



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

WELFARE REFORM COMMITTEE

Tuesday 10 September 2013

Session 4

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WELFARE REFORM COMMITTEE

12th Meeting 2013, Session 4

CONVENER

*Michael McMahon (Uddingston and Bellshill) (Lab)

DEPUTY CONVENER

*Jamie Hepburn (Cumbernauld and Kilsyth) (SNP)

COMMITTEE MEMBERS

*Annabelle Ewing (Mid Scotland and Fife) (SNP)

*Linda Fabiani (East Kilbride) (SNP)

*Alex Johnstone (North East Scotland) (Con)

*Ken Macintosh (Eastwood) (Lab)

*Kevin Stewart (Aberdeen Central) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Anne Bradley

Jenny Brough (Scottish Government)

Colin Brown (Scottish Government)

Lyndsay Ferry

Scott Wilson

CLERK TO THE COMMITTEE

Simon Watkins (Clerk)

LOCATION

Committee Room 3

Scottish Parliament

Welfare Reform Committee

Tuesday 10 September 2013

[The Convener *opened the meeting at 10:00*]

Interests

The Convener (Michael McMahon): Good morning and welcome to the 12th meeting of the Welfare Reform Committee in 2013. I ask everyone to ensure that their mobile phones and other electronic devices are switched off.

Agenda item 1 is a declaration of interests. We have a new member of the committee, Ken Macintosh. I invite Ken to declare any relevant interests.

Ken Macintosh (Eastwood) (Lab): I have nothing to declare.

The Convener: As is normal practice, I thank Iain Gray for his contribution while he was on the committee.

Decisions on Taking Business in Private

10:01

The Convener: Item 2 is a decision on whether to take items 7 and 8 in private. Item 7 is consideration of the committee's approach to scrutiny of the Scottish Government's draft budget for 2014-15. Item 8 is consideration of the committee's future work programme. The committee is also invited to decide whether to take consideration of evidence received on the Scottish Government's draft budget for 2014-15 in private at future meetings. Finally, the committee is invited to decide whether consideration of a draft report on the Scottish Government draft budget for 2014-15 should be taken in private at future meetings. Do we have agreement on that?

Members *indicated agreement.*

Draft Budget Scrutiny 2014-15 (Witness Expenses)

10:02

The Convener: Item 3 is to ask for the committee's agreement to delegate to me as convener responsibility for arranging for the Scottish Parliamentary Corporate Body to pay, under rule 12.4.3, any expenses of witnesses on the scrutiny of the draft budget. Are members happy with that?

Members *indicated agreement.*

Your Say—Bedroom Tax

10:02

The Convener: The fourth item this morning is our your say session on the bedroom tax. Your say sessions to date have proved to be an invaluable way for the committee to hear from people across Scotland about their views and personal experiences of the new welfare system. I welcome today's witnesses, who are here to speak about their experiences of the bedroom tax. They are Anne Bradley, Lyndsay Ferry and Scott Wilson.

Committee members have met Anne before, at our informal committee meeting in Glasgow in April. Lyndsay is here today to speak on behalf of her mother, Linda Kennedy. I invite witnesses to read their submissions to the committee. Following that, members will be invited to discuss the witnesses' experiences. We will start with Lyndsay.

Lyndsay Ferry: The submission reads:

"My name is Linda Kennedy. I am 58 years old. I have not worked for the past eight years. Six of those years, I was a full time carer to my late husband who passed away on 25 February 2011. We were offered help with the care, however, we both decided I would take care of him, giving him the dignity he deserved.

Like many others we always worked. My late husband had a saying 'everybody must put into the pot, if they don't, there will be no pot' (tax and national insurance). I still have those values.

At present, I suffer from anxiety and panic attacks but I am getting help for this. My total income is £72.07 per week (which is my late husband's work pension). The powers that be take £1.07 off as the government says I only need £71 per week to live off.

My problem is that I live in a 3 bedroom house alone. My kids have moved out and into their own homes. I had a visit from my housing officer telling me it will be just under £100 per month extra, but the rent rise in April could take me to just over £100 per month. He informed me I could either take in family members or a lodger(s) to help pay the bedroom tax or move to a smaller house.

I fear what the future holds and question what do I do next, where do I go, where will I end up? I have lost everything, my husband and now potentially my family home.

I know I am only the tenant, however, I class this house as my home with many great memories. I know my neighbours and they know me. Ultimately, I feel safe here.

To end this narrative, I was told 'well you should have bought your house'. Like many others, we worked hard, paid the bills and helped the family through their formative years and education. I refuse to beat myself up for being widowed and not a homeowner. Both my kids are fortunate to be in full time employment and not on benefits. They feel angry and are disillusioned that their mother can't get a bit of respite from 'the pot'."

The Convener: Thank you very much, Lyndsay. Do you want to go next, Scott?

Scott Wilson: I would like to tell you about my experiences of the welfare system, particularly how the underoccupancy charge will affect me and my family.

My name is Scott Wilson. I am 46 years old and was diagnosed with young-onset Parkinson's five years ago. I had always worked hard since I was 16 but, because of Parkinson's, I had to give up the successful gardening business that I had built up over many years and my decade of service as a reserved firefighter in South Lanarkshire where I live.

One of my Parkinson's symptoms is a very severe tremor that got worse over time and did not respond to medication. I had to have brain surgery, which has helped to control the tremors, but I still have other Parkinson's symptoms. As Parkinson's is a progressive condition, my condition will inevitably deteriorate and stress makes my symptoms much worse.

When I gave up my business, I had to apply for benefits to help support myself and my family. I have a 17-year old daughter and a 10-year old son, who has a severe long-term medical condition. The last thing that I wanted was to have to rely on Government benefits, but I felt that at least I had worked hard and had contributed to the system before I became ill. I had lots of support from the money matters advice service in Lanark, which made sure that I claimed the benefits to which I was entitled, including incapacity benefit, income support and an indefinite disability living allowance award. Although life was not easy and although I knew that, because of my health, I had an uncertain future, the knowledge that I could stay in my home and had some money that I could depend on made it much easier to cope.

However, since the Welfare Reform Act 2012 came in, I feel stressed and anxious at the thought that someone with no knowledge of my condition might reassess my benefits and determine that I am fit for work or that I am not affected by Parkinson's and I should lose the benefits that I depend on. I was broken-hearted to give up my business and would love to be well enough to work, but my Parkinson's makes that impossible.

I also recently separated from my partner of nearly 20 years, partly because of the stress that Parkinson's has put on my family life and relationships. Although it has been a very difficult time for all of us, we have maintained regular contact and my ex-partner and I continue to share the parenting of our children. Things have been made worse by the fact that I have had to apply for some different benefits and in particular by the

underoccupancy charge—the bedroom tax—that came into force in April.

I have lived in my home for 25 years, but I had to sell it back to the council because of financial hardship. I was shocked when a council employee phoned and told me that my housing benefit would be cut to the equivalent of that for a one-bedroom home and that I would have to find the additional money from my benefits to pay for two bedrooms. I was stressed enough about how I was going to pay for my heating, food, transport and other necessities and that information floored me.

When I asked for more information, the council employee told me that I had three options. First, the council could look at rehoming me in a one-bedroom flat. Given that there are very few of those flats in my home town, I could be relocated somewhere else many miles away. That would take me away from my support system, which includes not only my friends and family but the health centre where my day-to-day health needs are dealt with and where the staff know me and are able to give me the help that I need. I might not even be able to access a one-bedroom flat in another town as there are many more people needing one-bedroom homes than there are flats available. Secondly, the council could also look at my house sharing with someone else on benefits. That would mean sharing my home with a stranger whose background I did not know and possibly exposing my children and me to risks. Lastly, if I chose to stay in my house, I would have to find the shortfall in the rent myself from my other benefits.

I asked the person on the phone how my daughter and expected grandchild or my disabled son could stay with me if I moved to a one-bedroom flat or shared my home. I asked where they were expected to sleep and was told, "Have you ever heard of inflatable beds?" That took my breath away. I was literally speechless that the love and support of my children and their need to spend quality time with their father could be so casually dismissed.

