



OFFICIAL REPORT
AITHISG OIFIGEIL

Meeting of the Parliament

Tuesday 23 April 2019

Session 5



The Scottish Parliament
Pàrlamaid na h-Alba

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Scottish Parliament

Tuesday 23 April 2019

*[The Presiding Officer opened the meeting at
14:00]*

Time for Reflection

The Presiding Officer (Ken Macintosh): Good afternoon and welcome back, everyone. Our first item of business today is time for reflection. Our time for reflection leader is the Rev Neil Gardner MA BD, minister of Canongate Kirk, in Edinburgh.

The Rev Neil Gardner (Canongate Kirk, Edinburgh): A couple of weeks ago, I attended a concert of Lenten music for reflection, and before it began the conductor respectfully asked the audience to refrain from applauding at the end, so that the sense of contemplation might be allowed to prevail a little longer. I wonder whether I might, just as respectfully, ask you to do the same at the end of this time for reflection.

I want to reflect for a moment on the symbol of our parish—yours and mine—here in the Canongate: a cross set among the antlers of a stag. It can be seen most vividly on the gable end of the roof high above the front door of Canongate Kirk; it can be seen elsewhere, too, from the war memorial against the Tolbooth to the gates of the palace.

The symbol traces our story back through the mists of time to the days of King David I, the son of the saintly Queen Margaret. One day in 1128, the king went hunting in the forest around Arthur's Seat but something went wrong: he came off his horse and was left defenceless on the ground as an angry stag approached, its sharp antlers pointing straight at him. The king prayed that he might survive this deadly encounter and legend has it that, as he prayed, he had a vision of the cross of Jesus between the antlers of the stag, which suddenly stopped in its tracks and withdrew quietly to the forest. The king regained his horse and rode back up the hill to the castle, where, in his thankfulness for deliverance, he vowed to build an abbey close to the place where his life had been spared.

And so the story of the abbey of the holy rood, which means "holy cross" in old language, began to take shape, all those centuries ago. The abbey would give its name to the palace that evolved out of its guesthouse and eventually to this part of town.

This side of Easter, Christians, too, see the cross as a sign of our thankfulness for deliverance—from the darkness of sin and death

to the brightness of new life and hope. The cross among the antlers still proclaims to us all the power of the faith that endures through the centuries, through all the challenging encounters of our day, and through the horns of every dilemma.

Topical Question Time

Rail Services

1. Murdo Fraser (Mid Scotland and Fife) (Con): To ask the Scottish Government what its position is regarding the performance of Scotland's rail services, and what action is being taken to improve provision. (S5T-01605)

The Cabinet Secretary for Transport, Infrastructure and Connectivity (Michael Matheson): The on-going train cancellations and capacity challenges in the east of Scotland, particularly across Fife, are unacceptable to the Scottish Government and passengers alike. I have made that very clear to Abellio ScotRail and to Abellio's Dutch Government owners, whom I met recently. I stressed that action must be taken immediately to reduce the level of train cancellations and complete the driver training programme for the new and refurbished trains.

Transport Scotland officials are in daily contact with ScotRail senior management to monitor closely the training programme and review anticipated train cancellations. I will meet Alex Hynes tomorrow and I will seek further assurances that there is a strong focus on improving performance in the east of Scotland.

Murdo Fraser: As the cabinet secretary pointed out, there has been a particular problem in Fife over the past few weeks. I have been contacted by many angry constituents, who have raised concerns about the level of service cancellations. Between 4 and 6.30 pm on 16 April, no fewer than five Edinburgh to Fife services were cancelled at the peak commuter time. That led to what one constituent described to me as "unsafe overcrowded conditions" on one of the other trains.

ScotRail claims that the cancellations are the result of staff training, but is there any other provider of a public service that thinks that the only way in which it can train staff is by cancelling the services that are available to the public and making the public unsafe as a result? Surely that is not acceptable behaviour.

Michael Matheson: As I have said in the chamber on a number of occasions in recent times and at the Rural Economy and Connectivity Committee when it considered the remedial plan, at present, ScotRail's performance in relation to cancellations, particularly in areas such as Fife, is unacceptable. A remedial notice was issued because of the level of cancellations on the Fife route, and I fully expect ScotRail to implement all the actions that are set out in the remedial plan, which are now part of the franchise agreement, to

ensure that we start to see improvements being made.

Murdo Fraser will be aware that ScotRail finds itself in its current situation on training for a variety of complex reasons, including the late arrival of the refurbished and the new rolling stock and issues in relation to the way in which staffing and crew levels have been managed in the east of Scotland. Notwithstanding those issues, the situation is unacceptable, which is why ScotRail was issued with a remedial notice. I expect it to fully implement the relevant measures so that passengers in the Fife area and across the country as a whole see the benefits of the significant investment that we are putting into rail in Scotland.

Murdo Fraser: I thank the cabinet secretary for that further information, but my constituents are fed up hearing excuses. We have been told for weeks, if not months, that services will improve but, in fact, they are deteriorating. One month ago, the First Minister said in the chamber that ScotRail was drinking in "the last chance saloon". When will the Scottish Government call last orders on ScotRail?

Michael Matheson: As the member will be aware, the remedial plan contains a timeline for each of the actions that ScotRail must take, including the recruitment of additional drivers and conductors and the completion of the training of staff. The training of staff, which is a key aspect of the situation that is having an impact on commuters in the east of Scotland, is due to be completed for the timetable change on 19 May. In its engagement with ScotRail, Transport Scotland has been given assurances that ScotRail still expects to complete the training programme within that timeframe. That will provide greater resilience in the east of Scotland, as a result of which passengers will see some improvements.

However, the wider improvements in the east of Scotland will not be realised until the additional high-speed trains have been deployed on the network and the new Hitachi 385 trains have been introduced more widely, which will allow for additional diesel rolling stock to be moved to the east of the country. That will be effected by the timetable change in December of this year, which should produce significant benefits for the east of Scotland.

Notwithstanding that, in the short term, the actions that ScotRail is taking are focused on making sure that improvements are delivered in the east of Scotland. Through my officials and my engagement with ScotRail, I will make sure that it maintains its focus on that issue.

The Presiding Officer (Ken Macintosh): Eight members wish to ask supplementaries; I imagine

that they are from different parts of the country. We will try to get through as many as we can.

Christine Grahame (Midlothian South, Tweeddale and Lauderdale) (SNP): At tomorrow's meeting with Alex Hynes, I ask the cabinet secretary to raise the issue of the cancellations on the Borders railway on Easter Sunday, when 15 scheduled train services were cancelled. That was another raw deal for my constituents, as a result of which Newtongrange mining museum, Melrose and its abbey and even Abbotsford will undoubtedly have lost potential tourists.

I come back to the last chance saloon. Forget last orders—how close is ScotRail to the exit door of the last chance saloon?

Michael Matheson: As I made clear at the Rural Economy and Connectivity Committee, if only one aspect of the remedial plan is not implemented and fulfilled by Abellio ScotRail, it will be in default of the franchise agreement, which could result in the franchise being removed from it.

Like the cancellations that Murdo Fraser referred to, the cancellations that Christine Grahame mentioned were of an unacceptable level. The reasons that ScotRail has given involve a combination of staff leave and staff not taking up rest-day working. That is why it is important that ScotRail recruits additional drivers and conductors, which is a key commitment in the remedial plan. It will take time for that to be delivered, but it is important that ScotRail continues to make progress and seeks to address the issues as quickly as possible so that we ensure that the experience that Christine Grahame's constituents had on Easter Sunday is not repeated in the future.

