. On the other hand, it is felt to have been particularly helpful in instilling cultural change, which may be more difficult to do via existing, long-standing administrative institutions (albeit with the caveat that the precise impacts of this cultural change on users is, as discussed above, not clear). Set against that, creating very distinct branding and communications, which still sit alongside a reserved benefits system that the same users simultaneously interact with, can create complexity and confusion, which is not positive for the user experience. Given all this, our judgement is that Wales should be cautious about the idea of setting up a new agency – especially if initial steps towards devolution are only administrative and relatively incremental.

5 Reflections on the path forward

We have identified several key ways in which there is potential for administrative devolution of social security to Wales to help it pursue its objectives. We have also highlighted that there are limits to what can be achieved through devolution of administrative aspects of social security, without control over policy. At the same time, the practical challenges, risks, costs, and complexity of settlements with the UK government are by no means removed by focusing only on administration. A general theme that we have highlighted, given this, is the importance of considering which objectives can be achieved in other ways that may be simpler – that is, the genuine additionality of what devolution offers.

We would highlight a few general key issues to focus on in taking forward plans for any administrative devolution.

The key potential purposes of administrative devolution relate to wider Welsh Government objectives (e.g. maximising take-up, or making the system more flexible and person-centred). Devolution itself does not achieve the objectives. In many cases, it is better to think of it as helping to open a door that then costs more money to walk through – e.g. by investing in better targeted take-up drives, or offering more comprehensive, tailored support. This leads to two points. First, even aside from fiscal costs or risks arising from devolution itself, Wales likely needs to be willing to invest *additional* resources to capitalise on its opportunities. Second, the more evidence that could be gathered on the effectiveness of those initiatives (e.g. take-up drives utilising better data, or process changes designed to promote user wellbeing), the more confidence could be built in the case for, and cost-effectiveness of, devolution.

The costs and fiscal risks of devolution – including, crucially, the likely fiscal agreements surrounding it between the UK and Welsh Government - are a crucial consideration. As a general guide, the more plausible it is that changes to administration could push up spending on a reserved benefit (for reasons other than merely higher take-up of entitlements), the more likely it is that Wales would be asked to take on significant fiscal risk, becoming responsible for changes in spending on that benefit in Wales. This raises the bar in terms of the benefits for people and communities in Wales that would need to be realised to be worth it. Similarly, wherever there are grey areas between policy and the administration of policy, it becomes more likely that fiscal negotiations between Westminster and the Welsh Government would be more difficult, and that Wales may be asked to take on more of the resulting fiscal risks of any change. Obvious examples would be changes that could interact with the application of conditionality or health assessments (or re-assessments).

One specific important question is whether a new agency should be set up to deliver devolved administration. As outlined, there are pros and cons of this, but we believe there are strong reasons for Wales to be cautious about it, at least if any initial steps towards social security devolution are indeed administrative and relatively incremental.

To end the report, and help think more concretely about the roadmap forward, we discuss the potential administration of Pension Credit. This serves as a useful illustration – like another mini case study – of some of the general issues we have discussed throughout the

report. We also chose this example because, if administrative devolution is pursued, several factors emerging from this report point towards Pension Credit as a sensible place to begin.

5.1 Example of a path forward: devolution of Pension Credit administration

The potential devolution of Pension Credit administration emerges from several of the key considerations that we have prioritised: in particular, alignment with (multiple) Welsh Government objectives, potential scale of impact, practicality, and limiting costs and risks.

Data sharing (first case study): The main purpose of this is to achieve better visibility of vulnerable households in Wales, and their circumstances and needs, to help boost take-up and provide more tailored, holistic support. Pension Credit is a major benefit received by more than 80,000 low-income claimants in Wales, making it a clear candidate for pursuing this objective. When it comes to take-up, it could be powerful in helping to target take-up drives for various other benefits – with Council Tax Reduction Scheme likely being the leading example – as well as for Pension Credit itself, by allowing initiatives to target more precisely those not already taking it up.

More local, personalised support (second case study): Individuals with limited digital skills and who prefer in-person support, such as older people, are among those most likely to benefit from more support of this kind. Linking to improving data sharing, advisors would also have access to the full range of data associated with Pension Credit, which could aid in joining-up services and advice for older people.

