



The Scottish Parliament  
Pàrlamaid na h-Alba

## Official Report

### **WELFARE REFORM COMMITTEE**

Tuesday 9 June 2015



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**WELFARE REFORM COMMITTEE**

**11<sup>th</sup> Meeting 2015, Session 4**

**CONVENER**

\*Michael McMahon (Uddingston and Bellshill) (Lab)

**DEPUTY CONVENER**

\*Clare Adamson (Central Scotland) (SNP)

**COMMITTEE MEMBERS**

\*Annabel Goldie (West Scotland) (Con)

\*Joan McAlpine (South Scotland) (SNP)

\*Margaret McDougall (West Scotland) (Lab)

\*Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP)

\*Kevin Stewart (Aberdeen Central) (SNP)

\*attended

**THE FOLLOWING ALSO PARTICIPATED:**

Jamie MacDougall (Scottish Government)

Alex Neil (Cabinet Secretary for Social Justice, Communities and Pensioners' Rights)

**CLERK TO THE COMMITTEE**

Simon Watkins

**LOCATION**

The Sir Alexander Fleming Room (CR3)



# Scottish Parliament

## Welfare Reform Committee

*Tuesday 9 June 2015*

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

### **Cabinet Secretary for Social Justice, Communities and Pensioners' Rights**

**The Convener (Michael McMahon):** Good morning, everyone, and welcome to the 11th meeting in 2015 of the Welfare Reform Committee. I ask everyone to make sure that their mobile phones and electronic devices are in silent mode or switched to airplane mode.

Today's meeting might be slightly shorter than we originally intended when we planned the agenda, because we hoped to invite Atos and Salus to appear before us but we could not arrange that in time. We now plan to take evidence from them on 23 June.

Agenda item 1 is a discussion with the Cabinet Secretary for Social Justice, Communities and Pensioners' Rights, who I am glad to say is always willing to appear before us. I welcome the cabinet secretary, Alex Neil; Jamie MacDougall, head of the social security policy and delivery division; and Edward Orr, senior policy officer in the social security policy and delivery division.

I invite the cabinet secretary to make some opening comments, after which we will have a discussion.

**The Cabinet Secretary for Social Justice, Communities and Pensioners' Rights (Alex Neil):** I will keep my comments brief so that we can have a wide discussion. Thank you very much for giving me the opportunity to come in front of the committee. Since my last appearance at the committee, a lot has happened regarding the welfare powers that are to be transferred to the Scottish Parliament.

I say at the outset—I emphasised this the last time I was here—that we are about to begin a consultation process on what we should do with the new powers and how they fit in with our existing powers. I am keen to ensure that the committee is a key participant in the consultation and that we work together on that. If we can get a consensus in the Parliament on the way forward once the powers are transferred and on how they fit in with our existing powers, that will be beneficial, not least to the people who are reliant on the

benefits in question for their wellbeing and their standard of living.

As we are all aware, there are real challenges ahead in taking forward the powers that the Smith commission proposed that we get. There are also challenges associated with austerity and dealing with the consequences of the United Kingdom Government's welfare reforms. In particular, there is an emergency budget scheduled for 8 July, when the detail of at least some of the £12 billion of additional reductions in the welfare budget that the UK Government is proposing to make and the impact that there will be on the powers that are to be transferred to the Scottish Parliament will become clear. We do not know the details of those cuts, because we have not been consulted on that. I hope that we will be consulted, but I suspect that that will not be the case. We are particularly concerned about the impact of the cuts on women, children and people with a disability. Those are the three categories of people whom we believe have been particularly adversely affected by the reforms up until now. We will be interested to hear what the committee has to say about the additional reforms/cuts and what impact they will have.

As you know, recent research by Inclusion Scotland and the Scottish Government shows the real fears that people have about welfare reform. Last week, I wrote to the UK Government to set out our concerns about the £12 billion cuts and the future of the joint ministerial committee on the transfer of welfare powers. I am happy to update the committee on progress on those matters.

Prior to the general election, a couple of meetings were held with the UK Government to discuss the transfer of the powers, but progress has been a bit slow since the general election. I have a conversation with the Secretary of State for Scotland planned for this afternoon, in which we will try to agree to reconvene the joint ministerial committee on the transfer of powers. There has been a change of personnel in the UK Government. The secretary of state was the minister of state but I believe that he will continue to co-chair the committee with me. However, there have been changes in personnel at the Department for Work and Pensions and the Treasury, so who will represent the UK Government needs to be sorted out. I hope that the joint ministerial committee will reconvene fairly soon after that and get on with the job.

Since the general election, the Prime Minister and the secretary of state have both said that the Scotland Bill will implement the Smith commission recommendations in full. However, we believe that the Scotland Bill, which was published on 28 May, falls short in a number of key areas. Apart from modest changes to the welfare provisions, the policy that is reflected in the bill is pretty much

identical to that which was published in January. However, the unanimous report of the Scottish Parliament's Devolution (Further Powers) Committee concluded that, in some critical areas, the UK Government's draft clauses fell short of the Smith recommendations.

It is extremely disappointing that so little progress has been made in the four months since the draft clauses were published, despite a range of constructive suggestions having been made and despite engagement by the Scottish Government. We have drafted and shared with the UK Government a full set of alternative clauses on welfare, which would have implemented the relevant Smith commission recommendations, but those have not been included in the Scotland Bill. The Scottish Government will continue to press the UK Government to amend the bill to ensure that it reflects the substance and spirit of the all-party Smith commission.

Our greatest priority at the moment is to ensure that people have the opportunity to have their say on the new social security powers—as we prefer to call them. I value the work that is being taken forward by several organisations, including the Welfare Reform Committee and non-governmental organisations, in relation to that. We can discuss the consultation process either here or offline to ensure that we are being inclusive and that the committee is satisfied that we are including all the key stakeholders, particularly those who are or could be recipients of benefits. How those people are affected matters more than anything else.

A lot of work is going on behind the scenes to prepare for the new powers. Scottish Government officials have met a range of people and organisations from the UK Government in devolved areas and in the wider field, but much more remains to be done. However, I hope that, by the end of the year, we will have a much clearer picture of what we want to do with those powers—I hope that there will be consensus on that—not just in isolation but in the context of all the powers that the Scottish Government will then have in relation to social security, to maximise the impact of those powers and their budgets to benefit the people that we are here to serve.

**The Convener:** Thank you, cabinet secretary. One of the reasons why we invited you here today is that, as you know, we committed to holding an inquiry in the autumn into how the additional welfare powers that were promised under the Smith agreement might be used in practice—for example, how the new personal independence payment would operate. At the time, you thought that that was a good idea, but you have just made clear how fast things are moving and how quickly we might see some change taking place. Do you

still think that our holding an inquiry in the autumn will serve a purpose?

**Alex Neil:** I do, convener. A number of issues need to be fleshed out, and that will not necessarily have been done by the end of the calendar year. Once the powers have been transferred, there will, in effect, be two welfare or social security systems operating in Scotland: the social security system that is being operated by the Scottish Government and the social security system that is being operated by the UK Government. The interaction between those systems will be extremely important. For example, I am very keen that we try to get one delivery mechanism for both systems so that people are not forced to shop around and will find it much easier to find out what they are entitled to, whether through a Scottish Government programme or through a UK Government programme.