James Kelly (Glasgow) (Lab): With 27,000 cancellations in the past year, the ScotRail service has become a shambles and a national embarrassment. Passengers are sick of and fed up with the delays and cancellations that affect their daily lives. Meanwhile, the Government and the cabinet secretary sit on their hands. Is it not time for the cabinet secretary to step in, strip Abellio of its contract and put in place a publicly owned rail service that puts passengers first?

Michael Matheson: I am surprised by Mr Kelly's question because, as Mr Kelly is aware, we do not have the power to set up a public sector rail service here in Scotland. That matter is reserved to the United Kingdom Government. I hope that we now have the support of the Labour Party in Scotland for changes to the railways legislation that would allow us to look at a whole range of models for delivering our rail services here in Scotland, including the public sector option, which

the Labour Party believes is the main way in which to address these matters.

I certainly hope that Mr Kelly's question is an indication that we have the Labour Party's support for the full devolution of railway powers to the Scottish Parliament to allow us to have that opportunity. When we are in that position, we will certainly look at taking forward what we think is the best option for Scotland's railways.

Liz Smith (Mid Scotland and Fife) (Con): Can the cabinet secretary tell us exactly how many qualified train drivers ScotRail is short of? What are we going to do in the short term to ensure that these trains can run properly?

Michael Matheson: ScotRail's remedial plan sets out that it is recruiting an extra 55 new drivers in order to address the current shortfall. ScotRail is undertaking that piece of work at present and it is currently advertising and recruiting. Alongside that, it is training some of its current drivers so that they can operate additional fleet. Those who are already trained for a particular fleet are being trained to operate other trains in order to provide greater resilience within the existing complement.

Alongside the 55 drivers that ScotRail is recruiting for the whole of the network, with a specific focus on the east, it is recruiting some 30 additional conductors, who will be in place by July of this year. The commitment that ScotRail has made is being delivered through funding from Abellio ScotRail directly. Those are the figures that ScotRail believes that it needs to address the existing shortfall and to give it the resilience that it requires within the existing complement of staff, alongside the additional training programme that it has in place for its drivers and conductors.

Colin Beattie (Midlothian North and Musselburgh) (SNP): Can the cabinet secretary indicate what percentage of delays over the past year are attributable to the Tory Government's shambolic operation of Network Rail?

Michael Matheson: Members will be aware of some significant challenges in the east of Scotland, which have been due to infrastructure failures—particularly just outside Haymarket. Some of the failures have been repeated. I have raised the failures with Network Rail, asking it to assure me that it is not only repairing those particular faults but making the infrastructure investment that is necessary to minimise the risk of these types of problems occurring again, because they have caused significant disruption to the network, particularly in the east of the country.

Overall, in the course of the past 12 months, some 65.5 per cent of all delays on our network have been due to infrastructure failures. As I have said in this chamber and at committee on a number of occasions, it is critically important that

both parts of our rail network—Network Rail and the ScotRail franchise—are operating to the best of their ability to deliver passenger services. That is why it is important that we have overall control of both aspects of the rail system in Scotland, to ensure that we are running it in a way that reflects the needs of the people of Scotland.

Claire Baker (Mid Scotland and Fife) (Lab): I am sure that the cabinet secretary can now be in no doubt about the appalling service that Fife commuters are experiencing. The most that Fifers have been promised by ScotRail is that peak-time services will return to normal—just to normal; they will not be improved—as a Christmas present. This franchise cannot continue, as people are persistently late for work, and the economic impact on Fifers must not be undervalued. Does the cabinet secretary recognise that and will he reconsider the need for a fares cut in Fife to compensate for this terrible service?

Michael Matheson: I recognise the impact on services in the Fife area, which is the very reason why we issued a remedial notice to ScotRail. It is also why, in the remedial plan, ScotRail set out the range of actions that will be taken to address the issues that are affecting Claire Baker's constituents.

Alexander Stewart (Mid Scotland and Fife) (Con): There is still real misery for commuters in my region of Mid Scotland and Fife. When they go to work and come home, they do not call it the rush hour; they call it the crush hour, because individuals are crammed into trains that have fewer carriages and that are delayed, if they are not cancelled. What reassurances can I give to my constituents that the situation will improve? At the moment, they see nothing but the situation getting worse and worse on a weekly basis.

Michael Matheson: We have been pressing ScotRail to ensure that it uses all the rolling stock that it has available. Particularly in the east of Scotland, the biggest impact on the ability to deliver the additional rolling stock that is needed is the late delivery of the high-speed trains—HSTs—from Wabtec and the late delivery of the 385s from Hitachi. That has had an impact on the ability to move the diesel rolling stock over to the east of the country. Once the new rolling stock is in place, that will free up the diesel rolling stock and allow it to be moved.

At present, approximately 11 of the high-speed trains are in place. In the coming months, the utilisation of those trains will free up the diesel rolling stock to allow it to be moved into the Fife area, which will provide additional carriages for passengers and deal with the overcrowding problems that are being experienced. The electrification of the Shotts line into Glasgow frees up diesel rolling stock, because we can now use

class 385 electric trains on that route. When we have the full complement of those from Hitachi, which it now says will be by August of this year, that will free up diesel rolling stock from the area that can be moved to the east of Scotland—the Borders and Fife—to provide the additional rolling stock that is necessary.

A cascade of rolling stock is taking place, but it is being delayed, and that is having an impact on passengers' experiences in the way that the member rightly highlights. That is in part due to the delays in some of the new rolling stock coming in to allow the diesel rolling stock to be freed up to move to the east of the country.

Stewart Stevenson (Banffshire and Buchan Coast) (SNP): To what extent does the cabinet secretary hold Angel Trains and its contract with Wabtec accountable for the utterly and desperately bad delivery of the HSTs, with two delivered in December when 17 were contracted to be refurbished by that date?

Michael Matheson: As I mentioned, there is absolutely no doubt that the late delivery of the HSTs has had a significant impact on ScotRail's ability to move some of its other rolling stock—the 170s in particular—to the east of Scotland, which is having an adverse impact on passenger experience in that area. I have discussed the matter with the chair and chief executive of Angel Trains and with the global president of Wabtec in the United States, and I said that the delay is unacceptable. They provided me with assurances that they are doing everything that they can to try to move the issue forward. Some of the work is being transferred to Kilmarnock to try to speed up the refurbishment that is due to be undertaken on the high-speed trains.

There is no doubt that the delay with the HSTs is having an impact, as is the late delivery of the Hitachi 385s. I raised that issue when I discussed the matter with the global head of Hitachi in Japan and made it clear that it is unacceptable that we are experiencing on-going delays in the delivery of that brand-new rolling stock.

All those issues are having an impact on passengers' experience of what is a significant level of investment in our railways in Scotland. I want the benefits of that additional investment to be realised sooner rather than later, and those companies all have a part to play in ensuring that they deliver the trains as quickly as possible so that passengers get those benefits.