Practicality and risk: Of all the major benefits that have a similar scope for level of impact, Pension Credit is arguably the easiest to disentangle from policy, such as conditionality or health assessment criteria. This has advantages not only operationally (in terms of smooth co-existence of devolved and reserved functions), but also for the prospects of securing administrative devolution in the first place, and for the prospects of Wales avoiding having to accept fiscal risks that could outweigh any gains it can achieve through administrative powers.

There is already work underway around how Pension Credit is administered (UK Parliament, 2025c). At the moment, Housing Benefit for pensioners is delivered by local authorities in Wales and Pension Credit is delivered by DWP. However, DWP are planning to bring together the administration of these two benefits. This could involve the centralisation of Housing Benefit administration, or the decentralisation of Pension Credit administration. Therefore, the timing could provide an opportune window for starting discussions about devolving Pension Credit administration to Wales if this were desired.

Notwithstanding its advantages, there would still be substantial challenges to work through if devolving the administration of Pension Credit to Wales.

Negotiations over this could still be difficult, even if simpler than for most other options, and it is not out of the question that Wales would assume some of the risk of spending on Pension Credit in Wales. For example, DWP could still be concerned about handing over responsibility for enforcement of identity and error checks, as the rigour of this enforcement

affects Pension Credit spending. This is not necessarily a minor issue. Across Great Britain, overpayments of Pension Credit equal about 10% of all spending on Pension Credit, with about half of that due to fraud (DWP, 2025). The UK government would (at a minimum) seek assurances that DWP processes for this would be fully complied with, and if it were not assured, then it might not proceed unless Wales takes on significant risk over the funding of the benefit.

Another likely settlement would be for the purely administrative cost of devolved Pension Credit to be covered by Westminster through a Block Grant Adjustment, according to an estimate of what it would have cost DWP to administer Pension Credit in Wales. If administration at the devolved level were to prove more expensive than that (e.g. because economies of scale are lacking), then Wales would effectively pay for the difference.

In addition, given the Welsh Government objectives that we have discussed, making the most of the devolution of Pension Credit would require additional discretionary resources to be devoted. For example, to take up campaigns/initiatives arising from better data sharing or to increase the number of offices and advisors in the case of more localised, personalised support.

In summary, rigorous appraisal of the likely scale of fiscal costs and risks would still be needed, and a comparison made with the expected benefits that flow from the devolution.

Annex A

Survey questionnaire

Alma Economics have been commissioned by the Welsh Government to research the potential to devolve the administration of social security to Wales.

As part of this research, the following short survey will help us better understand the opportunities, challenges, and risks of the devolution of social security administration, what the best candidates for devolution might be, and why.

Please bear in mind that the Welsh Government does not intend for this research to consider the wholescale devolution of social security – only the devolution of administrative elements of the social security system. Broadly speaking, this refers to the processes used to deliver social security – for example, how assessment processes are conducted, how payments are made, how services and support (e.g. employment services) for social security recipients are delivered, or how information about social security is provided. This is different, for example, from the replacement or supplementation of UK-level benefits with new benefits with different entitlement rules or levels of payment, as has happened for example in Scotland. However, the distinction between administration and policy can be made in different ways and is not always clear-cut. If in doubt, it is more helpful to include reflections on areas that might be considered administrative than to leave them out.

The survey will take you 10-15 minutes to complete and will close on 28/09/2025 at 23:59.

You can find more information about how your data will be stored and used for the purposes of this research here: https://tinyurl.com/4kftwth3

Please note that there is no option to save your progress and resume later, so please make sure you go through all the questions and pages and select 'Submit' before closing your browser.

If you have any questions or you would like more information about this research, please contact Anna Pearson (Researcher) at anna.pearson@almaeconomics.com

1. Please confirm that you have read the information above and you are happy to proceed with the survey:

   I have read the information above and I am happy to proceed with the survey.

