Welfare Reform Committee

Legislative Consent Memorandum on the UK Welfare Reform and Work Bill (LCM(S4) 38.1)
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Welfare Reform Committee

Legislative Consent Memorandum on the UK Welfare Reform and Work Bill (LCM(S4) 38.1), 5th Report, 2015 (Session 4)

Welfare Reform Committee

To monitor the implementation of the UK Welfare Reform Act 2012 and other social security legislation as it affects provision in Scotland and to consider relevant Scottish legislation and other consequential arrangements.

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Background

1. The Welfare Reform and Work Bill (“the Bill”) was introduced in the House of Commons on 9 July 2015\(^1\). Some of the provisions in the Bill apply across the UK while others apply in England, Wales and Scotland or to England only. The Bill is essentially comprised of three parts.

   a) It will introduce a duty to report to Parliament on:
      
      - Progress towards achieving full employment.
      - Progress towards achieving 3 million apprenticeships in England.
      - Progress with the Troubled Families programme (England).

   b) It will repeal almost all of the Child Poverty Act 2010. The name and remit of the Social Mobility and Child Poverty Commission will also change so that it becomes the Social Mobility Commission.

   c) It will allow for the introduction of changes to welfare benefits, tax credits and social housing rent levels.

2. The Scottish Government did not support the changes that the Bill, as introduced, proposed to make to the Child Poverty Act 2010. In particular the revisions to the Bill’s targets which do not take income into account. The Scottish Government also did not support the removal of the child poverty aspects of the Social Mobility and Child Poverty Commission.

3. In light of this the Scottish Government requested an opt-out from the UK Government’s approach, securing amendments that remove the 2010 Act’s duties on Scottish Ministers. Following discussion with the UK Government, amendments to the Bill were accepted at Report Stage on 27 October 2015. The amendments achieved the following policy aims:

   - To repeal all parts of the 2010 Act imposing duties on the Scottish Ministers, including the duty to appoint a Commissioner;
   - Remove any modified duties that relate to Scotland;
   - To retain the Commission’s duty in respect of Scotland to publish a report setting out its views on the progress made towards improving social mobility in the UK.

4. The Scottish Government states that this will allow Scotland to develop a unique approach to tackling poverty. It expects to introduce “a refined approach to measuring and reporting on tackling poverty in the next parliamentary term”.\(^2\)
5. The Bill's provisions on introduction and as amended will have a direct effect in Scotland and deal with matters which are devolved. As a consequence, the legislative consent of the Scottish Parliament is required.

**Policy intent of the LCM**

6. A Legislative Consent Memorandum was lodged in the Scottish Parliament by Alex Neil, Cabinet Secretary for Social Justice, Communities and Pensioners’ Rights on 12 November 2015.

7. The memorandum relates to the provisions amending the Child Poverty Act 2010; specifically, those relating to child poverty strategies, and those dealing with the Child Poverty and Social Mobility Commission.

8. As the Scottish Government has secured amendments to the Bill that remove the 2010 Act’s duties on Scottish Ministers the LCM recommends that the relevant provisions relating to child poverty strategies and the Child Poverty and Social Mobility Commission should be considered by the UK Parliament.

**Scrutiny of the LCM**

9. The Welfare Reform Committee was designated as lead Committee. On 08 December 2015 it took evidence on the LCM from Alex Neil, Cabinet Secretary for Social Justice, Communities and Pensioners’ Rights as well as Caroline Cowan, Head of the Tackling Poverty Team, and Gillian Cross, Policy Adviser, Tackling Poverty Team, Scottish Government.

10. The remit of the Delegated Powers and Law Reform Committee was not engaged.

**Recommendations**

11. Having considered the LCM, and taken evidence from the Cabinet Secretary for Social Justice, Communities and Pensioners’ Rights the Committee agreed that it is content with its terms. It recommends that the Parliament approves the Legislative Consent Motion on the UK Welfare Reform and Work Bill, to be lodged by the Scottish Government.

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1 Welfare Reform and Work Bill available at [http://services.parliament.uk/bills/2015-16/welfarereformandwork.html](http://services.parliament.uk/bills/2015-16/welfarereformandwork.html)