Jackie Baillie (Dumbarton) (Lab): The problem is not confined to the east of Scotland. Performance in parts of the west of Scotland is at a record low. In March, 56 per cent of trains arrived on time in Dumbarton. In Balloch, the figure was 48 per cent and in Helensburgh it was

42 per cent. For the avoidance of doubt, that is nothing to do with the training of staff or new rolling stock. When the trains show up, they are short formed, with three carriages instead of six. When will we see a marked improvement in the Helensburgh and Balloch lines?

Michael Matheson: On the specific issue, I will ask ScotRail to provide a direct answer to the member on the improvements that will be made on those lines. The member will be aware that the Donovan review set out a range of measures that have to be implemented to improve services in the west of Scotland.

On some routes we have seen marked improvements as a result of such measures; on others, we have not seen their full realisation, because not all the recommendations of the Donovan review have been implemented yet. The position is being monitored by the Office of Rail and Road, which has said that although ScotRail is making good progress, there is still more to do. I expect to see the recommended infrastructure and timetable improvements starting to deliver better and more reliable services in areas of the west of Scotland. However, as I have said, I will ask ScotRail to provide Jackie Baillie with a detailed response about the specific line to which she referred.

Alex Cole-Hamilton (Edinburgh Western) (LD): The cabinet secretary and I have discussed many times the situation at Dalmeny station, which is in my constituency and is, quite possibly, the one that has been worst affected by the ScotRail crisis. Just after Christmas, part of the problem with train cancellations was mitigated by placing additional stop orders on rush-hour services that were coming south from Aberdeen. Several times, I have challenged ScotRail to place similar orders on Aberdeen-bound trains that leave Waverley in the evenings, but those have still not been forthcoming. What pressure can the cabinet secretary apply to ScotRail so that we will see such advanced stop orders being applied?

Michael Matheson: When I meet Alex Hynes tomorrow, I will ask him to address that very issue and to respond to Mr Cole-Hamilton on the specific point that he has raised.

The Presiding Officer: I thank the cabinet secretary and members for getting through questions from 10 members.

Social Security and In-work Poverty

The Presiding Officer (Ken Macintosh): The next item of business is a Social Security Committee debate on motion S5M-16957, in the name of Bob Doris, on social security and in-work poverty.

14:21

Bob Doris (Glasgow Maryhill and Springburn) (SNP): As the convener of the Parliament's Social Security Committee, I am pleased to open the debate on the committee's report "Social Security and In-Work Poverty". I put on record my thanks to everyone who gave evidence to the committee or supported its visits, our clerking team, the Scottish Parliament Information Centre and our former convener, Clare Adamson, who helped to instigate the inquiry.

The committee embarked on the inquiry against the backdrop of the United Kingdom Government's continued roll-out of universal credit, together with its plans to migrate to that benefit many thousands of people who are currently in work and in receipt of working tax credits. Alongside that, the committee was aware of the rising number of people, including working families, who are accessing food banks. Research shows a clear link between that rise and the roll-out of universal credit. We know that the rate of employment is at a record high, but research by the Joseph Rowntree Foundation has shown that the number of people who are in work but living in poverty is the highest on record. The committee heard that that trend disproportionately affects women, disabled people and black and minority ethnic individuals.

At the same time as the number of workless families has fallen, there has been weak growth in men's earnings and the number of women who work has increased. In Scotland, 18 per cent of workers are paid less than the living wage, 6 per cent are on temporary contracts and around 63,000 are on zero-hours contracts. The number of workers who live in poverty is increasing at a faster rate than the number of people who are in employment. Put simply, that means that people who are in work are increasingly likely to find themselves in poverty, which is a very worrying trend indeed.

Of course, in-work poverty is not just about social security. I have already alluded to some of the other issues. Research shows that in-work poverty is a product of the economy more widely and that factors such as affordable childcare and housing and delineating the barriers and additional costs that are faced by disabled people are all key.

Although such issues go beyond the remit of the Social Security Committee, their consideration is crucial to forming an overall picture.

The committee focused on the role of the social security system and, in particular, how universal credit might impact low-paid workers. The Scottish ministers have some social security powers, but, other than the flexibilities that are provided by Scottish choices, the policy and rules on universal credit remain firmly with UK ministers. In the main, responsibility for benefits for people of working age is reserved to the UK Government at Westminster.

In 2016, the Social Security Committee of the time undertook an inquiry into universal credit and made a series of recommendations. Despite there having been some welcome changes since then, some fundamental issues are still a problem today. The lack of progress is perhaps best captured in a conclusion that the current committee put on the record this year:

“it is unacceptable to make any claimant wait a minimum of five weeks before receiving the financial support they are entitled to under Universal Credit. We urge the UK Government to urgently reform this design feature to ensure payments are made within two weeks of an application being made, as was the case under legacy benefits such as Job Seekers Allowance.”

An obvious and clear mechanism by which in-work poverty can, in part, be tackled within the social security system is ending the benefits freeze. According to Scottish Government research, welfare spending in Scotland in 2020-21 will be £3.7 billion lower than it would have been had the welfare reform measures not been implemented. The biggest reduction is due to the UK Government's benefits freeze, which disproportionately impacts the poorest and weakest in society. It is the view of the Social Security Committee that the UK Government's freeze on benefits must be lifted. It is not realistic to expect a Scottish Government of any political colour to top up or mitigate every UK Government welfare policy to ensure that the incomes of Scottish claimants do not drop in real terms.

We were also disappointed that we were not able to get a UK minister to accept our invitation to give evidence during, or since, our inquiry. We are still pressing for a UK Government minister to speak to the committee. I am sure that the Parliament agrees that that lack of engagement is unacceptable and disappointing.

During our inquiry, we visited Dundee and heard from people with lived experience of in-work poverty who receive universal credit. I encourage members to read their testimonies, which are in our committee report, but I will highlight one in particular. A man who was in work was encouraged to move on to universal credit and

was advised—wrongly—that he would be better off. As he waited to receive his first UC payment, he applied for an advance. He managed the repayment of that advance and the change to how his rent was paid. His local jobcentre then told him to approach his boss about getting more hours, but no further hours were available. He was told that he should spend four hours a day looking for work, but all the sites listed the same limited number of jobs.

Our committee wants to secure improvements for that individual and for the more than 50,000 people in work in Scotland who are already receiving universal credit, as well as for the estimated 170,000 families in Scotland who receive working tax credit and will be migrated over to universal credit. From summer 2019, they will be migrated from the HM Revenue and Customs tax credits system to the Department for Work and Pensions universal credit regime, and they will be required to make a fresh application for universal credit.

Being moved on to universal credit represents a significant change for claimants. It is not just a significant cultural change, but a radical change of regime. The ethos of UC is very different from that of tax credits, and the relationship that people are required to have with the DWP is very different from the relationship that they currently have with HMRC.

The committee agrees that the managed migration should not proceed unless there is more clarity about what it will mean for those who are expected to move over. It is the committee's view that priority should be given to addressing the existing concerns about universal credit before the UK Government seeks to move on to it up to 3 million people who are currently on legacy benefits.

Although it is not being applied at present, a policy intention is that someone who is in receipt of universal credit could be subject to conditionality and, potentially, sanctions, which could mean losing money despite working more than 16 hours a week. A claimant who is already in work will be required to take active steps to increase their earnings as an on-going condition of receiving UC. According to the Organisation for Economic Co-operation and Development, that is unprecedented internationally.

In-work conditionality was the second-most raised concern in the written submissions that we received. Russell Gunson of the Institute for Public Policy Research Scotland told us:

“Conditionality for universal credit includes in-work requirements, so the onus is on the claimant to increase their earnings or hours.”