The decisions and policy of one system will have an impact on the other. An example of that involves the carers allowance. We are keen to increase the level of the carers allowance so that it equates to the jobseekers allowance, but a consequence of that would be that any additional money that we gave to carers would be treated as income under the DWP's universal credit system. That is one small example of how decisions in one system can impact on what happens in the other system. It is the net effect—in that instance, for carers—that we need to look at, and there needs to be a degree of co-ordination between the two Administrations on an on-going basis.

Those are the kind of issues that the Welfare Reform Committee could look at in considering how the new ways of doing things are being implemented and what their impact will be, probably over several years. There is a watchdog role for the committee in monitoring—in addition to the policy issues—how the two systems are operating, the impact of each on the other and, in particular, the impact on the end users of the services.

We have asked for two things in relation to PIP, which the convener has mentioned. First, we think that it would be sensible to stop the roll-out of PIP throughout Scotland, because we do not want to roll it out and then replace it very shortly thereafter with something else that we agree would be better in Scotland. If that happened, the beneficiaries—the disabled people—would have to deal with three different systems in the space of about three or four years. I do not think that that would be very clever, and it would be very expensive.

Secondly, given that, under the current plans, the budget for PIP is likely to be reduced by 20 per cent, we have been arguing that PIP should be transferred before the budget cut to allow us to decide whether we want to continue with the

current planned levels of benefit for PIP or whether some of that could be better targeted at, say, more disabled people.

Those are the kind of issues in which the committee needs to be heavily involved. I therefore think that there is still merit in your holding an inquiry, although its remit might be slightly different from what was originally envisaged.

**The Convener:** That is helpful, cabinet secretary. I know that you watch the committee's work closely. You will have seen in the evidence that we received last week, for our inquiry on the impact of the social security changes on women, the example of the impact on universal credit of any increase in the carers allowance. Importantly, some of last week's witnesses also talked about what they want to happen with the powers and how those powers would interact with current powers and policies. Have you given any thought to anything that you heard last week about how the current system of support for women through the services that are currently provided could be enhanced or progressed using the new powers that you expect us to get?

**Alex Neil:** There is no doubt that women, children and, in particular, the disabled have been especially impacted by the welfare reforms and cuts, and I think that addressing that situation is a top priority. However, I am determined not to pre-empt the consultation that we are going to launch before the summer recess. It would be wrong of me to do so, because we want to listen to what people are saying before we start to comment on whether one option is better than another.

Whatever we do, we must give priority to trying to improve the situation for women, children and the disabled, given that they have been particularly adversely affected. That said, if I started to provide a running commentary on every new idea that came forward during the consultation process, that would be unfair to the people who were making contributions. Once we get all the feedback, my job will be to go through it all with my officials and produce a set of proposals that will, I hope, gain consensus. We are monitoring very carefully what is being said, including what was said by the people who gave evidence last week, and the ideas that are coming forward.

As well as taking into account extremely important issues such as the targeting and level of benefits, the regularity with which they are paid and, in the case of housing benefit, the person to whom the benefit is paid, we need to examine how the benefits system delivers its services. There is no doubt in my mind that one of the major problems for people is the sheer number of benefit centres that they have to deal with. As I think I

mentioned the last time I was here, I had a case in which I sat with a constituent and dialled six different benefit centres only to be referred back to the first one before we could get a solution to the problem. That cost me about £7 or £8 on my mobile phone. I got that back in expenses, but someone who is on, say, jobseekers allowance and is getting barely over £70 a week cannot afford to spend £6 or £7 on their mobile phone to shop around benefit centres. If we can take that kind of aggro out of the system, we will do everyone a big favour.

**The Convener:** I now open up the discussion to questions from committee members.

10:15

**Kevin Stewart (Aberdeen Central) (SNP):** Last week, we had representatives around the table from a number of organisations who said that they would like the sanctions regime to be devolved to the Scottish Parliament. In particular, a number of folk highlighted the disconnect between devolving employability programmes but not the conditionality and sanctions regime. Would you support that view?

**Alex Neil:** Absolutely. As it is currently administered, the sanctions regime is harsh and inhumane. It is causing enormous poverty and is causing people to get into debt that could be avoided.

The purpose of the sanctions regime is to punish—if I can use that word—people who are not genuinely looking for a job. Let me say right away that I have no truck with people who try to defraud or manipulate the system and do not play by the rules. I have no sympathy for them. They bring the whole system into disrepute, and that is not beneficial to anybody. That said, the number of people in that category is small. The vast number of people who are on benefits cannot find a job or are not fit to work.

In my experience, some of the reasons for sanctions are absurd. I have seen people sanctioned because they were a few minutes late for an appointment. People who are on universal credit have to spend 35 hours a week looking for a job, or 17.5 hours looking for a job and 17.5 hours volunteering. I spoke to people in Inverness who are on universal credit and I was also told that somebody was threatened with sanctions for volunteering more than 17.5 hours. That is an absurdity. Other examples included someone being sanctioned because they missed an appointment at the jobcentre when a babysitter cancelled at the last minute, even though they phoned up to explain the circumstances.

When people are sanctioned, their money is cut off for an indefinite period—in most cases, they

are not told that the money has been cut off; they find out only when they go to the bank. Like everyone else in this room, I am sure, I have had a lot of people coming to my constituency surgeries who have got into enormous debt and have even gone to moneylenders in order to make ends meet.

I think that the sanctions regime needs to be completely scrapped. I am absolutely in favour of taking action to ensure that people who refuse to look for a job for no good reason do so. However, the extremities of the sanctions regime are extremely damaging. Ironically, the sanctions regime costs the public purse more money than it saves, because we end up with people who are destitute and who then require the provision of local services such as housing, social work, welfare and a range of others. If you did an exercise, you would find that that is the case, certainly in a number of instances.

**Kevin Stewart:** Yesterday, I visited Aberdeen Council for Voluntary Organisations. Its cash in your pocket team gave examples of difficulties resulting from the sanctions regime. You are right that it probably costs more to deal with people in the way that we are dealing with them just now, and that the state has to pay the additional costs.

I was also told that, although some folks' sanctions are overturned, by the time that happens, the damage is done, because another debt has been accrued. Folks will get the money that they are due, but they will not get any interest on that money. If we get the powers over sanctioning as well, which I hope we do, how do we ensure that we create a fairer system?

**Alex Neil:** At this stage, I am not optimistic that we will get the powers over sanctions. As things stand, the indications are that we will not.

We should start from the basic. The policy of the Department for Work and Pensions—I have spoken to the head guy about this—is that the people who are sanctioned are people who are genuinely not looking for work, not people who genuinely missed an appointment because the babysitter could not make it, people who were genuinely late or people who could not turn up for very good reasons.

The first thing that I would do would be to abolish the targets that the DWP officials have for sanctioning people, as they drive a lot of the inhumanity in the system.

Secondly, I would enforce the rule that the only people who are sanctioned in any way are those who are genuinely not looking for work. However, they should be given the opportunity to correct their behaviour. I would not sanction them by immediately withdrawing their money and not telling them that it has been withdrawn, because

we have to consider the consequences of that. As I have said, the consequences could be far more damaging.

Previously, people were warned, as it were. They got a warning or sometimes two or three warnings. At the end of that period, if they absolutely refused to do anything, action was taken. That would be a much more humane system that would ensure that people genuinely look for work. It is fair for society to say that, if a person who is fit to work is not going to look for work and is just going to abuse the system, it will not allow that to happen. However, we cannot punish that person's kids or spouse because of that. We have to be very careful. We have to be humane and proportionate, and the approach has to be effective. The regime that we had before the current regime of sanctions was introduced was a better system.