I inquired about what would happen when my Parkinson's gets worse. As Parkinson's is an incurable degenerative disease, I will progressively become more disabled and I am likely to need more support over time. Because I am no longer with my ex-partner, I may need a live-in carer to support me. I asked where a carer would stay. The reply was, "We can cross that bridge when we come to it." I may now be unable to make any plans for the future until I am really unwell, when I might be unable to access the type of accommodation that I would need.

I was stunned by the lack of sympathy and understanding for people in my position. I am very anxious about the whole situation and I am concerned about the effect that that is having on

my Parkinson's. This policy seems to be being rushed through. It feels as though the Government in Westminster has not thought through the consequences for people like me, who the benefits system is supposed to help. I cannot believe that this is really being suggested and hope that people will take notice, do what is right and call a halt to the process.

Anne Bradley: I read an article in the *Evening Times* about the bedroom tax and I believed then, as I do now, that the tax is a breach of everyone's human rights and should be dumped.

I rented a two-bedroom flat from Queens Cross Housing Association and letters were delivered from the housing office with advice on the bedroom tax, cost and payment methods. The letters informed me that the tax would cost £43.64 a month. That went up to £47.64 a month. The amount will rise with each rent increase.

I contacted the housing association to request to be moved to a smaller property and to make it aware that I wished to stay in the same area. The housing association submitted a completed transfer application for a move and an application form for discretionary housing payment. I was advised by the housing association that it did not know when I would be likely to secure a transfer as there were no smaller properties available in the area in which I wished to live.

It was suggested that I could take in a lodger, but I informed the housing association that that was not something that I would ever consider and that I would never take a stranger into my home. If I were to have taken in a lodger, the housing benefit would have been reduced even further because I had someone living with me. That would have affected my employment and support allowance and created a further struggle as, after paying direct debits, there is not much of the ESA left.

I believed that I should not have to pay this tax as I was willing to move but was unable to do so because there were no smaller properties available. The struggle will become much worse when the universal credit is introduced. The payments for rent and the benefits are to be paid into one bank account and it will be left to the claimant to pay the rent.

I believe that I was forced out of my home and prevented from having a family life as I shall be unable to have family members stay overnight or at weekends. As there were no smaller properties in Glasgow, I believed that I would be forced to look further afield to find a suitable smaller property to rent and that I would have to apply for a private let, which would have created even more of a problem.

The bedroom tax is unjust and, because I believed that I would have to move to where I could get a smaller property to rent, it has separated me from my family.

In July, I viewed a smaller property, still in the area in which I wished to live. I was given one night to decide whether to accept or decline the offer. I was advised that, if I declined the offer, it was unlikely that I would be granted DHP a second time. Having been advised of that, I believed that I had no choice—I feel that I was forced to accept the property. Accepting the property created a further struggle as I was not in a good financial position to pay for a move within the 28 days given. Had it not been for my family, I would have been unable to move. I now owe my family a lot of money.

Since moving into the property, I have become isolated. At my previous property, I spoke to and met neighbours every day. Since moving to the new address, I never speak to or meet anyone. I am not happy in the new flat, as it is a deck-access property and people pass my door at all times, day and night, which makes me uncomfortable. I cannot get used to it. The property is so small that it could fit inside my previous flat. I am not happy with the property, as it is not as enclosed as my previous flat was. Although my previous flat was 12 floors up, I would not have moved but for the bedroom tax. I do not believe that I will be able to settle in the new flat.

10:15

The Convener: Thanks very much, Anne. I know that it is difficult for you all to have to recount your experiences but, as with all the your say witnesses from whom we have heard, the evidence that you have given us has been extremely helpful. It has given us the opportunity to ask questions of you to get a greater understanding of the issues.

Anne mentioned that discretionary housing payment was involved in her situation, but Lyndsay and Scott did not say whether they—or, in Lyndsay's case, her mother—had any discussions about DHP with the housing officials who contacted them. Advice was given, but were offers of alternative housing made? The housing officials said that that was an option, but did they make an offer of alternative housing? When they contacted you, did they discuss additional support through discretionary housing payments?

Lyndsay Ferry: As far as I am aware, my mum got an initial three-month discretionary payment, but that was about it. I do not believe that any offers of alternative one-bedroom flats were made

to her, so it was up to me and my brother to come up with the goods to pay the rent.

Scott Wilson: I was not offered anything at all. At the time, the new system had just come out and the person I spoke to knew very little about it, so the information that I got from him was quite sparse. I know for a fact that in my area we are lucky if there are a dozen one-bedroom houses. It would just not be feasible for me to move from a two-bedroom house into a one-bedroom house; I would not be able to fit all my furniture and everything into a one-bedroom house.

The Convener: It would also involve additional costs when you are already under pressure because of the cut in benefits. If you had to consider removal costs or the cost of storage, that would make it practically impossible to do what is being demanded of you.

Anne, you have been through the process, and it was obviously not a comfortable one for you. I can see the trauma that it caused you.

Anne Bradley: I am not comfortable with the move that I had.

The Convener: In your discussions with housing association officials, they made you an offer, but was it made to you as part of a package, or was it a take-it-or-leave-it offer?

Anne Bradley: It was a take-it-or-leave-it offer. If I had not moved, I would have had to find the money to pay the bedroom tax and I would not have got DHP. I was awarded DHP from April to September, but when I was offered the new house on 26 July, I had to decide overnight whether to take it or leave it. If I had not taken it, I would not have got DHP help again.

The Convener: So you did not feel that the officials took into account your circumstances—it was just that there was a flat available, which you had to take if you did not want to lose out.

Anne Bradley: Yes, that is how I believe it was.

Jamie Hepburn (Cumbernauld and Kilsyth) (SNP): My first question is for Lyndsay Ferry. Thank you for coming to give us the benefit of your evidence on your mother's experience. It is clear from the submission that your mother provided, which you read out for us, that she views the place where she lives as her home, as I think that anyone would. She now feels that she could lose that family home. Is she actively looking to move elsewhere, or is she simply concerned that she might have to?

Lyndsay Ferry: No, she is not actively looking at the moment. My brother and I have decided that we will have to come up with extra money. This deeply unpopular policy has directly affected her

and, as we do not want to put her in this position, we have had to help out.

Jamie Hepburn: So the burden has fallen on you and your brother. I presume that you have your own families to look after.

Lyndsay Ferry: Exactly.

Jamie Hepburn: It is clear from the statement that you read out that your parents worked hard over the course of their lives and felt that the system was there to support them when they required such support. How do you as a family feel that the system is working in that regard?

Lyndsay Ferry: I totally agree with my mum. My mum and dad always worked but, through no fault of her own, my mum has now been left in this unfortunate situation.

Jamie Hepburn: But, given their—and indeed your—understanding of the system, do you think that the system has matched those expectations? How do you feel about the current social security or welfare system? Is the pot there for people who have contributed to draw on?

Lyndsay Ferry: I do not think so. That is my personal opinion.

Jamie Hepburn: Okay.

Scott, you highlighted in your statement the three options that were presented by the council employee you spoke to. Clearly you are concerned that, even if you were looking to be rehoused, such a possibility might not be realistic because of the lack of available stock. Let us assume, however, that you were to be rehoused somewhere away from where you live. Where in South Lanarkshire do you live?

Scott Wilson: I live in Biggar.

Jamie Hepburn: Say you were rehoused in Hamilton or East Kilbride—

Scott Wilson: I would not go—I would fight it.

Jamie Hepburn: But let us say that that was the only place you were offered. What impact would that have on your family life?

Scott Wilson: It would be devastating. My son has a disability—in fact, he is going to have a very serious operation in the next couple of weeks—and I cannot live 20 miles away from him. I need to be close to him. I also need support from my family, my friends and everyone who knows me, knows my condition and knows how to deal with it. If I were told that I had to move 20 miles away, it would be devastating. It is ridiculous and terrible to be told that, just because the Government has a shortfall in two and three-bedroom houses, I have to move out because the house that I have stayed in for 25-plus years is underoccupied.