He went on to say:

“The idea that it is the sole responsibility of the claimant to increase their hours or earnings to satisfy the universal credit system bears no relation to reality.”—[*Official Report, Social Security Committee*, 13 September 2018; c10.]

Pete Searle from the DWP acknowledged that there is no meaningful evidence of the efficacy of in-work conditionality. He told us:

“We do not have evidence at the moment about what could work and about the best way of interacting with people in work”.—[*Official Report, Social Security Committee*, 8 November 2018; c 6.]

Given that the DWP has no evidence to support the development of in-work conditionality and, more fundamentally, that the committee is opposed to the principle of imposing punitive conditions on those who are already in work, the committee does not support any extension of in-work conditionality.

Furthermore, as tax credits that are administered by HMRC are not subject to conditionality or sanction, there is a strong case not only for halting further migration of people in receipt of tax credits to universal credit but for considering the removal of tax credit support from universal credit altogether and continuing to use HMRC unless the threat of conditionality and sanctions is removed.

The committee heard the recurring theme that the relationship between the jobcentre work coach and claimants is crucial. That relationship can be extremely positive, but building it requires an important investment of time and the development of trust. The Public and Commercial Services Union, which represents many DWP front-line staff who deliver universal credit, has expressed serious concerns to DWP managers, including about in-work conditionality, and does not feel that those concerns are being listened to. The committee suggests that the DWP should pay much closer attention to the concerns that the PCS has raised.

The committee believes that the dramatic reduction in the number of jobcentres, at a time when universal credit is being rolled out across Scotland, was a serious error of judgment by the DWP. I know, from my experience of the closure of Maryhill jobcentre in my constituency, the impact that jobcentre closures have had on hard-fought relationships that had been built up between work coaches and claimants. In some places, those relationships have simply been terminated. The committee concluded that jobcentre closures have

“impacted on service and compounded the disconnect between many service users and the DWP. We believe there is a case to be made to review local access to DWP and other forms of employment support across Scotland to allow for more localised and community-focussed support, in place of an increasingly remote and digital by default support system.”

All of that is far preferable to the threat of sanctioning the working poor. Supporting career progression for those in work without the threat of penalty is not only right but is likely to be far more productive.

Universal credit is paid monthly in arrears on the basis of earnings during what is known as a monthly assessment period. Circumstances are assessed on the last day of that assessment period, and earnings within the monthly assessment period are taken into account in that month's UC award. UC tops up earnings that are received during the assessment period. In that way it is intended to smooth out fluctuations in income. However, there are issues with that. For example, incomes fluctuating from month to month becomes a budgeting issue, and when pay cycles differ significantly from UC cycles—for example, when people are paid four-weekly or on the last Friday of the month—and UC assessment periods and the job pay cycle are out of sync, the UC award can end up taking two pay cheques into account in one month and none in the following month. The committee has significant concerns about universal credit assessment dates not aligning with paydays, although we acknowledge that the UK Government is said to be looking urgently at the matter. We agree that it must be urgently addressed, and we have requested an update from the UK Government ministers following their considerations.

When I sum up, I will raise a variety of other matters that are important in relation to the working poor and universal credit. For the time being, let me say that it is essential that the UK Government and the Scottish Government work together meaningfully and constructively while acknowledging their respective policy differences. On that point, the committee made a case for reviewing local access to DWP and other forms of support across Scotland to allow for more localised, community-focused support. The Scottish Government must be able to demonstrate how it is seeking to work meaningfully in a strategic way with the UK Government to offer community-focused employability support, and I ask the cabinet secretary for details of that.

The Scottish Government is introducing proposals for a new income supplement that must take account of in-work poverty. We await details of that supplement and the eligibility criteria. I invite the cabinet secretary to outline what progress has been made on what we expect will be a new social security benefit.

I look forward to hearing the contributions and suggestions of my parliamentary colleagues this afternoon, and I have the privilege of moving the motion.

I move,

That the Parliament notes the conclusions and recommendations contained in the Social Security Committee's 2nd Report, 2019 (Session 5), Social Security and In-Work Poverty (SP Paper 466).

14:34

The Cabinet Secretary for Social Security and Older People (Shirley-Anne Somerville): I start by thanking the Social Security Committee for bringing this important matter to debate today and for its hard work during the inquiry. I welcomed the opportunity to give evidence to the committee last year and I am grateful to be able to contribute to the debate.

The committee's report on in-work poverty makes for stark reading and shines a light on the urgency of the issue. The support provided by the UK Government to those in low-paying work is simply not enough for them to make ends meet.

Just last month, our poverty and income inequality statistics showed that, after housing costs are taken into account, 60 per cent of working-age adults and two thirds of children who are living in relative poverty in Scotland are in working households. Alongside record levels of employment in the UK, there are record levels of households entering in-work poverty. In its briefing, "Budget 2018: tackling the rising tide of in-work poverty", the Joseph Rowntree Foundation rightly highlighted that

"Jobs that are low paid and insecure, offering only a dead-end and not a stepping stone to a better job, trap people in poverty."

That is why the Government has committed to a fair work future by supporting the real living wage, opposing exploitative zero-hours contracts and helping families to work and earn more.

As the convener highlighted, the Scottish Government has estimated that the UK Government's cuts will have reduced spending on welfare in Scotland by approximately £3.7 billion by 2020-21. The benefit freeze accounts for the biggest single reduction in social security spending—a reduction of about £370 million by 2021. The level of benefits has been frozen since 2016, which has led to the support that people desperately rely on falling further behind the cost of living. We have repeatedly pressed the UK Government to lift the benefit freeze and have called for benefits to be uprated in line with inflation, but our call has, to date, been refused.

It is impossible to speak about in-work poverty without discussing the impact of universal credit. Previously, people in low-paying work relied on working tax credits to help them manage, but the option of making a new claim for tax credits is now gone and people are forced to turn to universal credit. As many of us will have seen from our

constituency mailbags, there is a growing mountain of evidence that universal credit pushes people further into poverty, rather than helping them out of it. The Social Security Committee's report adds to that evidence.

The committee quite rightly highlights the five-week wait for the first UC payment as being "unacceptable". The Scottish Government has made that point several times to the UK Government, as have many organisations. It is worth pointing out that the five-week wait is the minimum waiting time, with many people waiting much longer for payments. Unbelievably, the DWP told the National Audit Office that it is unreasonable to expect all UC claims to be paid on time. However, when someone is forced to rely on the DWP for financial support, I fail to see how the DWP can possibly justify that position.

The committee noted that there is a lack of information available on the DWP's plans for managed migration—that is hardly surprising given that the DWP keeps delaying it. In the meantime, people who naturally migrate to universal credit through a change in their circumstances will do so without transitional protection, which means that their entitlements will be significantly reduced. I am deeply concerned that natural migration will hit households even harder than managed migration, and those households are already struggling to make ends meet. The longer the DWP takes to begin managed migration, the more people will find themselves moving to UC without protection. We have urged the UK Government on numerous occasions to halt managed migration until the universal credit system is made fit for purpose.