**Kevin Stewart:** You talk about having no targets. I think that the committee would agree with that. The DWP denies that there are any targets, of course, but we have plenty of anecdotal evidence that there are. You also talk about a more personalised service that is tailored to the individual and what is going on in their life.

**Alex Neil:** Absolutely.

**Kevin Stewart:** How can we have that personalised service if we do not have control over the sanctions part as well and there is a disconnect between that and employability services, which we are likely to get with the transfer of powers?

**Alex Neil:** We have made things very clear. Let us leave aside my position on the constitution. From a practical point of view, it seems to me that the current suite of powers that is being transferred is wholly inadequate. Either the whole suite of relevant powers is transferred or we are in danger of ending up with the kind of mess that you can get with two systems that contradict and undermine each other. Sanctions provide a very good example of that.

My view is that all the welfare powers should be transferred to the Scottish Parliament. If it is good enough to have the ones that are being transferred, the same logic should be applied to the other powers and they should be transferred. That would avoid a lot of the problems that will arise under the current proposals, which I have already mentioned a number of. It would also allow us to tailor the social security system in the way that we want to meet the needs of people in Scotland. It is fair to say that we would do things very differently.

Let me give the committee three practical problems that people who are genuinely looking for work have. One problem is finding access to a



computer for 35 hours a week. Many people in low-income groups simply do not have access to a computer, and it is very difficult to get access to one in many areas, particularly in rural communities, for 35 hours a week.

Secondly, as I said earlier, people who are genuinely looking for work deal with people whom they cannot see eye to eye. They deal with call centres all the time. There is no substitute for eye-to-eye contact when people have problems with their benefits. I am not saying that there has to be such contact every week to pay out the benefit, but people who have problems should be able to see and talk to someone.

Thirdly, the system at present is divorced between the people who are responsible for administering benefits and the people who advise clients on which benefits they are entitled to. I personally think that we should consider the co-location of the people who administer the benefits and the welfare rights organisations. We would then have a much more rounded service, and people would not need to shop around. We could get a bigger bang for the buck we spend on welfare rights, and we could assist more people. Co-location would prevent a lot of claims from going to appeal, for example, and problems could be nipped in the bud much more quickly.

I am not saying that the two services should be provided by the same people—they have to be administered by two separate organisations—but if they were co-located, so that people could check there and then with the welfare rights service that what they have just been told is right and that they are getting everything to which they are entitled, that would act as a preventive measure to ensure that problems did not occur. Co-location of those services is an issue that I personally want to look at.

**Clare Adamson (Central Scotland) (SNP):** I want to turn to the impact of welfare reform on children. We had a one-off evidence session on the effect on children's services budgets, and what came through was that the sanctions regime and low-paid work were putting incredible pressure on families and leading to an increase in mental ill health.

We took evidence from a representative of Barnardo's Scotland last week, who said that, instead of working with children within the GIRFEC—getting it right for every child—context of early intervention, the charity is much more likely at present to be intervening when there is a crisis. That is all to do with the impact of the savings in the DWP being pushed out to organisations in the third sector and social services.

Personally, I think that it is morally reprehensible that we are sanctioning anyone who has a child to look after. Are you, and the Scottish Government, considering doing any substantive work on the more general cost to society of welfare reform, given the effects of services not being able to carry out early intervention work with young people and the effect that poverty will have in the long term in Scotland?

**Alex Neil:** In various parts of the Government we are constantly doing impact assessments and evaluations. We also rely on outside organisations that do their own work, provided that they are reliable and respectable. I will ask Jamie MacDougall to give you an indication of some of the work that we are doing, will be doing and have done in undertaking impact assessments of policy changes.

**Jamie MacDougall (Scottish Government):** As the cabinet secretary said, we have various studies on the impact of the current welfare reforms. I think that the committee has seen recent reports on those. Those studies will be updated when we know more about the scale of the coming cuts, and where the further £12 billion of cuts will fall. Those are long-term, longitudinal studies, and it is not immediately clear what the impacts are, as some of them are much longer term. The impact of cuts such as the limiting of uprating may not be apparent immediately but, in the long term, the more that uprating is kept down and limited against inflation and everything else, the worse the impact increasingly becomes.

**Alex Neil:** I would be happy to send the committee a list of the studies that are being undertaken both by us and by other parts of the Scottish Government that are affected by this policy area.

**The Convener:** Thank you, cabinet secretary.

**Christina McKelvie (Hamilton, Larkhall and Stonehouse) (SNP):** Good morning. I want to pick up on the point that my colleague Clare Adamson has just made and extend it a wee bit.

A number of organisations have fed into the debate, either directly to the committee or outwith the Parliament. They include organisations such as close the gap, the Fawcett Society and Engender. People from those organisations have talked about the gendered barriers in the current system. Cabinet secretary, you and I have fought a long and tiresome battle in Lanarkshire for equal pay for some of the people who work in our local authorities, most of whom are women. What cognisance has the Scottish Government taken of gendered barriers? Is it taking any action to try to break down those barriers?

10:30

**Alex Neil:** That is very much at the forefront of all our thinking. The First Minister has heavily emphasised the need to ensure gender fairness, balance and equality. We will apply those principles rigorously in any policy development that we undertake in relation to this matter.

The committee has heard evidence on gender barriers. We are looking at how to break those down, so that we have gender equality. Clearly, there are areas where women are not always treated as fairly as men are treated. In some cases, that might be attitudinal; in other cases, it might be how the benefits are being applied. Whatever the barriers are, we want to break them down. In fact, that would make a useful addition to the inquiry to which the convener referred. We must ensure that any new system that we introduce tackles and takes down the gender barriers, so that we get equality between men and women in terms of how the whole system works.

**Christina McKelvie:** I appreciate those comments, cabinet secretary. The figure that we have in front of us is that 85 per cent of all welfare reforms are impacting on women, especially women with children and women who are either out of work or in low-paid jobs.

There are two aspects of welfare reform that I want to discuss with you. One is the benefits cap, which I will come back to, and the other is universal credit. A power that we hope to get following the Smith agreement is the devolution of the administration of universal credit. A concern is that, especially in households where the woman is low paid or there are things going on in the household, such as domestic violence, universal credit would be paid to one householder. Would there be any room in a Scottish system, should you have that power, to ensure that that is paid to the key person in the household and not just to the man?

**Alex Neil:** Absolutely. A fundamental principle of applying equality is that universal credit would not automatically be paid to the male householder but would be paid to whoever the appropriate person is. We would need to define "appropriate person".

A benefit of child benefit as introduced by Barbara Castle all those years ago was that it was paid to the mother. That was positive discrimination in favour of mothers. It was done for good reasons, because the evidence showed that, in a lot of cases where male household members picked up the child benefit, the child and the mother never saw it. There would have to be clear indications of when and to whom universal credit would be paid and under what circumstances.

We have asked for three immediate changes to make to universal credit. The number 1 change is to formally abolish the bedroom tax in Scotland. We are paying for its abolition anyway, so we may as well abolish it.

If an exercise was done, it would probably show that the bedroom tax is costing more public money than it is saving. Depending on the circumstances, it costs around £24,000 to £40,000 to make someone homeless. Therefore, one person becoming homeless because of the bedroom tax amounts to a lot of bedroom tax for a lot of people.