Jamie Hepburn: Clearly, that would have a severe impact on your family. Do you get any sense that that has been taken on board or taken account of?

Scott Wilson: They have not looked at that at all. My son and I have medical conditions; a few months ago, I became a grandfather for the first time; and I am being expected to destroy my family life all for the sake of having to move to a one-bedroom house. I am afraid that I will not be going—I am going to fight it all the way.

Jamie Hepburn: Thank you, Scott.

Anne, when the clerks told me that you had got a new place, I was going to begin by congratulating you. However, having heard your evidence, I do not think that congratulations are appropriate. You have told us a little bit about how the move has affected you, but can you tell us a bit more about where you are now and how being rehoused in your new place has affected you?

Anne Bradley: As I have said, I am not happy with it. If it had not been for the bedroom tax, I would still be in my previous flat. It has also cost my family financially. If they had not helped me, I would not have been able to move. However, I now owe them money.

When I got the flat, it was in a terrible state. The housing association gave me a paint package, but it has not worked out and I am just not happy with the flat.

Jamie Hepburn: If you do not feel comfortable about talking about this, please do not do so, but I believe that you said that you felt isolated in your new place.

Anne Bradley: In my last place, I met and spoke to people every single day. I have been in the new place since 26 August—I think that that was the date, because that was when the 28 days were up—but I have not met anyone at all. I do not meet people; I have not spoken to anyone; and I feel totally isolated.

Jamie Hepburn: I am really sorry to hear that. However, given the shortage of accommodation for people to downsize to—whether or not they want to—some might say that you were one of the lucky ones. How would you respond to that?

Anne Bradley: I would say no, I am not. I got offered a one-bedroom flat, but it is so poky that I cannot fit anything in. I am not happy with it. It is just a piece of nonsense offering people a property like that. It is so small that I could fit it inside my last property.

Kevin Stewart (Aberdeen Central) (SNP): Thanks a lot for your evidence today, folks. First, I have a couple of questions for Lindsay Ferry around the evidence that your mum has given that

her total income is £72.07 a week and that £1.07 was hauled back by the Government. Obviously, she has housing benefit above that.

Lyndsay Ferry: That is correct.

Kevin Stewart: Does your mum get anything else from the state in that regard?

Lyndsay Ferry: Nothing at all.

Kevin Stewart: The situation is that she gets your dad's pension and it takes £1.07 back.

Lyndsay Ferry: Yes.

Kevin Stewart: I think that it was right to clarify that, because one of the things that the Westminster Government seems to think is that people get huge amounts of money on benefit. However, the situation here is that your mum is on no benefit other than your dad's work pension and housing benefit.

Please feel free not to answer this, but what effect does having to make the payments that you and your brother have decided to make have on your family and your brother's family? What do you miss out on because you have to do that?

Lyndsay Ferry: I am expecting a baby, so the extra money would have gone to the baby, but I have to help my mum.

Kevin Stewart: How does your mum feel about that? We know that she has anxiety and panic attacks at the moment. From my perspective, I know that if my folks had to get money off us, that would make them very uncomfortable.

Lyndsay Ferry: It is embarrassing for her and makes her very uncomfortable, but my brother and I have decided that she is in her own home and that is where she will stay. If that is the only way round it, then that is what we have to do.

Kevin Stewart: So you have to miss out for that to happen.

Lyndsay Ferry: Yes, unfortunately.

Kevin Stewart: That obviously has an effect on her, too.

Lyndsay Ferry: Yes.

Kevin Stewart: Thank you very much for that.

Scott, it seems that, to begin with, the folk at the council were rather unhelpful, to say the least, and quite cheeky in some of the things that they said to you, for example about inflatable beds. What would be the effect on your son if you had to move elsewhere? I know that you said that you have not done so, but if you reached that position, what effect would that have on him?

Scott Wilson: Just now, it would have a devastating effect on my son because I have had

a recent split from my partner of 20 years. My son is 10 years old and that has been hard enough for him to cope with. They moved house because I could not afford to rent privately anywhere in my area, because it is that expensive. It would destroy him if I had to go 20 miles away. I live only 3 miles from him just now, so it is easy for me to get to see him. I see him through the week and at weekends. It is hard enough for me to try to pay for my heating, electric and gas and everything else, including council tax, but if I had to stay 20 miles away, I would then have to fork out a fortune for diesel to go back and forward to see him. It would devastate him, but it would also devastate me not seeing him. It would be quite bad for him, I would say.

Kevin Stewart: You talked about being close to your own support networks. Obviously, you provide a support network for your son; you are part of his support network. If you were not there or nearby to help cope with your son's situation, what kind of position would that put your ex-partner in?

Scott Wilson: It would put an awful lot of pressure on my ex-partner. Because of his condition, my son has to go in and out of hospital a lot to get quite serious operations done. Sometimes, we are on 24-hour call from the hospital—it could tell us that a slot is coming up in 24 hours for my son to go in and get his operation. If I am 20 miles away and they get the 24-hour call, my ex-partner will be at her wits' end. She is finding it hard enough with my son. She is his full-time carer. The situation puts all the pressure on to both of us and we both feel the pressure equally, but I would say that it would be devastating for her.

10:30

Kevin Stewart: Anne, you talked about moving and your family bearing the costs of that move. I do not know what those costs are; you might wish to say and you might not. Was there no offer of support or help to meet those moving costs from any other organisation?

Anne Bradley: No, there was no offer from anyone.

Kevin Stewart: None at all?

Anne Bradley: None at all.

Kevin Stewart: So if it was not for the goodness of your family—

Anne Bradley: I would probably be homeless now, because I had already signed the lease for the new flat and the tenancy on my previous flat had ended. If I had not had help to move, I would not have been able to move in and I would have been homeless.

Kevin Stewart: Thank you.

Convener, I have a quick question for all the witnesses. The bedroom tax is affecting not only you as individuals—or your mum in your case, Lyndsay—but your families, too. Would it be fair to say that?

Anne Bradley: Yes.

Scott Wilson: Yes.

Lyndsay Ferry: Most definitely.

Kevin Stewart: If it was not for families helping in some way, you would be in an even worse position than you are at present.

Anne Bradley: Yes.

Scott Wilson: Yes.

Lyndsay Ferry: Yes.

Kevin Stewart: Thank you, and thank you convener.

Linda Fabiani (East Kilbride) (SNP): Lyndsay, the thing that really struck me was when your mum said, towards the end of her submission, "I know I am only the tenant."

Lyndsay Ferry: That is how she feels.

Linda Fabiani: Absolutely. It is very sad to hear someone saying that. How long did your family live in that house?

Lyndsay Ferry: I think it was about 14 years.

Linda Fabiani: From what you said about your dad having worked and then become ill, I presume that your family paid their rent on time, did all the right stuff, and considered that they had a family home. Now your mum feels that it is not a home any more.

Lyndsay Ferry: That is right.

Linda Fabiani: Scott, you said in your submission that you had had to sell the house back to the council. Was that under the mortgage to rent scheme?

Scott Wilson: It was, yes.

Linda Fabiani: You felt that that was a way of keeping your home and family together when things went wrong.

Scott Wilson: Yes. Rather than putting the house on the market and looking for another one—I knew that I would not be able to find a house in my home town because of the prices that they were going for—I thought that the mortgage to rent scheme was the only way in which I could stay in my family home. The way that I had done everything to the house and decorated—even the colour of the paint that I had put on a wall—meant that that was my personal house and my space.

Linda Fabiani: It was your home.

Scott Wilson: Yes, it was my home.

Linda Fabiani: Do you now feel like Linda Kennedy—Lyndsay's mum—that all of a sudden what has always been your home and the place that you have fought to keep—

Scott Wilson: Yes; it is like someone wants to take it away from me and give it to someone else. They want to rip out the kitchen, bathroom and everything else that I have put in and give it to someone else just to make it easier for the Government to claw back some money.

Linda Fabiani: Anne, have you lost your home?

