Welfare Reform Committee

4th Report, 2013 (Session 4)

Annual Report 2012-13

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Welfare Reform Committee

Remit and membership

Remit:
To keep under review the passage of the UK Welfare Reform Bill and monitor its implementation as it affects welfare provision in Scotland and to consider relevant Scottish legislation and other consequential arrangements.

Membership:
Jackie Baillie (from 27 June 2012 - 18 September 2012)
Margaret Burgess (until 6 September 2012)
Annabelle Ewing
Linda Fabiani (from 18 September 2012)
Iain Gray (from 18 September 2012)
Jamie Hepburn (Deputy Convener)
Alex Johnstone
Michael McMahon (Convener)
Drew Smith (until 27 June 2012)
Kevin Stewart

Committee Clerking Team:

Clerk to the Committee
Simon Watkins

Assistant Clerk
Rebecca Lamb

Committee Assistant
Kevin Dougan
The Committee reports to the Parliament as follows—

Introduction

1. This report covers the work of the Welfare Reform Committee during the parliamentary year 11 May 2012 to 10 May 2013.

Inquiries and Reports

2. During the parliamentary year the Committee produced five reports, all related to bills or secondary legislation. The Committee also published a report on research commissioned from Sheffield Hallam University on ‘The Impact of Welfare Reform on Scotland’. In addition the Committee set up an initiative called ‘Your Say’ to hear views and personal experiences of welfare reform.

3. The Committee’s first report was its Stage 1 report on the Welfare Reform (Further Provisions) (Scotland) Bill in May 2012.

4. The second report produced by the Committee in December 2012 detailed the Committee’s consideration of a statutory instrument in relation to the transfer of powers to make provision for successor arrangements to community care grants and crisis loans. At its meeting on 11 December, the Committee considered the information provided by the Scottish Government and took evidence from Margaret Burgess MSP, Minister for Housing and Welfare. The Minister moved motion S4M-05130 and the motion was agreed to without debate or division.

5. In March 2013 the Committee considered a statutory instrument which made provisions for access to certain ‘passported’ benefits following the introduction of Personal Independence Payment. The report highlighted that this would provide for people who are awarded either eight or 12 points in their assessment for Personal Independence Payment (PIP) to be eligible for a range of
other benefits, for example, concessionary bus travel and the Blue Badge parking scheme. The Committee considered the Regulations at its meetings on 5 and 12 March 2013, hearing evidence from Scottish Government officials and from stakeholder organisations and also received a number of written submissions.

6. At its meetings on 19 and 26 March and 16 April 2013, the Committee considered two statutory instruments which made provisions for access to certain ‘passported’ benefits following the introduction of Universal Credit. The Committee’s report highlighted that the Regulations were intended to ensure that access to passported benefits was provided for anyone who moves to Scotland from the pathfinder areas in which the UK Government is to pilot Universal Credit. In addition, the Free School Lunches Regulations would provide for parental receipt of Universal Credit to act as a passport to entitlement for free school lunches. The place of free school meals in terms of economic and health benefits was the focus of the views provided to the Committee by stakeholders. In considering the Regulations, the Committee took evidence from Scottish Government officials, stakeholder organisations and local authority representatives and also received a number of written submissions.

Commissioned research from Sheffield Hallam University

7. The Committee commissioned research on ‘The Impact of Welfare Reform on Scotland’ from the Centre from the Regional, Economic and Social Research at Sheffield Hallam University. The research was carried out by Professor Steve Fothergill and Professor Christina Beatty and assessed the likely impact of welfare reform across Scotland and in each local authority area. The research was published by the Committee on 11 April 2013 and Professor Fothergill appeared before the committee on 16 April to present the findings. There was also a Chamber debate held on the research on 23 April 2013.

Your Say

8. At its inception, the Committee started an initiative called ‘Your Say’ to hear the views and personal experiences from people across Scotland of welfare reform. The information supplied through Your Say has helped the Committee identify and assess what the main issues of the current system are, and what areas to focus on when scrutinising the impact of the Welfare Reform Act 2012.

Bills

9. The Welfare Reform (Further Provision) Scotland Bill was introduced to Parliament in the previous parliamentary year, but most of the parliamentary consideration was undertaken in this parliamentary year. The Bill was referred to the Welfare Reform Committee as lead committee for the consideration of the general principles of the Bill.

10. Stage 1 involved scrutiny of the Bill by the Committee and this was conducted during April and May 2012 and a call for evidence was issued in March 2012. The Committee completed Stage 1 scrutiny of the Bill in May 2012 and published its report to the Parliament on 16 May.
11. The report highlighted that the Committee supported the general principles of the Bill and believed the Bill was necessary to allow the Scottish Government to take powers to implement its responsibilities under welfare reform - a view that was shared and universally supported by stakeholders. The report also outlined the Committee’s concerns about the UK Welfare Reform Act 2012, including the impact that its implementation will have on some of the poorest and most vulnerable in Scottish society - a view again shared by those giving evidence to the Committee. The report brought the collective concerns from stakeholders to the attention of the Scottish Government to inform its future work to mitigate the negative impacts of welfare reform under the terms of the Bill as far as is practicable, within the powers of the Scotland Act 1998, and within its fixed budget. Consideration of the Bill at Stage 1 concluded with a debate in the Chamber on 23 May 2012.