The second change—we have asked for the flexibility to do this sooner rather than later—is to allow people to be paid weekly or fortnightly and not just monthly. I do not think that, because of how the computer systems have been set up, it would be possible to make weekly payments.

**Jamie MacDougall:** That is right, but it could be paid twice monthly.

**Alex Neil:** It could be paid fortnightly. People are finding it difficult to manage with a monthly payment, especially if they have been used to weekly payments.

The third immediate change is to have the flexibility to pay the housing benefit directly to the landlord. Under the old system, 96 per cent of housing benefits were paid directly to the landlord. The number of people who got into debt because of non-payment of their housing benefit was tiny. I think that everyone agrees that that was a far more sensible system than the one that we have now. I think that the DWP is beginning to roll back on its policy.

I know that the system has been put in place for a good reason, which is to make people responsible for their own actions. That sounds great in theory but, in practice, a lot of people are getting into debt because they are using their housing benefit payment to pay for other things, such as feeding the family, buying school shoes for the kids or whatever. We should return to the system where the payment is made to the landlord, unless the beneficiary explicitly exercises their right to be paid directly, as 4 per cent did under the old system. Returning to the old system would be beneficial to women, too.

**Christina McKelvie:** Absolutely—I agree.

Last week, I asked about the proposal to reduce the benefits cap even further and how that would impact on low-paid women—women who are in minimum-wage jobs, who have to work around the school day and who get top-up benefits in order to survive. I noted last week that Lord Kerr, in the Supreme Court, has ordered that a judicial review should proceed of the benefits cap and its impact on children in respect of

“adequate food, clothing, warmth and housing”

Would you welcome such a judicial review?

My addendum to that question last week was about the United Nations Convention on the Rights of the Child, a possible withdrawal from the European convention on human rights, the repeal of the Human Rights Act 1998 and the ability of anybody to challenge the system in that respect. When we reach a point at which the fundamental needs of children are not being met, how can we remedy that? We cannot continue to mitigate a bad system. How can we ensure that the system supports young people?

**Alex Neil:** That is my point. It is very difficult for us to remedy the system because we do not have the resources to do that, nor the powers to override the decisions of the UK Government in these matters. That is another reason why I would like all those powers to be transferred here. I think that we would have a much more humane approach to these matters than the approach that is perhaps being taken at the moment.

I can understand the rationale for a cap, but a cap is a very crude instrument, which I think has unintended consequences—or maybe intended consequences—that are damaging to the most vulnerable sections of our society. I would not apply the kind of crude cap that we have at present.

A much better system, which we used to have in this country, is earnings-related benefit, where the amount that you are paid in unemployment benefit or sickness benefit is earnings related. There is a cap on it, because if you are earning 200 grand you are not going to get the same share of 200 grand as the share that you will get of 20 grand if you are earning 20 grand. However, the earnings-related benefit system that we used to have in this country, and which is fairly common on the continent, is a far better approach to dealing with these issues than crude instruments such as caps, which satisfy a lot of headlines but have many hidden consequences that are very damaging, particularly to children, to the disabled and to women.

**Christina McKelvie:** Do you support the judicial review? Would you be against any withdrawal from the ECHR?

**Alex Neil:** Yes. Our Government's policy is very clear on that. We are utterly opposed to any withdrawal from the convention or any backtracking on the Human Rights Act 1998.

**Joan McAlpine (South Scotland) (SNP):** You will be aware of reports in *The Guardian* this week that David Cameron has refused to rule out cuts to disability benefits and has said that he will make

no further cuts to child benefit. What implications does that have for Scotland?

**Alex Neil:** The implications are not just for Scotland; there would be huge implications for disabled people throughout the UK. Poverty among disabled people is far higher than it is among the general population. Welfare to work is the key driver of UK Government policy, but disabled people are about half as able to get into employment as the broader population. For people with learning difficulties, the figure is about a quarter. Such people are very disadvantaged in life. We must try to rectify those disadvantages by getting them into appropriate employment that is reasonably well remunerated. However, until we can do that, they should be entitled to a good standard of living under the benefits system. It is not their fault that they are disabled, that they find it extra difficult to get a job or that they have to rely on the state for the entirety of their income.

I suspect that the cuts will be done not by reducing the disability benefit but by taxing the benefit. First of all, if the tax is fair, I do not think that it will raise much revenue, because there are probably very few disabled people who earn enough or who have enough of an income to pay tax in the first place. Secondly, taxing benefit is a very crude approach, because people have those disability benefits based on need. They need more benefits than somebody who is simply unemployed but not disabled, because they have additional expenditure due to additional living costs.

The design of the current benefits system, with higher levels for mobility and care as well as lower levels, recognises that people have different degrees of need. To start to undermine that would be a very regressive step.

**Joan McAlpine:** I totally agree that people will be affected right across the UK. The tenor of my question was that, given that some disability benefits will be devolved to the Scottish Government and that, as you said, the talk is of taxing disability benefits, what are the implications for us if we mitigate some of that and try to improve benefits for disabled people? Could the UK Government then take that away through tax?

**Alex Neil:** We would need to be very cognisant of that possibility, because there is no point in our paying out money that then lands back in the Treasury in the form of income tax. We would need to try to design a system that avoided that while maintaining the standard of living of the disabled people whom we are trying to help.

**Joan McAlpine:** How concerned are you that the vetoes that have been highlighted by the Devolution (Further Powers) Committee will

prevent you from doing exactly what you have just outlined?

**Alex Neil:** I am very concerned because, frankly, Iain Duncan Smith has fought the changes tooth and nail and if, in law, he has the power to veto, my view is that he will use it. We want the power to veto to be completely removed from the Scotland Bill so that there is no huffing and puffing and there is no dubiety about what the law states. For a devolved responsibility, the UK Government should not have the power to veto, full stop.

We hope that amendments will be carried during the passage of the Scotland Bill to rephrase the clauses and we hope that the relevant clauses will be substituted by the clauses that we have already suggested to the UK Government, which disappointingly were not included in the Scotland Bill that was published last week.

**Margaret McDougall (West Scotland) (Lab):** In your introductory remarks, you mentioned that there would be two separate social security systems in Scotland if the transfer of powers went ahead. Will there be an interface where it will all come together or one simplified form so that people do not have to fill in separate forms? We already hear lots of evidence about how difficult the forms are to complete. Has any work been done on that and what is your view on it?

**Alex Neil:** We have agreed in principle in the joint ministerial committee with David Mundell that at no time during the transition or thereafter should anybody who is reliant on benefits lose out in any way or have any period during which they are not paid benefit as a result of the changes that we are making.

It would be common sense for us to have a system whereby, at policy level, we consult each other before finalising policy to look at the impact—negative or otherwise—of any unintended consequences. We would look at the impact that a policy decision by us might have on the social security system that is operated by the UK Government and, vice versa, the UK Government would consult us on any policy changes before it makes them. We would then be absolutely sure that we were not making decisions that might have to be reversed quickly because of unintended consequences.

Similarly, as I said, we need to make life easier for the claimant, not more difficult. Therefore, it seems to me that there should be co-location of not just the benefits administration for the Scottish system and welfare rights advice but of the UK system, the Scottish system and welfare rights advice, so that people can go to a one-stop shop and get whatever benefits, whether they are UK or Scottish benefits, as well as advice on their

welfare rights. That would make life a lot easier for people.