Universal credit was supposed to make work pay, and a key part of achieving that aim was the work allowance, which lets people keep more of their earnings before their benefit is reduced. However, the UK Government reduced the availability of work allowances so that they are now available only to people with responsibility for a child or to those with limited capability for work. For everyone else, as soon as they begin earning, their benefit is reduced. That means that more and more working people in Scotland are losing out as they move to universal credit. In its report, the committee recommended the complete reversal of the cuts to work allowances, and I fully agree with that recommendation.

I turn to what the Scottish Government is doing on those issues. Unfortunately, we are limited in what we can do in relation to universal credit, but we are using our limited powers to make the delivery of universal credit more flexible and better suited to the needs of those who claim it in Scotland.

Since October 2017, the Scottish Government's universal credit Scottish choices programme has given people the choice of receiving their award twice monthly, and of having the housing costs element of their award paid directly to their landlord if they wish that to happen. The take-up rate of the choices has been high. From November 2017 to August 2018, more than 66,000 people were offered Scottish choices, with 32,000 people—almost half—taking up one or both of the choices. That tells us that people want more flexibility and adaptability in how they receive the support to which they are entitled, and it provides further evidence that changes to the DWP's benefits system are needed.

We are also committed to introducing split payments of universal credit awards for couples. That will provide everyone claiming universal credit in Scotland with access to an independent income, and will promote our values of equality, dignity and respect in the social security system. We are currently working with the DWP to carry out an impact assessment of two policy options, allowing us to refine our policy proposals further.

Despite that work, there is no doubt that the impact of the UK Government's cuts is staggering. As I have said, they amount to a lowering of social security spending in Scotland of £3.7 billion by 2020-21. We are already spending more than £125 million this year to mitigate some of the worst impacts of the UK Government's cuts and to support those on low incomes. That includes more than £60 million to cover the cost of discretionary housing payments and to continue to mitigate the UK Government's bedroom tax. Discretionary housing payments of £10.9 million have been distributed to local authorities to help address the impact of other cuts, including £8.1 million in recognition of the impact of the benefit cap.

Our spending also includes £38 million on the Scottish welfare fund, which provides a vital lifeline for people in need, providing support through crisis and community care grants. As of September last year, more than 316,000 households in Scotland have been helped with awards totalling £181.6 million. By the end of this financial year, the Scottish Government will also have provided more than £1.7 billion in funding for the council tax reduction scheme.

However, the Scottish Government is not here simply to paper over the cracks in the UK Government's welfare cuts. We simply cannot afford to cover the billions of pounds that those cuts cost each year. I hear regular calls for us to cover the cost of further cuts, but no suggestions as to what we should scrap if we were to do so. To be clear, every pound that we spend in offsetting a UK Government cut means that we cannot spend that funding on other public services and priorities.

I want this Government to be able to invest funds in pulling people out of poverty. That is why we are working hard to develop our new income supplement, which will provide additional financial support for low-income families, who are the most at risk from the impact of UK Government cuts. However, we risk all of that if the extent of our ambitions is to mitigate the decisions of another Government—something that the UN special rapporteur on extreme poverty and human rights, Professor Philip Alston, last year described as “outrageous”.

I finish with some more words from Professor Alston, who said of the UK Government's approach to welfare that

“compassion for those who are suffering has been replaced by a punitive, mean-spirited, and often callous approach”.

He continued:

“Successive governments”—

UK Governments—

“have presided over the systematic dismantling of the social safety net in the United Kingdom. The introduction of Universal Credit and significant reductions in the amount of and eligibility for important forms of support have undermined the capacity of benefits to loosen the grip of poverty.”

I welcome the Social Security Committee's report. It is yet more damning evidence that the UK Government's welfare system is simply no longer fit for purpose. I assure the Parliament that we in the Scottish Government will continue to press for the urgent changes that universal credit requires, and that we are committed to using the powers we have over welfare to build a system that is based on dignity, fairness and respect.

14:43

Michelle Ballantyne (South Scotland) (Con): I begin by thanking the committee clerks and all those who gave evidence to the inquiry.

Although I dissented from a number of points and conclusions during the finalisation of the committee's report—for reasons that I will return to—I acknowledge that this was an important inquiry because recognising that in-work poverty is a problem and committing to tackling it is the first step towards ensuring that everyone who works can and should expect a better future.

Last year, in its report “UK Poverty: causes, costs and solutions”, the Joseph Rowntree Foundation stated:

“The processes that cause poverty are complex. Simplistic explanations may focus on one factor ... but solving poverty requires an approach that takes into account the impact of market and state structures—as well as of individual choice.”

It is important to acknowledge that the inquiry focused on one factor and, in doing so, has inherent weaknesses.

As part of its welfare reforms, the UK Government has committed to ensuring that work pays. The introduction of universal credit was at the centre of that reform, with the aim of simplifying the benefits system and ensuring that individuals and families were able to escape the legacy of benefits that trapped households into intergenerational worklessness. That legacy saw the breakdown of the social contract between taxpayers and those who needed support and the stigmatisation of those who were on benefits, which I hope we never see again.

We know from Scottish Government figures that, between 2015 and 2018, 60 per cent of working-age adults who were considered to be in relative poverty were in working households, with the figure rising to 65 per cent, or 160,000 individuals, in the case of children. We also know that projections suggest that overall poverty rates are likely to rise over the next few years.

What is the relationship between in-work poverty and universal credit? David Finch of the Resolution Foundation said:

“It is definitely too early to say that universal credit is having an impact on the poverty figures, especially because it was nowhere near being rolled out to everybody”

when the Foundation’s survey was done, and

“it still is nowhere near being rolled out to everybody—so it will take time before we see the impact.”

Russell Gunson of the Institute for Public Policy Research Scotland acknowledged that

“universal credit and social security more generally have a big role to play in reducing and tackling poverty and in-work poverty. The economy and the income structure in Scotland—and, of course, the United Kingdom—will be as much, if not more, of an issue when tackling in-work poverty.”

Nobody disputes that universal credit has had its problems, particularly in the early days following its introduction, but Robert Joyce from the Institute for Fiscal Studies reminded us in his evidence that

“The overall rise in the proportion of people who are in poverty and are in a working household has been going on for some time. In itself, it is not a phenomenon that is related to universal credit.”

More importantly, he stated:

“A significant group of working households will keep more benefits under universal credit than they would have kept under the old system. In that direct sense, universal credit will top up and increase their incomes, which would tend to reduce in-work poverty.”—[*Official Report, Social Security Committee*, 13 September 2018; c 7, 5, 6.]

Part of the challenge for the committee was the fact that the roll-out of universal credit full service was under way during the inquiry and was only completed in December 2018.

Bob Doris: Michelle Ballantyne gave a really interesting quote about winners and losers, if you like, with regard to the new system. Does she agree that, in our report, the committee expresses concerns about oversimplification in relation to there being winners and losers under the new universal credit system, because those who lose tend to be the most vulnerable in society. Does she share those concerns?

Michelle Ballantyne: The convener asks an interesting question and has an interesting use of language. I understood that the committee agreed that it would not use the term “winners and losers”—the convener called for that. There is no doubt that some people will benefit more from the introduction of universal credit and others will benefit less or may be slightly worse off. I go back to my original point that we have yet to see exactly what it will look like. I will touch on an important point later in my speech—

Mark Griffin (Central Scotland) (Lab): Will the member taken an intervention?

Michelle Ballantyne: No; I need to make progress.

Part of the challenge was that there was an overlap as the committee held its inquiry, with a number of announcements and changes made during October and January that were designed to address some of the concerns.