Anne Bradley: I have not lost my home.

Linda Fabiani: But you lost what you considered to be your home and you have moved to somewhere that you said you do not feel is like home.

Anne Bradley: It is definitely not home. There is no way that I could make the flat that I am in now into my home. I am not comfortable there.

Linda Fabiani: You mentioned in your submission—I think that you talked about it earlier, too—your view that the policy is a breach of human rights and that it has a devastating effect on folk. You might have heard the convener talking about how we tried to see the United Nations reporter on human rights. If you could sit face to face with someone like that, what would you say to them about what has happened to you?

Anne Bradley: It is not just me. The bedroom tax is a nightmare for everybody who is involved with it. It is against human rights and it makes people lose their homes. It takes away half the money that I have to live on. That is not right. The bedroom tax is a nightmare. It is unjust, it is against everybody's human rights and it should be abolished.

Linda Fabiani: Would either of the other witnesses like to comment on the fact that we are talking about people's homes, not just a house that they happen to get a shot of for a wee while?

Scott Wilson: I have stayed in the house for more than 25 years, so it is my home. I would not know how to go about starting again in another home. The upheaval that the bedroom tax causes not only for the families but for everybody, including friends and others, is ridiculous—it is terrible.

Lyndsay Ferry: If my mum did not have me or my brother, I fear that the situation would be devastating for her mental health and wellbeing. Everything is—

Linda Fabiani: Yes. Thanks very much. I do not know what else to say to you guys. It is hard to take in that we are sitting in a country in which a Government in London is imposing homelessness on people.

Ken Macintosh: I, too, thank you all for coming to give evidence to us. I thank Lyndsay Ferry for bringing us some good news with your pregnancy. Congratulations.

Lyndsay Ferry: Thank you very much.

Ken Macintosh: That news cheered us up.

You do not have to answer if you do not want to, but can you tell us what happened to your mum with regard to rent arrears? You have all responded in different ways. You and your brother are helping your mother. Had she already got herself into arrears or was she simply feeling anxiety? Alternatively, was she making sacrifices in other parts of her expenditure?

Lyndsay Ferry: Do you mean prior to the bedroom tax?

Ken Macintosh: No, I mean after it was introduced. Did the bedroom tax cause her to go into arrears, or did she cut back on her other expenditure to ensure that she paid it?

Lyndsay Ferry: As far as I am aware she did not go into arrears, but I could not confirm that.

Ken Macintosh: She was struggling to pay, but she was managing it.

Lyndsay Ferry: She is struggling to live as it is, if I can put it that way. Her submission details how much she lives on. If they think that that is acceptable—

Ken Macintosh: Most of us would look at the figures and wonder how she could cut any of her expenses.

Did your mother take any advice on income maximisation? Did she go to a citizens advice bureau or benefits adviser to find out whether she might be eligible for any other benefits?

Lyndsay Ferry: As far as I am aware, I think that she did and was told that no other benefits were available to her.

Ken Macintosh: Anne, your family helped with the move. You felt that a gun was put to your head to make you move. Would you have found yourself in arrears if you had not taken the offer of a smaller property?

Anne Bradley: Yes. I would have ended up in rent arrears, because I would not have been able to afford to pay the bedroom tax.

Ken Macintosh: But in your case, you were careful not to get into that situation.

Anne Bradley: Yes.

Ken Macintosh: One of the responses that the Parliament is supporting is to try to provide further advice to people. A lot of people do not claim all the benefits to which they are entitled and get all the help that is available. Did you go to a citizens advice bureau or to the benefits advice people?

Anne Bradley: No; it was my housing officer who spoke about maximising my money. There is no way that I could have cut anything from the money that I had going out to afford the bedroom tax.

Ken Macintosh: There was nothing else that you were not claiming.

Anne Bradley: No. There was nothing else that I was entitled to.

Ken Macintosh: Anne Bradley has moved and Lyndsay Ferry and her brother are helping her mum, but Scott is still in the same situation. What will happen to you? Will you find yourself in arrears soon?

Scott Wilson: I most probably am in arrears. I have not had a letter from the council yet, but I am expecting one. The tax is about £10 a week so people think that that is nothing, but it is a lot when you get only a pittance to live on. We are coming into wintertime and, given that gas and electricity prices are going up all the time, it is costing me an arm and a leg to, more or less, try to keep myself alive and to keep seeing my family. When something has to give, it has to give. In my mind, my bedroom tax is the last thing that I want to pay.

Ken Macintosh: I think that the humanity of the situation is clear to us all. One of the things that the committee will have to think about is what we can do to help, given that the bedroom tax has been introduced by a separate Government. Is there anything in particular? Income maximisation clearly does not work in the sense that you are claiming what you are entitled to—or your mum is doing that in your case, Lyndsay.

Scott Wilson: I have been to the money matters advice service and the people there were great. They helped me with finding out what benefits I was entitled to and all the benefits that I could get—everything like that. They were really good, but it comes to a point where they cannot drag out money that I am not entitled to. When the Government is asking me to give back some of the money that I am entitled to, it just does not make sense. Why give it to me in the first place? It could just say, “We won’t give you that money; that’s towards your house,” instead of giving me the money and then asking for it back.

Ken Macintosh: It is a bit unfair to ask you this question, because you are at the sharp end, as it were, and you do not make the policy, but is there

anything that is not being done that you think we in the Scottish Parliament or the local authority could do to help?

Scott Wilson: Scrap it.

Ken Macintosh: That would be the thing that—

Scott Wilson: I know that they have to claw back money somehow, but they are doing it by clawing back the money from the people who most need it—the people who need the benefits and need the home security that they have. They struggle enough with the security. If they did not have that, they would be devastated.

Ken Macintosh: Have you claimed discretionary housing payments at all?

Scott Wilson: I am unsure whether I have or not, to be quite honest.

Ken Macintosh: Anne, did you claim the discretionary payments?

Anne Bradley: Yes.

Ken Macintosh: I think that you say in your written evidence that you were advised that you would not be able to claim DHP again.

Anne Bradley: I was advised that I would not get it a second time if I refused the flat that I am in now.

Ken Macintosh: Thank you.

Annabelle Ewing (Mid Scotland and Fife) (SNP): Thank you all for coming along today and sharing with us what is really very personal information. In an ideal world, you would not have to do that, and the fact that you are prepared to do it is indicative of how strongly you feel about the injustice of this tax. Scott, you said that it should be scrapped. I would love to see it scrapped, but we do not have the power to scrap it. That lies with a Government elsewhere.

I want to pick up on an issue that two of you raised in your written evidence. Lyndsay, I want to raise the advice that was given—which follows the Westminster policy—that your mother should consider taking in a lodger. What do you and your brother feel about that as a matter of policy? That is the policy dictated by people such as the UK Secretary of State for Work and Pensions and his minister, Lord Freud, who presumably do not have these difficulties in life, speaking on behalf of the Westminster Government. What did you feel when you heard that that was what your mother was advised to do?

Lyndsay Ferry: I was kind of left in shock. She has lost my dad and then been told to take in a stranger, and they think that that is normal. I am afraid that we are just not accepting it.

Annabelle Ewing: The situation was presented to your mother, with all the difficulties that she has been through over recent years. Was it discussed among your wider circle? When the immediate family, the extended family, friends, neighbours and all the people in her circle heard about it, what did they feel? The idea is that the solution to a situation that she did nothing to create is for a 58-year-old widow to take in a lodger. What did they feel about that?

Lyndsay Ferry: Like us, they were totally appalled.

Annabelle Ewing: Absolutely. I want to ask Anne Bradley about the same issue, which, as far as I recall, she rightly raised when we met her in April. In your submission, aside from questioning the decency or otherwise of such a policy, you question its efficacy. In your situation, had you proceeded down the route of getting a lodger, it would have cost you financially rather than helped the situation. Will you expand on that a wee bit, please?

10:45

Anne Bradley: I was getting full housing benefit before the bedroom tax came in but, once it was introduced, that benefit was reduced. If I had taken in a lodger, the amount would have been reduced even more because there would have been a second person living in the flat with me. Leaving aside the fact that, as Lyndsay said, I would not take a stranger into my home, I would not have taken in a lodger on those grounds.