10:45

**Margaret McDougall:** I agree. The point that I was trying to get to was whether there would be two separate computer systems. We have heard in the past about different systems being set up and the computers not talking to each other. Would there still be the same computer system even though the security benefits would be different, so that people would fill in only one form and would not have to fill in another one if they were claiming another benefit that was administered by the UK DWP?

**Alex Neil:** Initially, during the transition, it will be exactly the same computer systems. We have officials talking to each other about that. Clearly if we decide to redesign some of the welfare powers—why get them if we are not going to make them more effective, efficient and targeted at the people who need them?—through time, changes will need to be made. It should not be beyond the wit of us or the Department for Work and Pensions to make changes in such a way that there is no detriment to the claimant, so that we do not make life even more difficult for them. If there is any difficulty with that, it should be dealt with behind the scenes so that the claimant does not have to worry about it.

**Jamie MacDougall:** From our work with the DWP so far, it has become clear that the current social security system is not connected. All the different areas where people claim benefits do not talk to each other. In some situations, people have to phone up to get a form sent to them, which they fill in and is then sent somewhere to be scanned in and then sent back to the same place to be entered manually into a computer system. That is common across different benefits. The current system is not well connected. Taking that as a starting point and then adding in our systems, there is a lot of opportunity to improve how the benefits operate.

**Alex Neil:** I can give a good example. Two weeks ago, I had a constituent in to see me whose husband has developed dementia. She put in a claim for disability living allowance, which is a 40-page application. She got confirmation from the DLA centre that it had received the application form but, because of his age, had passed it to the PIP office. She did not hear any more from the PIP office, so she phoned it. The PIP office said that it had not received the form from the DLA office. She asked if the PIP office could phone the DLA office, but was told that she had to phone the DLA office manager. She phoned the DLA office manager, who told her that it was the PIP office manager who she had to phone. She phoned the

PIP office manager and basically ended up having to completely resubmit the application. They were denying her the benefit from the date when she submitted the original application on the ground that they had no proof of it, but they had proof of it, because the DLA had confirmed that. I have ended up writing as an MSP to Iain Duncan Smith saying that this lady, who has been awarded PIP, should have it backdated to the original start date, because their system is a total shambles. In fact, the whole system is shambolic.

**Margaret McDougall:** That is the kind of evidence that we have been getting in the past few weeks.

On sanctions, if someone is being paid universal credit, that will include housing benefit so, if they are sanctioned, they will lose their housing benefit. Are there any plans to extrapolate housing benefit from universal credit?

**Alex Neil:** We agree with the Labour Party that housing benefit should be kept separate from universal credit. I think that one of the reasons why universal credit is proving so difficult to implement is to do with the complications of including housing benefit in it. At the moment, the UK Government's position is that housing benefit will remain part of universal credit. There was an article in *The Observer* on Sunday about a report by the Resolution Foundation that says that universal credit must be redesigned because, as it stands, it is so shambolic that, from an administrative point of view, it is unsustainable.

**Jamie MacDougall:** I do not believe that the housing element of universal credit can be sanctioned. However, the risk is that someone who receives their universal credit as one package will not distinguish between the housing element and the rest of it. If their jobseekers allowance disappears, they will choose how to spend what remains but, technically, the housing element should not be sanctioned.

**Margaret McDougall:** We will check that out.

**Alex Neil:** People who are sanctioned might not understand that, and they might end up spending their housing benefit on day-to-day living expenses, thereby getting into debt and all sorts of other problems. That is another example of how, as things stand, the universal credit system is unsustainable.

**Margaret McDougall:** The issue with sanctions is inconsistency. We have had many examples of that, and you will have examples, too. Does the Scottish Government plan to improve the training of people who deal with the public and their claims, particularly in relation to appeals? Lots of different assessments seem to be carried out on people's health conditions, but the people involved do not seem to be properly trained.

**Alex Neil:** That would be part and parcel of looking at the delivery mechanism that we are going to use. Part of the consultation will be about how we should administer the benefits in question.

At the moment, as you know, local authorities administer housing benefit on behalf of the DWP. They also administer council tax benefit, as well as other benefits such as grants for school uniforms and education maintenance allowance. There are some things that we administer that are not called benefits although, in effect, that is what they are; we do that through organisations such as Skills Development Scotland. On top of that, there are the new powers.

As part of the consultation, we need to agree what is the best way of delivering the benefits. My preference is to have no more than one delivery system, so that we make things as easy as possible for the individual. The training, location and recruitment of staff would be part and parcel of that process.

It is clear that we need to have a discussion with the DWP about staffing. When we take on the new responsibilities, there will be a staff implication for the DWP and issues such as those relating to the Transfer of Undertakings (Protection of Employment) Regulations will come into play. Generally speaking, we want to ensure on an on-going basis that the staff who are responsible for administering benefits are trained to the highest standard.

**Annabel Goldie (West Scotland) (Con):** I will pick up on the comments that you made in response to Margaret McDougall. You will be aware of the Highland Council's interesting pilot to develop an electronic application, which helps vulnerable tenants by enabling landlords to electronically submit an alternative payment arrangement. That seems to be proving positive. Would you encourage other areas to investigate that?

**Alex Neil:** Absolutely. We must be innovative in all that we do so that we make it as easy as possible for everyone to administer the system. The more that can be done online, the better—that is particularly true in the case of people who live in the Highlands and other remote areas. In the Highlands, it can sometimes be difficult and expensive even to go to the nearest village, let alone to Inverness. We want to encourage the things that work well. Where that is the case, we would want to roll out the good practice. There is no need to reinvent the wheel 32 times.

**Annabel Goldie:** On the issue that has been raised by colleagues and in evidence about to whom the universal credit payment is made, do you think that there is merit in the idea of carrying out some kind of social audit or social assessment

of the household to determine who the most suitable recipient of the payment would be?

**Alex Neil:** We do not want to make a mountain out of a molehill. An audit in every household would be a very expensive and laborious affair and might be subject to a lot of legal challenge. However, we need to develop a methodology for identifying where the universal credit is paid. For example, where there is domestic abuse, we need to go out of our way to make sure that it goes to the mother or wife rather than the husband. I would want to ensure that the woman gets the payment rather than the man in those circumstances. A lot of thought and more research on how we do that is needed before we get into the nitty-gritty of it, because it is quite difficult to determine and could be open to challenge.

We should not underrate the importance of transience, which is a difficulty for all such systems. Yesterday, I was dealing with a constituency case in which the constituent has had six different addresses in the past seven years. That is not entirely atypical. There is a lot of mobility leading to different addresses among the people involved. There is also transience in the sense that people move into and out of employment. Someone's employment status this week may be entirely different from their status next week or last week. Whatever the system is, it needs to be very robust to deal with all those possible changes.

I do not have a ready-made answer to the question, other than to say that there will be a need for a robust methodology for doing that.

**Annabel Goldie:** I was interested in your opinion on an earnings-related benefits system. Has any work been carried out by the Scottish Government to cost that for Scotland?

**Alex Neil:** No. We have not done that in any detail, because clearly such a system is not on the cards at the moment. We would not have the power to implement it, anyway.

**Annabel Goldie:** Moving on to something that interests me greatly, cabinet secretary, I was encouraged by your opening remarks on co-location when we have a system of devolved and reserved welfare provision. Margaret McDougall pursued the point. I am encouraged by the idea. Am I correct in saying that the Scottish Government would not wish to deploy budget to replicate premises, systems costs or other costs if it could in some way partner more efficiently with existing services?