Attempting to untangle the web of legacy benefits and tax credits, split as they are between the Treasury and the DWP, is a challenge, as Westminster’s Social Security Advisory Committee has made clear. A key part of the flexibility of universal credit is its test-and-learn approach. Previously, when the legacy system was not delivering something effectively, there was no ability to change it. Now, new changes are tested, problems can be identified and solutions found. That is a key factor, particularly with regard to the convener’s question.

Paul Gray, the former chair of Westminster’s Social Security Advisory Committee, said that the committee had welcomed the stated intention to test and learn, which on numerous occasions has lent UC a flexibility that is light years ahead of any process offered by the legacy benefits system. As I have visited jobcentres around the country, I have seen that approach in action and I know that it is highly thought of by DWP staff, who recognise that their input is listened to and acted on.

Much of the division about the report came down to a matter of words. For example, in itself,

the use of “many” rather than “some” seems insignificant, but we believe that it changes the emphasis of a paragraph and the story that it tells. Unfortunately, the inquiry was often bogged down in political positioning, with colleagues clearly identifying their position on universal credit and seeking answers to support their belief.

I had hoped that we would all agree with the sentiments of Russell Gunson, who said:

“Bringing six means-tested benefits together in one on a single taper is a good and positive idea, but the funding levels that were originally promised have dropped significantly ... Whether universal credit will work or not has to relate to three factors: the structure, the funding and how it is implemented.”

Our report calls for those funding levels to be restored. The UK Government has shown that it is ahead of us, having already increased the levels of funding not once but twice in its past two budget statements.

On the role of work coaches and conditionality, I struggled with the evidence from PCS, as I found it to be politically motivated. I could not support the conclusions that the committee chose to include. Recommending that, unless conditionality and sanctions are removed, there should be a return to the discredited system of tax credits—based on no evidence received by the committee—showed a poor understanding of the system and of the evidence that we heard.

As in any inquiry, it is important that we identify problems and offer solutions, which many of our contributors did. In his evidence to the committee, Russell Gunson said:

“There is an argument about whether any conditionality is right, but we would say that conditionality—even a means test—is likely to be needed as part of any system.”—[*Official Report, Social Security Committee*, 13 September 2018; c 5-6, 10.]

Submissions from Oxfam and, ironically, PCS said that in-work progression could be positive, if developed in a supportive way. Oxfam wrote that:

“Progression is fundamental in ensuring that work acts as a route out of poverty, but Oxfam has concerns around how in-work progression policy has been conceptualised”.

Victoria Todd of the low incomes tax reform group said:

“Some people who are already working and who would have claimed tax credits but who, because of their area, are now on universal credit have had a positive experience of support from work coaches to increase the number of hours that they work, to look at other options or to get training. The stories that I have heard are not all negative in that respect.”

Kirsty McKechnie said:

“I will reiterate what Rob Gowans said about universal credit being”

a potential improvement

“for people who have fluctuating hours or perhaps have low hours”

because

“it used to be that there would be a cliff edge of 16 hours, where you would no longer be entitled to jobseeker’s allowance or employment and support allowance. There was a bit of a gap before you worked enough hours to get the working tax credit. That group of people will now be supported, but to apply sanctions to anybody will not improve their ability either to look for work or increase their hours”.—[*Official Report, Social Security Committee*, 27 September 2018; c 19, 26.]

It is a mixed report, some of which I totally agree with and some of which I have difficulty with. We need to keep monitoring the situation and, when we contribute to questions on universal credit and in-work poverty, we must do that constructively, because we have a test-and-learn approach that could improve the situation for everybody.

14:52

Mark Griffin (Central Scotland) (Lab): Like my colleagues on the Social Security Committee, I am grateful to see our report come to the chamber. Once again, we are forced to consider the catastrophic impact of welfare reform, which is pushing working people into poverty.

Members do not have to read the report to know how miserable the situation has become. Right now, almost 400,000 adults in Scotland are going out to work but still living in poverty, while two thirds of kids who live in poverty are in a household that works. Those people are falling behind everyone else in society, make daily decisions about whether they can buy food or need to get a food parcel, and are no doubt thankful for the mild winter that we have just had because they have been terrified about the meter running out or a fuel bill landing on the mat. It is heart-breaking and it needs to be fixed.

Like the convener and other members, I thank the clerks for their work on the inquiry, and I thank the broad range of experts, including the Resolution Foundation, the IPPR, Citizens Advice Scotland and a number of food banks, for the excellent evidence that we received.

Although the report is important, I am doubtful that any of the mums or dads who are getting ready for a night shift or heading to their second job of the day care much for yet more discussion. What they want is action.

In preparation for the inquiry, the committee made its usual call for evidence. We had just one written submission from an individual with lived experience of being in work and in poverty. It was from Sara MacLean, who recently moved to full-time work and is on tax credits. She told us:

"While I love my job, it is something I am passionate about ... the recent changes to my working tax credits has highlighted that going to work full time does not pay ... I am bringing home only marginally more than when I was working part-time."

She talked about the opportunity costs of that full-time work, which became harder than the financial hit. She said:

"I missed my daughter's last day of primary school because it was my first day at work; I was unable to take my son to his first day of P2; overall I get less time to spend with my family".

She asked quite simply:

"Are the extra few pounds a week worth going full-time?"

We all agree that the mantra that work is the best route out of poverty should be logically correct—of course it should—but it is a simple fact that the link between a person working hard and keeping their head above water is broken.

The report does not say this outright but, ultimately, the committee heard that universal credit is not fit for purpose. It is plunging people into poverty, arrears and destitution. The report lays out—CAS and others echo this in their briefings—how people have been dragged through a system that simply does not care for families' wellbeing or stability. We were told that universal credit would mirror the world of work and make it pay, but leaving people without an income for at least five weeks or with salaries that fluctuate wildly every month is simply state-sponsored malpractice that decent employers throughout the country would reject.

It is a simple fact that universal credit systematically fosters poverty. Even if a person manages to get a regular payment, they are hit with a marginal tax rate of over 70 per cent. What is the point of a person trying to earn more when their tax rate is 70 per cent?

Philip Hammond's £1,000 increase in the work allowance is welcome, but it goes nowhere near undoing the 2015 cuts, and the 2p reduction in the taper rate to 63p did not do that either. The Tories are well behind the curve on that. That is why the committee's report restates the need to restore the funding that was taken away in 2015.

Michelle Ballantyne: Will Mark Griffin say clearly whether he believes that the legacy benefits were better for working people who were trying to get back to work—whether or not the person is a single mum—than universal credit? Is that what he is saying?

Mark Griffin: I am about to come on to that. When Michelle Ballantyne was speaking, the committee convener made an intervention about how vulnerable people would be affected by universal credit. She claimed that we are not yet clear about who will be worse off, or not. However,

we have figures for that, and I would have expected Michelle Ballantyne to know what the figures are. Lone parents and disabled households without housing costs will be £1,940 and £1,220 worse off every single year. I would have expected Tory members to know about the impact that universal credit is having and will continue to have on vulnerable working people.

In my Central Scotland region, 28,000 people have moved on to universal credit since the roll-out started in October 2017. They are suffering rent arrears, which have quadrupled; they are having to pay back £11 million in advances at a rate of 40 per cent; and they are facing a brutal conditionality system that forces them to find more work.