Annabelle Ewing: It is clear to you from your situation that taking in a lodger was not, in any event, a practicable solution because that would have placed you in a worse situation than you otherwise would have been in.

Anne Bradley: Yes.

Annabelle Ewing: I turn to Scott Wilson. I want to air two issues, the first of which is shared parenting. It is not clear from your written information whether that is subject to a legal agreement or a practical arrangement. Therefore, there may be different consequences in light of the type of arrangement in place. However, you have shared parenting for your son, who has, as we have heard, particular needs. As a matter of practicality, how would it be possible for you to carry out your parental duties if you were forced to move to a one-bedroom flat and to use an inflatable bed? Would your son be able to lie on an inflatable bed? Would that be safe for him, given his needs?

Scott Wilson: I would have to give up my bed for my son and sleep on the inflatable mattress,

but that is just not practical for me. I get little enough sleep as it is, so I would not do that.

Annabelle Ewing: There is also your young daughter. I take it that it is she who recently had your grandchild. Congratulations—at least some nice information has come out this morning.

You could not have your daughter and your grandchild to stay at the same time in a one-bedroom flat, and certainly not at the same time that your son was staying, so you could not enjoy your family together and the siblings could not enjoy their time together.

Scott Wilson: Exactly. Laws have been introduced under which females and males of certain ages are not allowed to stay in the same room. Therefore, how do they expect a 10-year-old boy and an 18-year-old girl to share a room? Such issues were not thought about, but they affect people such as me and cause stress. I worry enough about my family without having to worry about a stupid tax.

Annabelle Ewing: You were diagnosed with Parkinson's disease some years ago. Current medical information tells us that the condition reacts to stress and that its deleterious impact can be felt because of additional stress in a person's life, so—as you rightly point out—the situation that you are in is not good for your health. Looking to the future, the condition is degenerative, as you mentioned; that is also stated unequivocally by the medical profession. Why then do you think that it would be possible for a Government—in this case the Westminster Government—to set a policy that, in effect, says that it is not a degenerative condition and that, notwithstanding all the medical evidence to the contrary, there will not be a time when you will need an extra bedroom for a carer? How can a Government get away with that?

Scott Wilson: I am totally disgusted. To go off topic a little bit, why should I have to go for an interview to see whether I am fit and able to work when I have a degenerative disease? The condition will not get better; if anything, it will get worse. However, I am being asked to go every three years or whatever it is for an interview. Cases should be looked at individually and a determination made on that basis rather than people just being blocked together and told to pay the bedroom tax and to like it or lump it. That is not happening for me, I am afraid.

Annabelle Ewing: I thank all the witnesses for coming to the committee.

Alex Johnstone (North East Scotland) (Con): I want to return to something that Scott Wilson raised, and I would be interested to hear what other people have to say about it.

When you were speaking about the people with whom you had to deal directly, you referred to a lack of sympathy for your condition. I did not want to interrupt at the time, but I wanted to ask you a question about that. Who exactly are we talking about? Was it people from the Department for Work and Pensions?

Scott Wilson: It was people from the council or the housing association. Obviously, the tax had not been implemented at the time, so they did not have enough information to give out.

Alex Johnstone: Is it the case that you are now a council tenant?

Scott Wilson: Yes.

Alex Johnstone: In which local authority?

Scott Wilson: South Lanarkshire.

Alex Johnstone: Are we talking exclusively about people at the council, or were there others who were unhelpful or who appeared not to understand?

Scott Wilson: It was exclusively people from the council, at the time. However, the more that you get into it, the more it seems that there is no sympathy from anybody regarding benefits. I do not blame the people in the benefits offices, as they are just telling me what they have been told to say. It is the Government that is telling them what to say.

Alex Johnstone: Is that experience the same for others here today, or is there a difference in the performance of various local authorities? Are council staff better in some areas than others?

Lyndsay Ferry: I cannot add much to what my mum has already said, but I think that our experience is like Scott Wilson's.

Alex Johnstone: Do you feel that you had support?

Anne Bradley: I feel that I had some support from Queen's Cross Housing Association, but not an awful lot.

Alex Johnstone: So you do not feel that you are in a position to objectively judge the quality of the support that you were given.

Anne Bradley: Not from the council, no.

The Convener: On the issue of the council officials, which Scott Wilson raised, Linda Fabiani and I went to a meeting in North Lanarkshire at which officials from North Lanarkshire Council and South Lanarkshire Council talked about how they were preparing for the programme to come into existence. I was left with the impression that the local authorities knew that they had to be proactively engaged in order to address the types

of issues that you were going to be confronted with.

That might have been the policy intention of the management but, from what we have heard today, it would appear that the officers who are carrying out the engagement are going through things as a matter of course—they are just dealing with people and giving them information but are not actually engaging with them. They are just saying, in a matter-of-fact way, "Here's the situation, here's what you're left with and here's your options." It seems that there is nothing beyond that.

Scott Wilson: As far as I am concerned, the council has been great in relation to everything apart from the bedroom tax. Before the bedroom tax was implemented, the council—like everyone else—had only sparse information, so I cannot blame one person in particular. However, there were problems with the way that they talked to me. That official who asked, "Have you heard of a blow-up bed?"—what training had he had? He was not reading that off a computer screen or anything else.

In every other way, the support that I have had from the council has been great. It has given me a wet room now that I live on my own. It has adapted my house—

The Convener: It has invested in your house and now you are being told that you have to leave it.

Scott Wilson: Yes, I am being told that I have to move out. Where is the common sense in that? It is costing the council money to do that.

The Convener: I thank everyone for coming this morning. I knew that this was not going to be an easy situation for you, and it was certainly not easy for us to have to hear about the impact that the policies are having on you. From people we have spoken to previously, we have gathered an impression that things are bad, but getting first-hand knowledge from the individuals concerned has compounded the felony, as it were.

It is beyond me how a Government that has a benefits system—which, of course, is set at the minimum level necessary to enable people to subsist and to live their lives—can bring in a policy that will take 14 or 25 per cent from that minimum income. By definition, that will put people below the breadline. That is not a welfare system that I consider to be valid.

Again, I thank you for giving us the information that you have given us. That has been helpful. We will take it on board as we continue to consider the implications of the changes. That is what we are here to do, and that is what we intend to do.

We will have a brief suspension to allow our next panel of witnesses to come to the table.

10:55

Meeting suspended.

11:05

On resuming—

Subordinate Legislation

Council Tax Reduction (Scotland) (No 2) Regulations 2013 (SSI 2013/218)

Council Tax Reduction (Scotland) (No 3) Regulations 2013 (SSI 2013/239)

The Convener: Our next agenda item is consideration of Scottish statutory instruments. The two sets of regulations were considered by the Delegated Powers and Law Reform Committee at its meeting on 3 September. That committee agreed to draw SSI 2013/218 to the Parliament's attention on reporting ground (i)—that its drafting appears to be defective. The committee's report explains that the regulations provide that the Council Tax Reduction (Scotland) Regulations 2012 are amended in accordance with regulations 10 to 16, whereas the intention was to amend the Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012.

The Scottish Government has acknowledged the error, and it laid SSI 2013/239 on 9 August to correct it in time for the coming into force of the regulations on 1 October 2013.

I draw to the committee's attention a submission received from the Child Poverty Action Group on the regulations.

In considering the two sets of regulations, we are joined by officials from the Scottish Government. I welcome Colin Brown, senior principal legal officer in the directorate for legal services, and Jenny Brough, the team leader of the council tax unit. Do members wish to put any questions or comments to the officials?

Ken Macintosh: I hesitate to jump in first, as the new committee member—

The Convener: It is all right—I decide who comes in first. Carry on.

Ken Macintosh: I thank the officials for coming along.

With reference to valuation appeal committees, the policy note says:

"It became clear in February 2013 that VACs were not willing to hear such appeals."