**Alex Neil:** Absolutely. We are spending more than £100 million a year across the country on welfare rights and mitigation. If we can find ways of spending that money more cost effectively so

that the beneficiaries are the claimants, that is all the better.

Prevention is always better than cure. If a claimant can, if they wish, immediately check with somebody who is independent that they are getting the right benefit, that is better than their having to go home and go through a faldral to find out how to get the benefit rectified and appeals and all the rest of it. We want to have as little money in administration as possible and as much money as possible in the pockets of claimants.

**Annabel Goldie:** Is that important area being explored between the Scottish Government and the UK Government?

**Alex Neil:** It will be, but it has not been explored in detail yet. We are still managing the thing at a more strategic level. Once we have that done, we will go into some of the nitty-gritty issues. Officials have started to talk about some of those issues. At political level, David Mundell and I are still dealing with some of the strategic issues, after which we will get into more of the nitty-gritty.

**The Convener:** I have one question for clarification, in relation to an issue that you raised on the bedroom tax. As you know, we took evidence on that and heard from local authorities. Their evidence chimed with the points that you made about additional costs being incurred. You spoke specifically about the danger of increasing the cost for those who are evicted. However, there are additional costs in the administration of the discretionary housing payment system for mitigating the bedroom tax. Have you taken on board the concerns from the local authorities, who have pointed out that the additional administration costs require either finding money from other budgets or transferring staff, which leaves other departments short of staff? Have you given any consideration to that and have there been any discussions with local authorities on how to address the problem?

**Alex Neil:** Margaret Burgess has been in discussion with local authorities about not just DHP but the administration of the Scottish welfare budget overall. We will continue to have those discussions, although our budget this year has just been cut by £107 million in year, which means that we are struggling with the money that is available. We do not have a large secret stash of money that we can use to help everybody, although we recognise that, in some cases, there is a genuine issue.

**The Convener:** So there is no secret oilfield somewhere.

**Alex Neil:** The issue that you raise is another good example of how we are administering the Scottish welfare budget here, but housing benefit,

council tax benefit, EMA and all the rest of it are administered in other ways. Strategically, in the longer term, I would like to get to a situation in which the administration is much more streamlined, so that people can see every aspect of all the benefits that they get, whether it is DHP, EMA or whatever. That would be far more cost-effective and it would be far better understood by those who claim.

**The Convener:** I totally agree with you, cabinet secretary. Abolition of the bedroom tax would remove the administrative costs and would be the best outcome altogether.

Thanks very much for your attendance. I know that you will update us as things move forward.

**Alex Neil:** Absolutely.

**The Convener:** We will take forward our inquiry in the autumn. We hope to be able to add to the work that is on-going.

**Alex Neil:** Thank you very much.

**The Convener:** I suspend the meeting for a few minutes to allow the cabinet secretary to leave.

11:02

*Meeting suspended.*

11:06

*On resuming—*

## Parliament Day Craigmillar

**The Convener:** Agenda item 2 is on our Parliament day in Craigmillar. On Monday 18 May, the committee hosted as part of a wider Parliament day a meeting in the Jack Kane centre in Craigmillar in Edinburgh to listen to residents' experiences of welfare reform. Around 50 people attended the event; some had been directly affected by welfare reforms and others were involved in the administration of support for those affected. Some of the attendees were accompanied by representatives of local support organisations.

The session was organised around a series of tables hosted by members or other committee representatives. Members will see in their meeting papers a note that draws together the output from each table and sets out some of the overall themes that emerged. This document is currently being produced in an easy-read version and will be distributed to all the organisations that attended the meeting for onward transmission.

I will give committee members who attended the Craigmillar meeting or who have read the report and want to ask questions about it the opportunity to discuss the experiences that we picked up there. Craigmillar is one of the areas of Edinburgh that has been worst hit by welfare reform, and that message came through very clearly. Finally, I put on record the committee's thanks to all the organisations that worked with the Parliament's outreach services and the committee clerks to support the people who came along on the day.

Does anyone who was there want to kick off, or does anyone have a specific question about the paper in front of us?

**Clare Adamson:** I will say a few words, convener.

It was a very informative and relaxed event. Everyone seemed comfortable in the setting, and the way in which it had been put together was very good.

There was a mixture of experiences in the room. At the table at which I was sitting, there were people who had had various levels of engagement with DWP, social security and welfare, which made the discussion very informative. There was also a volunteer from the citizens advice bureau who, as a service user and a volunteer at CAB, was very well informed about some of the pressures that are coming to the third sector. Some of the people at my table were supported by voluntary organisations from the area and they

were also able to contribute quite a bit to the discussion.

I do not think that we learned anything particularly new from the event. It just reaffirmed everything that the committee has been doing in this area and some of the testimonies that the committee has taken about how difficult people are finding their lives under the current regime and their nervousness about the impact that welfare reform might have on them in the future.

**The Convener:** I agree with that point.

**Margaret McDougall:** I totally agree with what has been said. The event really brought home to me just how much stress people are under. I was at the same table as Heather Lyall, and I found that people were feeling really quite stressed; in fact, one of the girls said that she was stressed about just coming along to meet us. That brought home to me the stress of having to go to all of these meetings and appointments and jumping through all of these hoops and the effect of all that on their mental health.

**The Convener:** The table that I was at was dominated by people who support others who are going through the system; they either worked for organisations or were carers. It was evident that the amount of pressure that is being put on organisations to try to support people who are being impacted on is in some respects becoming unbearable. It is not just the volume of work but the technicalities that people have to work with in order to support someone, given the way in which the system is administered, and the amount of pressure that that puts on the individuals and organisations came through quite strongly.

We have heard about that impact from some of the third sector groups that have given evidence to us, but to hear it from people working directly at the coalface with individuals gave me a sense of the change in the pressure that is being brought and which those people are experiencing. We have heard lots of evidence about the impact on organisations, but it was important for me to hear about the impact on individuals who work for those organisations, and that is something that I took away from the day.

Are members content for us to use the paper as we move forward? We will get it circulated as widely as we can.

**Members** *indicated agreement.*

## Citizens Advice Bureaux Visits

11:12

**The Convener:** Agenda item 3 is feedback on our citizens advice bureaux visits. At our meeting on 10 March, we agreed that members would undertake visits to citizens advice bureaux either in their local area or in areas suggested by Citizens Advice Scotland. The purpose of the visits was to learn about the work of CABx and what their clients present with, by listening to their experiences and sitting in on welfare benefit advice sessions. Each member visited a CAB during May and June, and the visits ranged from the CAB in Easterhouse to the CAB in Lewis and Harris. Now that all the visits have been completed, I will give members the opportunity to comment on their own visit, if they think that there is something that they can bring to the discussion.

**Kevin Stewart:** Thank you, convener. First, I must thank the folks in Stornoway, who were very accommodating.

One of the things that really struck me during my visit was how meticulous the CAB staff had to be in dealing with folks and helping them fill out forms. As we have heard and seen before, some people are simply unwilling to tell the true story and always want to present themselves at their best. For example, when a woman was asked if she was able to cook, she answered, "Yes, I've no difficulty with cooking." The CAB staff member then teased that out a little bit more and was told, "Yes, I can cook, but I have to sit down when I'm cooking. I also feel nauseous when I'm cooking."