Constituents who have been in touch with my office recently have talked about just how aggressive and pernicious UC really is. One constituent saw their tax rebate—for income that they earned last year, on which they were unfairly taxed—swallowed up as "income", and their UC payments were cut. Another constituent had their UC payments cut and money clawed back because the DWP had failed to take account of their student loan payments. The person had informed their work coach and put the information on their log—as they are advised to do—six months ago.

Our report looks specifically at the social security system, but it is hard to ignore the fact that Brexit—which is another mess of the Tories' making—will have a devastating effect on those on low incomes. We might have stepped back from a devastating no-deal Brexit, but the risks of price rises, falls in wages, lower employment and lower tax revenues will do nothing to stop pushing working people below the breadline. When we took evidence in the autumn, universal credit was one of the few things that cut through the Brexit fog.

The report rightly recognises that the budget made much-needed changes, but the 2015 cuts must be reversed in full. The Tory committee members agreed to that, but littered throughout the report is a trail of dissent and opposition that shows how unwilling the Tories are to accept the impact that universal credit is having on people across the country.

An important conclusion in the report is that social security is becoming a shared responsibility. It is almost a year to the day since the Parliament agreed to pass the Social Security (Scotland) Bill.

I have told members before that I was one of four children. My parents worked hard—my father as a welder and my mother as a bank clerk—to support the family that they chose to have. My dad was diagnosed with a serious heart condition at

the age of 37 and could not carry on doing the work that he had done for 20 years. Who plans for such a situation when they start a family? Who plans for redundancy, career-ending illness or even death at 47? Where is the support network? Where is the state support that children depend on day in, day out when circumstances change beyond anyone's comprehension?

We accept that we cannot mitigate the effect of every cut, but the refusal to act on the two-child limit and the rape clause is shameful. What is done can be called mitigation, but people must be assured that Holyrood will act and is better than the callous Tory Government. To be frank, Scots do not care what colour of Government provides the support.

The report is a starting point, but we now need change. Where we can, MSPs must act, too.

15:01

Alison Johnstone (Lothian) (Green): I, too, thank all who gave evidence in writing and in person to the committee and I thank the clerks and advisers who helped to prepare the report.

Poverty statistics that were released just a few weeks ago make for truly sobering reading. As we have heard, nearly two thirds of Scots children who are in poverty are from families in which at least one adult is in employment—that figure has increased by almost 20 per cent over two decades. That is why it is vital to have a social security system that allows people to live free from poverty when they cannot work and supports them into well-paid work with prospects when they can.

The committee's investigation focused on universal credit, which was designed to tackle in-work poverty but too often makes life more difficult for people in such a situation. Universal credit has become too easy a target for Governments that are trying to find savings. As Michelle Ballantyne noted, the committee heard from IPPR Scotland's Russell Gunson that

"funding levels that were originally promised have dropped significantly".—[*Official Report, Social Security Committee*, 13 September 2018; c 5.]

Work allowances, which allow recipients of universal credit to earn more before having their entitlement reduced, were slashed in the 2015 budget. Some—but not all—of what was cut will be restored as a result of the most recent budget. Some people will face worse—less appealing and less attractive—work incentives than before the cuts and, despite promises that

"no-one will experience a reduction in the benefit they receive as a result of the introduction of Universal Credit",

some people will still be worse off. That is without taking into account the range of other cuts that

people are subject to—not least the four-year freeze on benefits and tax credits that arbitrarily freezes incomes at 2016 levels, which means that real incomes reduce.

It is no wonder that many witnesses from food banks said that universal credit, along with other cuts, is a significant driver of food bank use. After years of denying that, even the DWP is beginning to admit that that might be the case.

An overwhelming message from the evidence was that many elements of the design of universal credit have not taken into account the realities of what it is like to be in low-paid work and—even worse—have flown in the face of advice that has been given. As far back as 2012, before UC was introduced, the Women's Budget Group warned that the monthly assessment period would mean that many recipients

"would have difficulty in anticipating in advance the effect of changes of circumstances on their entitlement for the coming month. This"

would be

"a particular issue for claimants on low incomes, who tended to have very frequent changes of circumstances."

If we fast forward seven years, those warnings have—unfortunately—come to pass. The committee heard that the monthly assessment period is causing myriad problems.

The Child Poverty Action Group and others have told us that, where the universal credit assessment period and wages do not line up, two monthly wages could be paid in the same period, meaning that a person's UC entitlement would be reduced or withdrawn entirely. In such cases, the recipient would have to reapply, and in doing so they could lose passported benefits such as crucial support for school meals.

Incomes from universal credit can fluctuate hugely. The Child Poverty Action Group's report, "Rough Justice: Problems with monthly assessment of pay and circumstances in universal credit, and what can be done about them", cites an example of a couple whose UC income over a six-month period ranged between zero and £1,200. Those affected said:

"We don't know if we're coming or going from month to month! It makes budgeting so, so difficult because you just do not know what you'll get."

That is one of a huge number of examples in which the UK Government has not taken heed of evidence that was staring it in the face.

On the issue of the monthly assessment period, the committee notes:

"The UK Government has repeatedly said there are no plans to change it, despite the problems created by fluctuating UC awards."

Even when the UK Government has listened—I accept that some positive changes to universal credit have been made—the changes are often made many years after concerns were first raised and the damage has been done.

There is a lesson here for the Scottish Government in setting up the new devolved benefits. Changes to social security need to be based on expert advice, which more often than not can predict problems ahead of time. That expertise should come from specialist organisations such as the Child Poverty Action, the Women's Budget Group and trade unions representing the staff who run the system; the unique expertise that is held by people who have personal, lived experience of the social security system and low-paid work should also be considered.

Women and children are being hit hardest. As Engender tells us, women are twice as likely as men to be reliant on social security.

The Scottish Government has made a good start when it comes to listening to people. The social security experience panels are an excellent example, as are the many ways in which the Social Security (Scotland) Bill was changed as a result of consultation. It is important that that approach continues, even when it is more difficult for the Government. It has repeatedly refused calls to introduce a £5 top-up to child benefit, despite a huge swathe of civic Scotland, under the give me five campaign banner, saying that that is a really reliable way of getting money to the poorest families right now. I look forward to the Government's forthcoming statement on the proposed income supplement, but that will take years to come in and introducing a top-up would be feasible much sooner.

Too many families are living on far below an acceptable minimum income. Despite being assured that work is the way out of poverty, a shocking proportion of people, including 160,000 Scots children, experience poverty in working households.

Despite promises to the contrary, universal credit is making the situation for some people worse, not better. We need to reclaim the idea that, when everyone has a decent amount to live on and, crucially, that income is stable and predictable, everyone benefits. That might be through social security, work or a combination of both. Our reserved and devolved social security systems—particularly universal credit—have a long way to go before we can realise that vision. The Greens will keep up the pressure for that.

15:08

Alex Cole-Hamilton (Edinburgh Western) (LD): I, too, commend the committee's work on this really important subject.

When I was growing up and learning about economics, I always thought that there was a correlation between employment rates and poverty and that giving more people better jobs would lift people out of poverty. However, over the past 10 to 20 years, we have seen the spectre of in-work poverty rise. It is insidious; it belies the fact that employment statistics cannot be a barometer for a nation's poverty or its affluence any more.