   - Yes

   - No

Questions

2. What is your area of expertise within social security? (Select all that apply)

   - Jobcentres, employment, and/or conditionality

   - Children and families

- Housing

- 16–24-year-olds

- Disability and ill health

- Pension-age support

- Other [please specify]

3. In which broad areas of social security do you think that devolution of administrative powers to Wales could make a significant positive difference to households or communities in Wales?

   (Please rank 'most likely to make a positive difference' at the top and 'least likely to make a positive difference' at the bottom. If you have no 'Other' option to add, please place 'Other' at the bottom of your ranking and skip the next question.)

   - Jobcentres, employment, and/or conditionality

   - Children and families

   - Housing

   - 16–24-year-olds

   - Disability and ill health

   - Pension-age support

   - Other [please specify]

4. Please specify 'Other' if you ranked this option in the previous question.

   a. [Open text box]

5. If you have any explanatory comments, please add them here:

   a. [Open text box]

The Welsh Benefits Charter includes several objectives for social security. To what extent do you agree or disagree that each of these can <u>already be met</u> using existing powers and capabilities, without further devolution of social security arrangements?

6. To what extent do you agree or disagree that the following can <u>already be met</u> using existing powers and capabilities, without further devolution of social security

arrangements?

    a. Providing a flexible system that is not 'one-size-fits-all'

    [Strongly agree, Agree, Neither agree nor disagree, Disagree, Strongly disagree]

    b. Improving awareness and take-up of support

    [Strongly agree, Agree, Neither agree nor disagree, Disagree, Strongly disagree]

    c. Supporting children and young people from low-income families

    [Strongly agree, Agree, Neither agree nor disagree, Disagree, Strongly disagree]

    d. Treating individuals with dignity and respect and in line with the social model of disability

    [Strongly agree, Agree, Neither agree nor disagree, Disagree, Strongly disagree]

7. If you have any explanatory comments regarding your level of agreement for objective 1, please add them here:

    a. [Open text box]

8. If you have any explanatory comments regarding your level of agreement for objective 2, please add them here:

    a. [Open text box]

9. If you have any explanatory comments regarding your level of agreement for objective 3, please add them here:

    a. [Open text box]

10. If you have any explanatory comments regarding your level of agreement for objective 4, please add them here:

    a. [Open text box]

11. Which of the Welsh Benefits Charter objectives do you think could be <u>better supported through devolution</u> of social security arrangements?

(Please rank 'most potential to be supported' at the top and 'least potential to be supported' at the bottom. If you have no 'Other' option to add, please place 'Other' at the bottom of your ranking and skip the next question.)

- Providing a flexible system that is not 'one-size-fits-all'

- Improving awareness and take-up of support

- Supporting children and young people from low-income families

- Treating individuals with dignity and respect and in line with the social model of disability

- I don't think any of the objectives could be better supported through devolution of social security arrangements

- Other [please specify]

12. Please specify 'Other' if you ranked this option in the previous question.

   a. [Open text box]

13. If you have any explanatory comments, please add them here:

   a. [Open text box]

14. What factors do you consider likely to limit the potential of devolution of social security arrangements to Wales to achieve its goals? (Select all that apply)

- Powers not matched by resources

- The system becomes more complex and disjointed

- Other powers that remain reserved constrain the scope of Welsh initiatives

- Other [please specify]

15. If you have any explanatory comments, please add them here:

- [Open text box]

16. Are there any other risks or challenges that you foresee with the devolution of social security arrangements?

- [Open text box]

17. Are there specific examples of devolved social security administration elsewhere in the UK that you think should be replicated in Wales? If so, please specify.

- [Open text box]

18. Below are some specific hypothetical examples of social security arrangements that could be devolved to Wales. Which of these do you think hold the most promise?

You might like to consider criteria such as alignment with Welsh priorities and needs, size of impact, additionality over what could be achieved via other means, practicality, and cost.

Some measures, such as changes to sanctions criteria or Universal Credit payment arrangements within Wales, would require changes to UK legislation (as well as devolution of administrative powers to Wales). Although this could represent an additional hurdle to achieving such change, you can ignore that hurdle for the purposes of this question.

(Please rank 'most promising' at the top and 'least promising' at the bottom. If you have no 'Other' option to add, please place 'Other' at the bottom of your ranking and skip the next question.)