12. Stage 2 proceedings took place on 13 June 2012 and involved consideration of a range of amendments to the Bill. The Bill was passed by the Parliament on 28 June 2012.

Subordinate Legislation

13. In this parliamentary year the Committee considered seven statutory instruments.

- Section 30 Order on the Social Fund (1 instrument)
- Passported benefits (3 instruments)
- Council Tax Regulations (3 instruments)

With regards to the Council Tax Regulations under the UK Government Welfare Reform Act 2012 the previous system of council tax benefit, which supported people on low income to meet their Council Tax liabilities, was abolished in April 2013. Responsibility for delivering Council Tax support has been ‘localised’ to the Scottish Government which received a transfer of funding from the UK Government, cut by 10% from forecast 2013/14 levels, to deliver future support arrangements.

The Council Tax Regulations put in place a schedule of reliefs, to be known as ‘Council Tax Reductions’ to make provision for Council Tax Benefit claimants to receive an equivalent 10% reduction in their council tax liability (provided their circumstances remain the same). The overall intention was to ensure, as far as possible, that no Council Tax Benefit claimant in Scotland was disadvantaged during 2013/14 as a result of this abolition and reduction in UK funding.

Visits

Visit to Dunedin Canmore Housing Association

14. The Committee visited Dunedin Canmore Housing Association in Edinburgh on 30 October 2012, to learn more about the work it was doing in relation with its
involvement with the DWP’s demonstration projects for the direct payment of housing benefit. The Committee met staff from Dunedin Canmore, officials from City of Edinburgh Council and Dunedin Canmore tenants for discussions.

Atos fact-finding visit
15. Three members of the Committee visited the Atos assessment centre in Edinburgh in November 2012 to get an overview of the Work Capability Assessment for Employment and Support Allowance. Following the visit, the members reported back to the Committee at its meeting on 11 December 2012.

Engagement and innovation

16. Local authorities are at the forefront of delivery of many of the changes with welfare reform, for this reason the Committee has consulted the local authorities on a number of issues.

Local authorities’ preparations for welfare reform
17. During the summer recess the Committee issued a letter to all local authorities asking if they could provide information on how passported benefits are allocated by each authority. In January 2013 the Committee wrote to all local authority Chief Executives asking to provide details of any work that their local authority had undertaken to assess the impact of welfare reform, and of any measures that were being put in place to respond to the implementation of the reforms from April 2013.

Media coverage
18. Welfare reform has increasingly been in the news through the parliamentary year and the Committee attracted considerable media attention. The commissioned research received front page newspaper coverage for instance and the Your Say sessions were covered by television news.

Twitter
19. Now with 401 followers, Twitter has been a useful tool in promoting the Committee’s work. It has also proved to be beneficial for keeping up to date with relevant stakeholder’s work and to widen its reach to interested parties. Follow @sp_welfareref if you wish to keep up to date with the Welfare Reform Committee on Twitter.

Equalities

20. Many of those on whom welfare reform impacts are people with disabilities and the Committee has sought to make sure that they have a voice through the Committee. As well as taking evidence through representative organisations, the Committee has heard directly from individuals affected by strokes, blindness, cerebral palsy, learning disabilities, multiple sclerosis and mental illnesses.

21. The Committee held two Your Say evidence giving sessions as part of its formal Committee meetings. Six people who originally submitted their story though Your Say were invited to the Parliament to give evidence to the Committee. In addition, the Committee held an informal meeting in Glasgow in April 2013 in
partnership with the Poverty Alliance, which allowed the Committee to hear directly from the people of Glasgow about their experiences of welfare reform. The Your Say initiative has been beneficial to the Committee’s work and will continue to run through the parliamentary year 2013/14.

Meetings

22. The Committee met formally 15 times during the parliamentary year. Two meetings were held entirely in private and nine meetings included items in private. The main reasons for taking business in private were to consider draft reports and to discuss work programme matters. The Committee has also met informally in Glasgow in April 2013.

23. The Committee has invited UK Ministers responsible for welfare reform to formally give evidence to the Committee publically on a number of occasions, however, to date, these requests have not been accepted. The Committee did hold private meetings with the Parliamentary Under Secretary of State for Work and Pensions in November 2012 and with the Secretary of State for Work and Pensions in March 2013.

24. The Committee also invited DWP Decision Makers to an informal meeting at the Parliament to discuss Employment and Support Allowance process. The DWP told the Committee that as a general rule, only members of the Senior Civil Service or Ministers gave evidence to Parliamentary committees. As an alternative the DWP offered the Committee the opportunity to visit an office in Scotland where decision making was carried out and to hold a separate informal session with some of the decision makers.
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