Basically, it became clear in February that the system that the Scottish Government had planned was not going to work at all. Is that right? I ask the officials to remind me of what happened.

Jenny Brough (Scottish Government): In February this year, by law, the original route of appeal for council tax reduction would have been to the valuation appeal committees. It became clear in February that the VACs would not be able

to hear council tax reduction appeals. Mr Swinney wrote to the committee at that point, bringing the committee up to speed on the situation and informing the committee and Parliament that he had commissioned Jim McCafferty, the immediate past president of the Institute of Revenues Rating and Valuation, to consider an alternative mechanism for council tax reduction appeals.

Ken Macintosh: I do not wish to go over old ground too much, but was there not correspondence in 2012 implying that the VACs were not going to be able to cope? I am surprised that the matter arose as late as February 2013. Was there not correspondence in 2012 from the VACs themselves?

Jenny Brough: I do not have correspondence from 2012 in front of me. The Scottish Government was in discussion with the valuation appeal committees throughout 2012 about the arrangements that would apply under the council tax reduction scheme. It became very clear in February this year that those arrangements were definitely not going to happen. I can certainly follow up and look into previous correspondence from 2012 if that would be helpful.

Ken Macintosh: Yes, I think that it would be helpful to know why the situation arose so late and why there was a last-minute change of plan.

In the meantime, the council tax reduction scheme is in place, but there is no method of appeal. What has been happening? Is a temporary system in place? Who has been hearing the appeals? Have there been any appeals?

Jenny Brough: From the commencement of the council tax reduction scheme on 1 April this year, the first stage of review for someone who wishes to contest their council tax reduction is exactly the same as it was under the previous council tax benefit system, which was to ask the local authority to reconsider its decision. Therefore, someone would ask the local authority for a review. Under the old council tax benefit arrangements, only after that stage would they go to an appeal.

The Scottish Government expects that, when it is established, the review process for council tax reduction will consider cases that have gone beyond the local authority stage, in the same timescales as Her Majesty's Courts and Tribunals Service considered the old council tax benefit cases. The first stage is for an applicant to ask their local authority for a review.

Ken Macintosh: So no temporary system is in place; a backlog will build up until October, when cases will be dealt with. Is that right?

Jenny Brough: We have been monitoring the emerging number of cases. We are aware of

about 20 to 30 cases since April that are likely to be the subject of an appeal.

Ken Macintosh: If we assume that we will approve the regulations, will there be any difficulty in cases in the backlog meeting deadlines for applications and so on? The regulations contain timescales for applying. Will all cases qualify for the right of appeal to the new panel?

Colin Brown (Scottish Government): Yes. The regulations provide for any appeal that is outstanding when the regulations come into force to progress under the new system. Appeals will continue, but they will go to the newly established appeal mechanism.

Ken Macintosh: If a case was successful but had a six-month delay, would the effect of the decision go back to when the original application was submitted?

Colin Brown: Yes, if that was appropriate in the circumstances of the case.

Ken Macintosh: If a decision was made to uphold an appeal and that was assumed to benefit the applicant, would the decision be backdated?

Colin Brown: It would go back to the original application date. I was simply covering the possibility that changes in circumstances might affect the impact of an appeal.

Ken Macintosh: The delays could cause expense for people who, if they are successful, should not necessarily have incurred such expenditure.

Convener, I do not know whether to ask about CPAG's submission, which raises a number of questions.

The Convener: I will give other people an opportunity to ask questions and come back to you.

Alex Johnstone: I congratulate Ken Macintosh on spotting what the committee was up to previously. The previous regulations met with our approval in most ways, but they had the flaw of not having a proper appeals procedure. At the time, we got an undertaking that adjustments would be proposed to include a proper appeals procedure, which would happen in a timescale that in no way delayed the appeal process. I take it that the regulations that we are discussing today and the timescale in which they will come into force will fulfil our previous request by allowing appeals to proceed in a normal and timely manner.

Jenny Brough: When Robin Haynes and I appeared before the committee in March, we said that we expected the process to consider council tax reduction cases in the same timescales as applied under the old council tax benefit arrangements. We still believe that.

Alex Johnstone: You mentioned that you have become aware of 20 to 30 cases in the intervening time. Will you reassure us that those cases would not have proceeded more quickly if the new process had been in place earlier and that the people involved will be able to take advantage of that process when it is available?

Jenny Brough: I cannot say precisely how quickly or otherwise cases would have proceeded under the council tax benefit arrangements, but we are clear that the timescales are broadly similar. The cases will proceed under the new review arrangements that we are putting in place.

Kevin Stewart: Alex Johnstone has covered a fair bit of what I was going to ask about. The committee previously scrutinised the delay factor and ascertained that no real delays would occur—if we approve the regulations, of course.

I have a more general point on the guidance that will be issued and, in particular, the concerns that have been raised, including by CPAG, about representatives for appellants and appellants' rights. Obviously, some people will require help with appeals. What is the Government's viewpoint on allowing appellants to have representatives and on reviewing some of the documentation?

11:15

Jenny Brough: It is unfortunate that Robin Haynes is not able to be in front of the committee today, as he has led for the Scottish Government on that work and on the guidance. I can say that we are working with CPAG and others in the welfare rights sector on the development of the guidance and with local authorities to ensure that we meet everybody's needs in that process. However, I am afraid that I would have to ask Robin Haynes and colleagues to follow up in writing to the committee on the specific details of the content of the guidance, which is in preparation.

The Convener: We would be happy to receive a letter to clarify things.

Kevin Stewart: That would be useful, but can we be assured that CPAG and other bodies are being consulted on the guidance?

Jenny Brough: Yes. We very much welcome the support that we have had from CPAG.

Jamie Hepburn: Can Ms Brough or Mr Brown tell us what the effect would be on people on the ground if the regulations—but particularly SSI 2013/218—were not to come into force?

Jenny Brough: Quite simply, there would not be a mechanism for reviewing council tax reduction decisions if the regulations did not come

into force. That is the process that they are intended to create.

Jamie Hepburn: So people would have no recourse. They would have no mechanism at all for appeal.

Colin Brown: They would have recourse to a valuation appeal committee, as that is what is currently provided for.

Jenny Brough: The purpose of the regulations is, effectively, to close off that route now that valuation appeal committees have made it clear that they will not hear council tax reduction appeals.

Ken Macintosh: CPAG highlighted a number of issues, one of which was about flexibility in relation to time limits for appeals. Did you consider that issue?

Jenny Brough: Yes. CPAG raised a lack of flexibility in the time limits in the regulations. Its submission notes:

“the time limits are not the same as those that apply to housing benefit (HB) appeals.”

The council tax reduction scheme necessarily operates very differently, so various elements of the scheme will not be the same as those that would apply in relation to housing benefit. That is one point in relation to which we have had to say that the CTR scheme is necessarily not the same.

On the general point about time limits, we have noted CPAG's comments, but at this stage, we want to see how the arrangements work in practice once the system is up and running.

Ken Macintosh: I would like to explore that. The CTR system will be different from the housing benefit system, but am I right in thinking that the panel—or certainly the judge—might be the same in each case?

Jenny Brough: I am not aware of the answer to that question, but we could certainly follow up that point.

Colin Brown: There would be a separate appeal mechanism under separate regulations. Housing benefit is run by the Department for Work and Pensions, and we are talking about part of the council tax system. The processes are necessarily separate.

Ken Macintosh: CPAG made that point in its submission to us. I do not know whether you have access to that document. Is it a private committee paper?

Jenny Brough: We have it.

Ken Macintosh: Paragraph 4.3 refers to onward appeals. CPAG says:

“As Mr McCafferty pointed out”—

Mr McCafferty conducted the review for the Government—

“the lack of an onward appeal will be a particularly difficult situation if the review panel is constituted of the same judge who is hearing an identically worded”

housing benefit

“appeal.”

I take it from that that the judge, or the panel, could be the same. Am I wrong in jumping to that conclusion?

Jenny Brough: I have not looked at that in detail, so we will come back to you on that point. We reinforce the point that, procedurally, the appeals would necessarily be separate processes under separate legislation, but we can look at that point from CPAG.