- Jobcentre Plus

- The sanctions regime

- Application processes

- Assessment processes for health and/or disability benefits

- Payment arrangements for Universal Credit (e.g. advances, frequency, or direct payments to landlords)

- Take-up initiatives or campaigns

- Other [please specify]

19. Please specify 'Other' if you ranked this option in the previous question.

   a. [Open text box]

20. If you have any explanatory comments, please add them here (for example, considering which outcomes could be achieved by the options you ranked as most promising):

- [Open text box]

Annex B

Phase 1 – interview topic guide

[Welcome and introduce facilitator(s)]

We have been commissioned by the Welsh Government to research the potential to devolve the administration of social security to Wales.

As part of this research, these interviews will help us better understand the opportunities, challenges, and risks of the devolution of social security administration as well as what the best candidates for devolution might be and why. The interview will last up to 1 hour.

Please bear in mind that the Welsh Government does not intend for this research to consider the wholescale devolution of social security – only the devolution of administrative elements of the social security system. For example, how assessment processes are conducted, how payments are made, how services and support (e.g. employment services) for social security recipients are delivered, or how information about social security is provided. However, the distinction between administration and policy can be made in different ways and is not always clear-cut. If in doubt, it is more helpful for us to discuss your reflections on areas that *might* be considered administrative rather than leave them out.

Do you have any questions about the research or your participation before we begin?

[If agreed to recording and transcription] In your participation form, you agreed to being recorded and transcribed, I will turn this on now and begin the interview. Is this still okay?

[If not agreed to recording and transcription] In your participation form, you did not agree to being recorded and transcribed, my colleague will instead be keeping notes throughout the interview.

Questions

Warm-up

1. What is your role in your organisation and how does this relate to social security?

   Prompt: Which area of social security do you have most knowledge or experience in?

Opportunities and challenges

2. How could devolution of social security administration enable better alignment with the priorities of the Welsh Benefits Charter and other Welsh Government priorities?

   Prompt: Priorities include (i) streamlining administration processes, (ii) providing a flexible system, (iii) improving awareness and take-up, (iv) supporting children and young people from low-income families, and (v) treating individuals with dignity and respect

Prompt: What problems could be solved, or outcomes achieved, that cannot currently be addressed or met through the current arrangements?

3. What factors could limit the potential of devolved social security administration to achieve its goals?

4. Are there any risks or costs of devolved social security administration that concern you?

5. Are there examples of devolved social security administration elsewhere in the UK that you think Wales could learn from?

> Prompt (if needed): For example (i) Scotland making efforts to streamline application processes and make them more accessible, such as changing language and framing and (ii) Northern Ireland making efforts to increase take-up of certain benefits.

> Prompt: What learnings would you take from these examples and why?

Assessment of options

6. Which areas of social security (in terms of claimant groups or benefit types) do you feel should be prioritised when considering the devolution of social security administration?

> Prompt: Areas include (i) employment, (ii) children and families, (iii) housing, (iv) 16–24-year-olds, (v) disability and ill health, and (vi) pension-age support

> Prompt: Why did you choose these areas over others?

7. What do you believe to be the most promising options for the devolution of social security arrangements in Wales?

> Prompt (if needed): Options could include (but are not limited to) devolving social security arrangements of the following.

> Note that some of these options would also require legislative change alongside the devolution of administrative processes.

- Jobcentre Plus

- The sanctions regime

- Application processes

- Assessment process for health and/or disability benefits

- Payment arrangements for Universal Credit (e.g. advances, frequency, or direct payments to landlords

- Take-up initiatives or campaigns

For the next questions, we'll discuss the option that you consider to be the most promising:

8. How do you think this option could help achieve better alignment with Welsh priorities and needs, and why?

> Prompt: If you don't think it could, why not?

9. How do you think this option could make a positive impact, and why?

> Prompt: Which groups of people and geographic areas do you think would be helped most?

> Prompt: What outcomes do you think would be improved?

> Prompt: If you don't think it could, why not?

10. How do you think this option could achieve better outcomes than what could be achieved through other means?

> Prompt: If you don't think it could, why not?