All of that information was dragged out over a period of time. The end scenario was that the lady could cook but only with a huge amount of difficulty and after the process was done she often could not eat because of what she had gone through. The forms themselves are extremely easy, but they do not tease out such things, which are absolutely vital in making sure that any claim is absolutely right. Hats off to the folk at the CAB who managed to tease out a whole lot more than would have been got from straight yes or no answers to questions.

Another issue that came to light during my visit to Stornoway was difficulties with appeals or tribunals that are held off-island. Folk sometimes have great difficulty in travelling to Inverness, particularly if they have specific disabilities that mean that they cannot be jolted. In such cases, travelling across on the ferry can be difficult in normal circumstances. We need to have a real look-see to determine whether those difficulties are arising only in the Western Isles or whether they have arisen in Orkney and Shetland, too.



Because of travel difficulties, some folk, particularly those with a disability, are missing out on a service that should be there for everyone. Perhaps we should write not only to the other CABx on the Western Isles but to all those in Orkney and Shetland to see how often such difficulties arise.

11:15

**The Convener:** That is a good point—we should try to identify that. Does anyone else want to comment?

**Joan McAlpine:** I attended the citizens advice service in Dumfries, which covers the whole of Dumfries and Galloway. Like Kevin Stewart, I want to pay tribute to the staff, who were extremely accommodating and very impressive in the two interviews that I sat in on.

Some of the points that Kevin Stewart has already made reflect my own experiences. I sat in on an interview with a person with a severe mental illness and physical disabilities who was being transferred from DLA to PIP. The adviser was helping her with a form, which it was clear the woman would have been completely unable to fill in herself. Indeed, the woman was there only because she had known the benefits adviser in the past. Because of her mental illness, she did not go out and she was frightened of people whom she did not know, and it was a stroke of luck for her that she knew someone who worked in the citizens advice service.

As Kevin Stewart has said, the general culture is to encourage people with disabilities or illnesses to be independent and take pride in what they can do—and quite rightly so. However, as far as these forms are concerned, people could be doing themselves a disservice if they say that they can complete them. For the lady in question, travelling was a problem; because of her agoraphobia, she could not go out on her own, although she was physically able to walk to a car. The extent and severity of her mental health illness meant that she had to be coaxed to do things like washing, cooking and eating.

Kevin Stewart has raised this point, too, but something else that concerned me was that the woman was told that unless she got a letter from her general practitioner, asking for her to be treated as a special case so that she could have an interview nearer home—or perhaps no interview at all—she would be at the mercy of having to travel quite a distance for an interview. According to the citizens advice bureau, no allowance would be made for long travel distances, which meant that the appointment could be at 9 am in Carlisle. There was no way that this particular lady could have made that journey.

Although the interviewer talked her through the process and gave her a standard letter for her doctor, the lady had to personalise it and get it to the doctor and then the doctor had to send it off, and I was concerned that, given the extent of her illness, that might not happen. She certainly would not have been able to fill in the form by herself. In short, I want to highlight the fact that the forms are just too complex and do not make allowances for people's circumstances as well as the issue about travelling to interviews.

The other interview I sat in on was completely different. An elderly lady did not know what benefits she was entitled to, and when she sat down with the adviser, it became clear that she had not been claiming hundreds of pounds. She had recently developed another illness and had just dropped in while passing to see whether she was entitled to something. As the adviser went through her circumstances, it became apparent that for years she had not been getting what she was entitled to.

That made me realise the importance of services such as citizens advice bureaux. Unfortunately, in Dumfries and Galloway, a large part of the service's funding has been cut, and it has lost some of its advisers, which is a really bad thing to happen at this time. The case of that elderly lady really brought home the cabinet secretary's point about the co-location of services; she was really struggling, and if she had received that advice earlier, she would have been in a much better position.

**Christina McKelvie:** I know Hamilton Citizens Advice Bureau well; I have worked closely with it, and it is sometimes a great support to me in my office. I went along to its drop-in session. The staff did not know what was going to come through the door—and, in fact, lots of different things came through.

One untypical case hinged on an issue that we have all identified and which was certainly present in a number of cases that day: inaccurate information from agencies, whether that be the DWP or other agencies on its behalf. The case concerned a woman who was an EU national. She and her husband worked in low-paid jobs; however, he had had an accident at work and was unable to work, and she was claiming tax credits. She knew from the calculation that she had been given too much, and she needed help to sort it out because she could not see herself in debt to the Government. I saw how the adviser handled that. He went through the calculations and confirmed them with her. There was no huge language barrier—the woman's English was very good—but it became apparent to me that in the way in which he was describing the situation and using language, the adviser was aware of not using

expressions such as “getting on like a house on fire” and so on, which helped the woman’s understanding.

What really hit home to me was the fact that this woman, who works hard in a low-paid job and is looking after her husband, had been given the wrong information, had realised that straight away and wanted to remedy the situation. That is the opposite of what we sometimes see, and it is the opposite of what some of the right-wing media claim that EU nationals do when they come to this country.

The adviser’s professionalism in seeking that information, reassuring the woman and helping to get the problem sorted led to a number of phone calls, but because it was a Friday, there was nobody to answer them. The adviser took the matter as far as he could, and the lady was given an appointment to come back the next week to sort everything out. That was an unusual and untypical case, but the typical element to all the cases that I saw that afternoon was that people had been given inaccurate information that had led to decisions that caused problems and had consequences.

**Annabel Goldie:** I visited Perth Citizens Advice Bureau on 5 June—having driven through monsoon conditions, I was going to get my tuppenceworth. I felt that the visit was interesting and that a report was justified. I thank the three people I met: the manager, Sandy Watts; the deputy manager, Christine McGuire; and one of their professional advisers, Andrew Scobie. They gave me good briefing notes, which I shall, with your permission, convener, pass around the committee.

I was not able to meet any interviewees—I do not think there were any when I arrived, although one or two appeared during the two hours that I spent at the bureau. I think people were reticent about having an outsider present while they were being interviewed, so I was not able to sit in on an interview.

The first subject that emerged in our discussions was geography—akin to what Kevin Stewart spoke about. You will see from the briefing that Perth CAB covers a vast area that is diverse in character; there are remote rural communities and there are more densely populated areas. For example, DWP has a presence in Perth and a smaller presence in Blairgowrie. They cover a pretty vast area, and access for claimants can be an issue. In addition, PIP assessments take place in Dundee, but the employment and support allowance assessments take place in Perth. Again, geography is relevant to that.

One interesting feature to emerge was that Perth CAB perceives the DWP as now having a

reduced advisory role and being more focused on supporting people back to work. Although that is commendable in its own right, a question has to be asked: where are claimants to get advice? As others have indicated and as the cabinet secretary said this morning, the referral points—I was given a list of whom people should contact and a list of phone numbers—are simply not practical or affordable for many claimants.

The other issue to emerge was that, because of the perception that the DWP is performing a reduced advisory role, the CAB is now getting a much heavier case load in terms of giving advice. Not only is there a greater volume of cases, but the issues and the nature of the advice are much more complex. The deputy manager, Christine McGuire, said something that is certainly worth repeating: she said that the bureaux were previously the icing on the cake, but they are now the cake. I thought that that was a telling observation about how the role of CAB is changing.

That led to a discussion on the claimant commitment. Perth Citizens Advice Bureau feels that that should be a partnership agreement between DWP and the claimant that explicitly spells out the obligations and responsibilities of DWP and of the claimant. It should include the consequences of breaches so that there is a far better understanding of when and how sanctions might be applied and what that will mean.