Ken Macintosh: Procedurally, there are clearly two different sets of legislation—I understand that. However, my understanding is that an applicant will possibly have appeals relating to housing benefit and council tax reduction at the same time, using identical language and for very similar, if not identical, reasons. In fact, that was a virtue of the system that Mr McCafferty recommended—that the appeals be conducted in that manner. Am I wrong in making that assumption?

Jenny Brough: No, there will certainly be similarities, in particular given that the council tax reduction scheme was based on the principles of council tax benefit, where possible. However, we do not want to draw too close a parallel between the two because they come under separate jurisdictions going forward.

Ken Macintosh: That is clear—I understand that.

I go back to my original question. You have ruled out introducing some flexibility. CPAG suggests that you could perhaps bring forward an amending regulation to introduce some flexibility so that somebody who fell outwith the timescale could seek a review. If they miss their deadline because they are in hospital—or for whatever other reason—the process could allow for some flexibility, as there is with housing benefit reviews. Have you ruled out such flexibility?

Jenny Brough: As they stand, these are regulations for the new scheme. However, we can look at that point as they are implemented.

Ken Macintosh: The CPAG submission mentions the example of when

“a party has unavoidably been unable to attend a hearing and give evidence”.

In the case of housing benefit, in such an instance there would be an onward appeal to the same judge or panel. In other words, in the case of

housing benefit, if an appeal does not make the deadline, it can be carried over to the same panel. However, that is not the case with council tax reduction.

Colin Brown: That is correct, as the regulations stand.

Ken Macintosh: Did you consider that point and rule it out, or was it not considered? It is not in the regulations now. Did you consider it?

Colin Brown: The time limits were considered when we were drafting the regulations—

Ken Macintosh: —but ruled out.

Colin Brown: The view was to go with strict—albeit quite lengthy—time limits at present.

Ken Macintosh: Is there no right of onward appeal?

Colin Brown: There is a technical reason for that being ruled out: the powers do not allow for the creation of an appeal system. Appeals in relation to council tax go to valuation appeal committees—that is the appeal system. The wording of the regulations is a technicality; the wording is all about review, so it would be difficult to create a further appeal tier because there is no power to create an appeal mechanism. To an extent, that is semantics, but it is a constraint on the creation of the system.

There is also a policy element, of course, as to how far you wish—

Ken Macintosh: Could you call it onward review, then, rather than onward appeal?

Colin Brown: The remedy would be judicial review by a court.

Ken Macintosh: That would be hugely expensive and unlikely to happen.

The CPAG submission raised another point. A local authority that changes its initial decision does not seem to be able to do so without the applicant submitting a fresh application. In other words, if an applicant appeals and the local authority decides that it will change its decision, the applicant will have to submit a fresh application—the authority cannot just set aside its decision. Is that the case?

Colin Brown: I think that that is probably not the case. It is quite difficult to be definitive because the regulations leave it to the review panel to determine its mechanisms for managing appeals. Clearly, once an appeal is put to that panel, the conduct of that review becomes a matter for the panel and it will have its own operating rules as to how it proceeds.

In a scenario in which the council is minded to concede the appeal, technically I think that it then needs the panel to agree to that. However, I

imagine that the panel would not wish to waste its time doing appeals when consensus has broken out.

Ken Macintosh: Convener, would it be possible to send the CPAG submission to the Government for comment?

The Convener: You could write to the Government with specific questions, but I think that many of them relate to the regulations that were brought in previously, not the regulations that are under discussion. You will have to seek clarity yourself because we covered some of these issues in our previous discussions on the regulations. The reason why you are not getting direct answers to your questions this morning is because your questions do not relate specifically to the regulations that are before us.

Ken Macintosh: I am not sure about that—

The Convener: It might be worth exploring the issue. I understand why you want to do so—after all, you have a submission from CPAG that is asking questions about the matter—but the fact is that we covered a lot of these issues in previous discussions and identified certain problems, which were addressed. If you want to pursue specific questions yourself, you are at liberty to do so. In fact, it might be fairer to do that than to put them to the officials who are here this morning to talk about the regulations that are before us rather than issues that are covered in another set of regulations.

Ken Macintosh: I could be wrong, convener, but I am pretty sure that the CPAG document refers to the regulations that are before us today, not to old regulations.

The Convener: I am sure that it does—

Ken Macintosh: I am asking questions as a new member.

The Convener: It is not that these are new regulations. Some of the issues that you are raising are pertinent to the previous regulations; these regulations relate specifically to an amendment to something that needed to be clarified. I am not saying that the officials before us do not know their information, but the point is that your questions are not relevant to these specific regulations. I am looking to the officials for confirmation whether that is the case. I do not know why they would mislead anyone here, but I do not think that it is worth pursuing a line of questioning on an issue that is not relevant to these regulations.

Jenny Brough: Some of the questions cover elements that go beyond legislation and which will be set out in the procedural guidance, which is still being developed. If anyone has questions about

those procedures, we would be very happy to take them in writing.

Ken Macintosh: My final question was actually going to be whether the procedural guidance will come before the committee.

The Convener: It will all come before the committee.

Ken Macintosh: As a new member, I am not sure what previous discussions have taken place but, from my reading of it, this very helpful CPAG document is not about any regulations other than those that are before us today. It is about items that are either in or not in the regulations or which might have been considered—or indeed which were not considered—and which have not been included. This is very much about the policy behind the regulations.

The Convener: Having read the CPAG document, I know that it is relevant to this matter but from what the officials have said it seems that some of your questions in relation to it cannot be answered at the moment for a variety of reasons. It might be worth investigating them through some other route, because I do not know whether we are making any headway with this line of questioning.

Ken Macintosh: All I was going to suggest was that we send the CPAG document, which makes five particular points, to the Government for comment.

The Convener: I am happy to do that if it helps to get the clarification that you are looking for; indeed, the committee would find it useful to hear whatever points the Government might wish to make. I just do not think that we are going to get those comments by pursuing this line of questioning at the moment.

Ken Macintosh: Thanks, convener.

Kevin Stewart: Perhaps I can help Mr Macintosh by suggesting that, as a new member of the committee, he seek advice from the clerks on our previous lines of questioning on this issue—

The Convener: I am sure that he will take that suggestion on board.

Kevin Stewart: Beyond that, the clerks could give him an idea of the workings of the local government system, which is the first aspect.

The Convener: I am sure that Mr Macintosh will go away and do his homework, Mr Stewart, now that you have told him to do so.

Annabelle Ewing has a question.

Annabelle Ewing: I will be very brief, because some of the points that I wanted to raise were

dealt with in the discussion that we have just had—I was going to say, “the discussion that we had over the past few minutes”, but it lasted slightly longer than that.

As the convener has said, we have looked at and reached a view on a number of these issues. When I read CPAG’s paper this morning, I felt that it was going back over older ground to an extent. Of course, that is entirely up to CPAG, but that might well have led to Ken Macintosh’s line of questioning, which went slightly beyond the regulations that the officials are here to speak to. Having read the regulations, I feel that the time limits of two months and 42 days respectively are quite generous and, from my recollection of various kinds of review procedures, totally in keeping with what we would expect.

I very much welcome the fact that we will hear more about the guidance, because that will be crucial. Indeed, CPAG has made very important points about representation and so forth.

Finally, having listened to the discussion, I think that we must accept that two separate jurisdictions are involved and that different things always flow from different jurisdictions. I think that it is important to bear that in mind in terms of how the regulations are presented. It does not do anybody any service to do work that inadvertently muddles up two procedures, because they are very different.

11:30

The Convener: I think that the officials tried to make that point.

If there are no other questions, does the committee agree just to note the regulations?

Members *indicated agreement.*

The Convener: I thank the officials very much for coming in front of us this morning. We will write to them with questions to get clarification on some issues.

Fact-finding Visit

11:31

The Convener: Agenda item 6 is next. Linda Fabiani visited Dumfries and Galloway Council because it has one of the welfare reform pilot projects. She will give us a report on her visit.