11. How do you think this option could be implemented practically, and why?

> Prompt: If you don't think it could, why not?

12. How do you think this option could be implemented cost effectively, and why?

> Prompt: If you don't think it could, why not?

13. Do you have any sources or evidence that support this option for devolution?

14. If devolution in this area was granted, what do you think would be the key risks and barriers that would need to be overcome?

15. Is there an option that you strongly feel should not be devolved? If so, why?

Conclusion

16. Do you have any other relevant comments to share before we finish?

[Thank interviewee for taking the time to attend the interview]

Annex C

Phase 2 – interview topic guide

[Welcome and introduce facilitator(s)]

We have been commissioned by the Welsh Government to research the potential to devolve the administration of social security to Wales.

Within the first phase of this research, we spoke to experts to understand which options for devolving social security administration to Wales are most promising based on criteria like practicality, level of impact, cost effectiveness, aligning with Welsh priorities etc. We then agreed with Welsh Government two of these options to take forward as case studies, alongside a case study of social security administration change in Scotland.

We are now in the second phase of research, where this interview will help us to understand how the options identified could be taken forward, the challenges, risks, and expected outcomes of doing so, and the obstacles that would need to be overcome. The interview will last up to 40 minutes.

Please bear in mind that the Welsh Government does not intend for this research to consider the wholescale devolution of social security – only the devolution of administrative elements of the social security system.

Do you have any questions about the research or your participation before we begin?

[If agreed to recording and transcription] In your participation form, you agreed to being recorded and transcribed, I will turn this on now and begin the interview. Is this still okay?

[If not agreed to recording and transcription] In your participation form, you did not agree to being recorded and transcribed, my colleague will instead be keeping notes throughout the interview.

Questions – Wales case studies

[Facilitator to describe relevant option to interviewee – pick one of two below]

- Case study 1: This case study will focus on the potential for devolution to improve data sharing, giving greater visibility of the circumstances of vulnerable households, which can aid with a flexible, person-centred system that maximises take-up.

- Case study 2: This case study will focus on the potential for devolution to create a more flexible, supportive, and person-centred system, e.g. by altering the balance of in-person and online support and/or co-locating benefits offices next to relevant services.

Warm-up

1. What is your role in [organisation] and how does this relate to social security?

   Prompt: How does your work relate specifically to [relevant case study option]?

Discussion of option

2. [Case study 1:] What data can you currently access, what data can't you access, and why?

   [Case study 2:] What are the current arrangements for where people seeking benefits advice can go?

3. What is the main purpose of the change, with respect to Welsh priorities and needs, and the Welsh Benefit charter in particular?

   Prompt: [Case study 2:] Which relevant services do you think could be co-located with benefits services and why?

4. In which respects would capacity and authority need to be transferred from DWP to the Welsh Government?

5. Are there legal or fiscal settlements that would need to be worked through between the Welsh and UK Governments?

6. What are the resource requirements this change would entail for Wales?

   Prompt: Do you anticipate any specific skills gaps or training needs among staff who would deliver devolved services?

7. What are the likely impacts of the change, both positive and negative, on benefit recipients and communities in Wales? What would its impact be on vulnerable and marginalised groups?

   Prompt: How could these impacts be measured?

   Prompt: How could the positive impacts be enhanced? How could the negative impacts be mitigated against?

Conclusion

8. Do you have any other relevant comments to share before we finish?

Questions – Scotland case study

[Facilitator to describe relevant case study to interviewee]

- This case study will focus on lessons that can be learned from Scotland's efforts to reframe social security and place dignity and respect front and centre. This comprises changes to training, framing, and communication.

Warm-up

1. What is your role in [organisation] and how does this relate to social security?

   Prompt: How does your work relate more specifically to [specific case study]?

Discussion of case study

2. What was the purpose of the change(s) in Scotland?

3. What were the practical steps and institutional transformation taken to implement it?

4. Were there any unexpected complexities or barriers to achieving the outcomes desired effectively?

5. What do you think would be done differently with the benefit of hindsight?

6. What does evaluation or other evidence now tell us about the impacts the change(s) had on benefit recipients?

Conclusion

7. Do you have any other relevant comments to share before we finish?