Dear Convener

You may be aware of the UK Government agenda on Welfare Reform. While Local Government in Scotland supports the principles behind reforming the benefit system including addressing the level of bureaucracy and complexity in the system as well as removing any barriers to employment which currently exist, we have several very serious concerns about the detail of the reforms being proposed.

COSLA believes that these reforms will have serious implications for local government in Scotland, some of which will be disproportionate to the rest of the UK as a result of the devolved legislative context local government operates in. We also believe that the changes to welfare benefit made under the comprehensive spending review and as a direct result of the Welfare Reform Bill will have a significant financial impact on Scottish Local Authorities and may undermine our ability to meet our communities’ rights to local service provision.

In this context, we believe that the reforms are also likely to limit the extent to which local government can proactively drive and invest in devolved policies – particularly around Housing Policy. The shift to direct payment to the claimant, the new policy on under capacity, changes to shared accommodation rates, and the future use of DHP are just some of the changes which will have a significant and cumulative effect on Local Government finances and our capacity to meet devolved policy priorities and legislative duties such as the homelessness duty.

During this term, the Scottish Parliament will be asked to approve the LCM on Welfare Reform. I understand that the lead committee for consideration of this is likely to be the Health and Sport Committee and that many key stakeholders, including ourselves, are encouraging the committee to take the time to have a thorough investigation into the wider Scottish implications of reform.

However, I cannot stress enough the strength of feeling and concern in Local Government about the direct impact these reforms will have on the business of Local Government and the services we provide to our communities. While COSLA would support the wider considerations of the Health and Sport Committee we believe that there is merit in the specific consideration of the impact of Welfare Reform on Local Authorities and would request and strongly urge the Infrastructure and Capital Investment Committee to conduct a complementary hearing on the matter.

I sincerely hope that this is something you will feel minded to progress and offer you our every support should you wish to discuss the matter further.

Yours Sincerely

Cllr Pat Watters.
President of COSLA