In conclusion, I would like to reaffirm how important provision of advice and guidance is. Perth CAB has produced its own very impressive booklet, called “In Crisis?—A Survival Guide”. I have a copy here, if anyone wants to see it.

It was a very helpful meeting. A number of issues emerged in terms of both detail and general strands. I hope that the briefing note, plus what I have just said, will help to inform the committee.

**Margaret McDougall:** I visited the Irvine CAB office. It is just across the road from my office, so we communicate regularly. I thank the staff there for showing me around on the day and for the information that they gave me. In particular, I thank the operations manager, Alan Whyte.

There was a queue of people waiting to be seen when I went in, but there were quite a lot of volunteers as well. There are four staff, and in total there are four different offices, including an office in Arran, to take in the geographic spread. There are also outreach offices and home visits can be done, if required. Irvine CAB feels that it provides a good service. It has a triage system for people who walk in; someone interviews them to find out what exactly their issue is and directs them to the most appropriate help or assistant on the day.

The number of appeals that the office deals with has increased substantially; in the past two months alone they have seen nearly half the number of people that they saw last year. They expect a significant increase this year in the number of appeals related to the PIP.

It is interesting, on the employment side of things, that the number of appeals against jobseekers allowance sanctions fell; there were 102 in 2013-14, and 49 in 2014-15. I am going to do further research into why that is the case, because the CAB is concerned that people do not know that they can appeal against sanctions. That might tie in with what Annabel Goldie said about less advice being given by DWP offices. I will have my office look into that.

11:30

The situation in Irvine CAB is very similar to what we have heard already. People are really struggling with the changes and with keeping up with the reforms—just with knowing what they can do and the appeals that are available to them.

As I said, I sat in on an interview. It was not related to welfare; a couple of women were facing redundancy but did not know exactly when it was going to happen. The volunteer was very thorough and it was clear that he did not want to give out information that might be wrong; he was going to check out the information before he spoke to them again.

The visit was very worth while. The volunteers do a fantastic job. I understand that the CAB has had further funding from North Ayrshire Council, because it is doing more money advice work now.

**Annabel Goldie:** Before I came into the meeting I received an email telling me that Perth CAB has done four pieces of research in conjunction with Stirling CAB. I will forward it to the clerk so that it can be made available to members. I did not have time to look at it before coming to the meeting.

**Clare Adamson:** I reiterate my thanks to Stirling District Citizens Advice Bureau for my visit for a morning at a drop-in session, as Christina McKelvie's visit was. They did not have anyone lined up to see me, but I sat in on two interviews.

One of the interviews was not welfare related, but it was UK Government related—it was on a tax issue. Again, the scenario was that the person was having to phone multiple lines, and was being put on hold rather than being put through to someone. It was very frustrating both for the CAB adviser and the person who had the problem. Eventually, they resorted to putting everything in writing because they could not get any response from the telephone helplines.

I am grateful to the client who agreed to allow me to sit in on the other interview. He was a very ill man, with significant medical problems and pain. It had been a real effort for him to come in to the CAB and sit down. He and the adviser were working through a PIP application, which took more than an hour.

The client had dyslexia and was confused by the form. He was also confused about why he needed the form, because he had a medical condition that was obviously not going to get any better and he had clearly been through a similar process before. It was quite distressing.

All the way through the interview the adviser kept telling the client not to worry if the application failed, because the CAB would help with an appeal if it was needed. I asked the adviser afterwards why she had kept talking about an appeal, and she said that their impression is that almost every application is being rejected right away. Faults are being found that led to applicants having to appeal. It seems to the office to be totally unnecessary—there is total overadministration in the system—that they are having to appeal decisions on so many of the applications that they have supported people with, and which they felt were perfectly adequate for the problems that were coming through their door.

We had a bit of a discussion—which may not be relevant here—about linkage with other agencies and how the CAB is working with the council. As with the other CABx, we discussed some of the financial pressures on the office's being able to continue to offer the current service. It was a very informative visit, and I got a fantastic tour of the facilities.

I was talked through all the leaflets that they currently hand out to people, and some of the special works were mentioned—for example, the co-working with Perth CAB. That was very interesting for me, because I am not from a particularly rural area. When I was a councillor in North Lanarkshire, we had only one CAB to deal with. Stirling CAB covers rural areas, which puts pressures on its budget when it comes to its ability to do home visits and its capacity for supporting people who do not have ready access to public transport to come into Stirling for drop-in sessions.

My experience was very similar to everyone else's.

**The Convener:** I visited Easterhouse Citizens Advice Bureau. Although, like Christina McKelvie, I am familiar with the CABx in Hamilton, Bellshill and Motherwell, I was struck, when speaking to the management, by the scale and volume of cases that the Easterhouse CAB has to deal with in comparison with the CABx in my area. Although I am aware of the increasing volume of cases in

my area, to see the figures that the staff in Easterhouse were dealing with was quite an eye opener.

I sat in on the process of completing a PIP form. I was struck that the person who was looking for help was very articulate and knowledgeable about his condition, which he had lived with for a long time since he had an accident at work about 20 years ago. He was very familiar with all his circumstances, with the medication and treatments and with everything else that he required to complete the form.

I was, however, struck by the marked difference between the initial information that the person was able to give and the final information that the citizens advice worker was able to extract. Had the person completed the form himself, he would have provided only very basic information. By the time the member of CAB staff had looked into the complexity of his illness, the circumstances around his home life and various other things that had had an impact, it became clear that it was a much more detailed and complex case than it had looked to be at the outset. The amount of information that will go to the assessors is markedly more than the basic information that he came in with at the outset. The value of that member of staff sitting for two hours and taking that individual through the process might be the difference between his obtaining and not obtaining the support that he needs. It was crucial.

I spoke to all the staff—the management and the volunteers—and they are all aware of how much pressure they are under and how much has changed. It is remarkable how undaunted they are. The more people have been impacted by the changes, the more determined to help they have become. It is a great credit to them that they have not tried to find ways to take short cuts or to take the pressure off themselves, but have just accepted what has come towards them and found ways to deal with that in order to help as many people as possible. I thank them for giving me the opportunity to learn from them and to see just how dedicated they are to the tasks that face them.

It sounds as though everyone has come away with a very positive feeling. We already had that about CABx and the work that Citizens Advice Scotland does in general, but to have had the opportunity to see it at first hand is something that we all appreciate.

**Kevin Stewart:** One more point about the Stornoway situation struck me as Joan McAlpine was speaking. The CAB there has managed to develop a partnership with general practitioners so that letters and so on from GPs do not cost clients anything. According to the CAB there, the reaction from the GPs has been pretty good. Lessons could be learned from there and from other parts

of the country. If that kind of partnership was taking place everywhere, it would probably reduce the impact on some clients by getting all the information right at the first attempt, instead of their having to go to appeal. Hats off to the CAB and the general practitioners on Lewis and Harris, who seem to be getting it spot on.

**The Convener:** I will write to Citizens Advice Scotland and to the individual CABx on behalf of the committee to thank them for giving us their time and for supporting our work as they did. It was a useful exercise.

Before I bring the meeting to a close, I point out that our next meeting is on 16 June, when we expect to review the first draft of our committee report on women and social security. We will also examine the work programme for the period after the summer recess.

**Margaret McDougall:** Do we have the ad hoc visits in our diary?

**The Convener:** We will have a quick chat in private about how that is working out. Thank you, everyone.

*Meeting closed at 11:40.*

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