Linda Fabiani: The visit was just before the summer recess—on 14 June—and this is the first opportunity to report back on it and to give Dumfries and Galloway Council the courtesy of having the report on its pilot on the official record, as are all the other pilots on which the committee has reported. The chief clerk, Simon Watkins, and I undertook the visit.

The DWP pilot for Dumfries and Galloway focused on digital inclusion and budgeting support. Digital inclusion was chosen because of the poor broadband coverage in the council area. For example, only 59 per cent of homes there have broadband and 25 per cent of the area has no coverage at all. There is a history there of assisting people to claim housing benefit and council tax reduction in local offices.

The digital pilot has operated with an online housing benefit and council tax reduction form since November 2012. Claimants are encouraged to access forms by self-serve initially, then they are assisted if necessary. The objectives were to increase the digital uptake from 58 per cent to 68 per cent, with 50 per cent of that being self-serve. Public access points have also been developed to reduce staff costs and to understand barriers to claiming online before universal credit comes in. The results reported on the day of our visit were that 47 per cent of forms received were self-serve against a target of 50 per cent, but 68 per cent of those were completed digitally, against 58 per cent for those who were assisted.

Barriers to digital access showed up fairly early on including people having no home broadband access, the quality of people’s broadband access at home and computer literacy and confidence. The latter was a big issue with people who were coming in for assistance, and we were quite impressed by the level of assistance that they got. There was an issue, too, about public access points not being convenient for claimants. My general comments will perhaps show why that was the case. There was also a need to change claimants’ expectations and those of the staff, because the staff in local offices had always been very hands on. Part of the pilot project was to teach the staff to be a bit more hands off and to encourage people to self-serve.

As far as budgeting support was concerned, the council has run budgeting courses for those

referred from Jobcentre Plus. There were some successes, but there was a difficulty in encouraging attendance. Five out of 12 courses scheduled were cancelled, although 64 people went through the course. There is a general issue in Dumfries and Galloway with distances, people having to travel, transport and so on. However, what also showed up very clearly as a problem was confidentiality, especially in small communities. Because of the kind of rural area that Dumfries and Galloway is, people know each other, so embarrassment was quite a clear issue. Some of those who had attended and who knew people in the community who had chosen not to attend because of embarrassment at being seen to attend something that was about their not being able to manage their money said that to us. It was felt that it might therefore be worth looking at having a greater number of one-to-one sessions rather than group sessions.

I am laughing here, convener, because I am hopeless with acronyms and I am reading my note, which says that the biggest technical issue was understanding APR, and I do not have a clue what APR stands for.

Simon Watkins (Clerk): It is interest rates.

Linda Fabiani: Is it that simple? I was frightened to say that in case it was something much more complicated.

We know that people tend to look at all the adverts that they see on television and say, "Oh 5 per cent—that's not bad", without totting it up over the year or the length of a loan. It is the annual something rate.

Annabelle Ewing: Annual percentage rate.

Linda Fabiani: Thank you, Annabelle. People do not understand what their total debt would be should they take out a loan.

The average age of the attendees was mid-30s and there was a high single parent count. There was a significant level of debt for those who attended, and the average debt was £25,000, which is a lot.

Three members of the council's welfare reform sub-committee attended. It was interesting to see that, despite their party differences, they spoke as one about the problems with the bedroom tax.

On geographical factors, as I said, Dumfries and Galloway is a huge area with a high degree of rurality. There is also an issue around the lack of one-bedroom properties. Dumfries and Galloway Council does not own any properties because they were all transferred, and if I remember rightly, the council said that it had no one-bedroom properties at all, so there is a particular difficulty there. The council, on behalf of the housing partnership, said that it does not particularly want to provide one-

bedroom properties either because it sees such properties as being inflexible. That goes back to what we have been saying for a long time about Scotland's culture of building homes for life rather than transitory properties that people take for a wee while and then move on from. In an area of the particular nature of Dumfries and Galloway, that can be seen as much more important. The council has briefed the Secretary of State and it has written to Lord Freud on the issue.

The council wanted to emphasise the needs of the council area—I have mentioned its rurality—in respect of the public transport system. There are vast areas to cover and the area has a low-wage economy and a high level of retired people. There was particular mention of the high level of subsidy that the public transport system needs to allow people to access places such as Jobcentre Plus. There are particular difficulties there. There is a lack of employment and the jobs that are on offer are generally very low paid.

I will round off by saying that there has been an 800 per cent increase in claims for discretionary housing payments. That was when we visited the area in June; we are a bit further down the line now and it would be interesting to know what the current situation is. It was also interesting to note that, at that point, even as far back as June, it was being reported that the

"Scottish Welfare Fund demand locally has been higher than anticipated".

Dumfries and Galloway Council feels that it has particular issues and problems and it is seriously concerned that they are not being addressed by the Westminster Government's welfare changes.

The Convener: Thank you very much for that comprehensive report, Linda. Does anyone have any comments or specific questions?

Alex Johnstone: The one thing in the report that jumped out at me was that

"Scottish Welfare Fund demand locally has been higher than anticipated".

That is interesting because it runs contrary to some of the information that we are getting that demand has been lower than anticipated. We will probably have to get to the bottom of that. Might it be possible to get a little more information on that so that we can compare the experience in Dumfries and Galloway with that in other areas?

The Convener: That might be useful.

Ken Macintosh: There was a point about barriers to digital access and how it is asking a lot to ask people to do everything online. Linda, you said that we would need to change claimant and staff expectations; what did you mean by that? What are the current expectations?

Linda Fabiani: I picked up that because of the nature of the area and the local service that had been provided before, there was very much a culture of being able to sit down with someone and work through the process and of the officer doing most of the work for the claimant. Because of the changes to the welfare system that are being imposed, there is a recognition that people will have to be more computer literate if they are to work through the process on their own. If someone makes a mistake on a form, they could end up having to visit a food bank or, in some cases, could be fined if their mistake is deemed to be at that level. There was very much a wish to make people more self-sufficient in making their claims—clients and staff, because the staff are used to helping folk so it is quite difficult for them to sit back and tell their clients that they have to do it completely on their own now. I was talking about how people on both sides of the system expect that it should work.

Ken Macintosh: I asked the question because we can promote digital access and so on, but if it does not work, the alternative is that we rethink our approach and perhaps say that digital access is not the way forward because it is exclusive and some people will never be able to cope with it.

Linda Fabiani: We can say that, as long as we do not say that this was “our approach” because I will have nothing to do with the kind of stuff that has been imposed on people.

Ken Macintosh: Yes, but are we not also talking about access to the Scottish welfare fund and other Government resources?

Linda Fabiani: No, this is just about the DWP pilot.

Ken Macintosh: I was talking about in our dealings with the Government generally.

Linda Fabiani: It might well be interesting to ask about not only this pilot but the others, given how long it is since we visited them. Perhaps we should ask for a general update.

The Convener: The pilots all indicated that they would keep us informed, so that should not be too difficult. We will probably ask the clerks to clarify the situation.

Ken Macintosh: Can council tax reduction not be claimed through the system either?

Linda Fabiani: I do not know.

Ken Macintosh: It is just that we are responsible for that.

Simon Watkins: We have a session scheduled for later this year that will look principally at discretionary housing payments, and we intend to focus mainly on the pilots that we have visited.

That will give us an update on where they have got to.

Linda Fabiani: Perhaps we could address Ken Macintosh’s issues as part of that.

Annabelle Ewing: It is important to clarify that we are talking about a DWP pilot and it is the DWP and the UK Westminster Government that has said that, in principle, all applications must be done online. That is where the debate about digital inclusion and exclusion stems from, and the committee has looked at the issue in reasonable depth in the past wee while.

The Convener: If there are no other points, I thank Linda Fabiani. That was very helpful and we will keep an eye on the information that she received and on the information that we receive from all the pilots that we have visited during the past few months.

That brings us to the end of the public part of our meeting and we now go into private session.

11:43

Meeting continued in private until 12:31.

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