I will say a word in support of this Government's work. I have said many times that the Liberal Democrats' approach to the issue is very much in step with the Government's approach, and I thank it again for its conciliatory and consensual approach to social security issues. I also offer the support of the Liberal Democrats with regard to the committee's conclusions on the need to immediately end the four-year benefits freeze, the need to recast how universal credit is administered and is still being rolled out, and the need for a reversal of the Westminster cuts since 2015.

My party's approach to social security has always been about poverty reduction, social mobility and making work pay. A lot has been said about my party's role in coalition Government, but there are two things from that time of which I am very proud. The first is the lifting of the income tax threshold, which, according to *The Guardian*, at a stroke, did more to address poverty than had been done in the previous 14 years. The second is how my party acted as a sea anchor against the Tory cuts. That fact immediately became manifest when we left the coalition in 2015, and it was picked up by the committee in its report, which recognised what happened to in-work allowance cuts in 2015 when the Liberal Democrats left Government. We visit that reality in all of our surgeries and case work every day of the week when we are back in our constituencies. It is up to us to address in-work poverty.

We need a three-fold approach that involves providing an adequate safety net for when people are out of work, fostering social mobility and making work pay. The imperatives have been laid out in many excellent speeches in the debate already: supporting the 240,000 children in this country who are still in poverty; ensuring that the safety net is adequate when people are out of work or need a work supplement; and tackling the inexorable link between financial worries and mental ill health. In that regard, I point out that 86 per cent of people with mental health issues cite financial concerns as a principal part of their anxiety and distress and indeed, that rates of suicide in Scotland are three times higher in

deprived communities than they are in other communities.

As I said, my views and those of my party are largely in step with the approach of the Government in terms of where it wants social security to be deployed in Scotland, and in relation to the need to redress and recast the roll-out of universal credit. That roll-out took place in my constituency—as it did in many members' constituencies—in November 2018, just before Christmas. Indeed, the consequences of what in many cases was a five-week minimum wait for people to transfer over to universal credit affected them right around Christmas time. That manifested in a huge uptick in the need for food banks in my constituency and in the case work that came through my door and that of Christine Jardine, our local MP.

Such was the range of legacy benefits and so rapid the changeover, that many were left confused, stranded and unsure of their recourse. That is reflected in the committee's recommendations and conclusions, which recognise that there is still no adequate online or telephone support for people who are struggling with the vagaries of the bureaucracy surrounding the roll-out of universal credit. That includes the digital-by-default phenomenon in which most people are being bounced into the transfer through digital platforms, when one third of benefit recipients are unlikely to have adequate connection to the internet at home or through a place that is accessible to them.

Several times in this chamber, we have rightly raised the issue of the link between universal credit and domestic abuse, which is an unforeseen consequence of the roll-out of UC. We learned about that in discussions around the issue of payment to a single claimant in households in which spousal abuse might be an issue. The committee also raised the issues perfectly in its comments around transitional protections, where, once again, abusive relationships have clearly not been factored into the permutations and the considerations of the roll-out of universal credit by the Westminster Government.

My party and I agree wholeheartedly that we must end the freeze on benefits immediately. We must completely reverse the cuts to in-work benefits that were made in 2015, following our departure from the coalition Government, and we must drive up the take-up of entitlements, because people are still unaware of the benefits to which they are entitled. We also need to dramatically change the way in which we are giving people the money, because the five-week waiting time is leading to irreparable damage, evictions and destitution.

If universal credit was originally designed to make work pay and to make the benefit strata more simple, then it has wholly failed in that regard, and there is an obligation on the Government, and every party in the chamber to address that.

The Deputy Presiding Officer (Linda Fabiani): We now move to the open debate. Speeches should be six minutes. However, I have a bit of time in hand and I am happy to give extra time for interventions and responses.

15:14

Keith Brown (Clackmannanshire and Dunblane) (SNP): I am grateful for the opportunity to speak today about in-work poverty, an issue that is of particular importance to many of our constituents, and also about the findings of the social security committee, of which I am a member, on the impact of universal credit on in-work poverty.

Like many members, I have met many constituents whose migration across to universal credit has been fraught with difficulties and has resulted in significant and extreme hardship. People have been left with prolonged rent arrears, they have fallen behind on bills and they have been unable to clothe their children. I have dealt with so many such cases that, some months ago, I held a summit on the impact of the roll-out of universal credit in my area. It is unfortunate that neither of the two Tory MPs in my area was able to come along to the summit. They would have heard absolutely harrowing tales of the impact on people of universal credit's roll-out.

The committee has collated, in one damning document, experiences of people who are suffering under that toxic Tory policy and testimonies of organisations that are struggling to support claimants. Although the points that it makes about the impact on families and children are very true, I understand that the impacts are even worse in England and Wales, where mitigating policies that I will mention later are not available.

The report makes for grim reading, and I am not at all surprised that the Tories do not want to agree with it. Members on the Tory benches can usually be expected to stand up and attempt to defend universal credit and its roll-out, sometimes with the caveat, "despite universal credit's many flaws". So far, Tory members have not even offered that caveat. It appears that Scottish Tories are even more blindly loyal to flawed Tory policies than their counterparts south of the border.

Jamie Halcro Johnston: The IPPR noted in its evidence that in-work poverty cannot be divorced from the economy. The member is a former

economy secretary; does he take any responsibility for that?

Keith Brown: Indeed I did, and one of the things that we did to alleviate in-work poverty was to support the national minimum wage, which the member's party has never supported. That would have a major impact on in-work poverty, but there has been no mention of the policy by the Tories so far today.

No one who has met and spoken with constituents or read the report can arrive at any conclusion other than that universal credit has resulted in the rolling out of misery and undue hardship, forcing people who are most in need of our support into poverty. Every day, the case for halting and reforming universal credit grows stronger, as we just heard from Alex Cole-Hamilton. Universal credit roll-out should be halted and rethought, as many people have said, including the organisations that work most closely with the new benefit.

Given the evidence that is gathered in the committee's report, we would be forgiven for wondering whether the results that we are seeing are the intended outcome. From what we have heard from the cabinet secretary, it is abundantly clear that the Scottish Government and UK Government approaches to social security differ fundamentally. The Tory party is the party that talks of "welfare scroungers" and distorts terms such as "fairness" to defend the two-child cap and the rape clause. It is the party that denies the existence of the bedroom tax.

Nine months ago, the Tories promised more than 7,000 claimants that vital severe disability payments would be back-paid to them. This week, those people have found out that they might have to wait a further six months for payments on which they rely and to which they are entitled. That is an absolute disgrace.

The Scottish Conservatives today said:

"you can't trust the SNP with the pound in your pocket."

That is rich, coming from a party that has spent billions on aircraft carriers overspend, on high speed 2, on Brexit, on crossrail and on fake ferry contracts. However, it is where the Tories have not spent money that represents the most egregious negligence. They have not paid money that is due to many profoundly disabled people, who are profoundly in need. It is clear that we cannot trust the Tories, when a profoundly disabled person finds that their pound is in the Tories' pockets.

The Scottish Government is using its new social security powers to create a system that is based on dignity and respect and that ensures that there is support for those who need it most. Since last year, the carers allowance supplement has given

more than 77,000 carers an extra £442 in recognition of the incredible contributions that carers make.

Through the best start grant, more than 7,000 low-income households have received the pregnancy and baby payment, to ensure that the children of Scotland have the best possible start in life. By the end of this year, the Scottish Government will have introduced the best start grant early learning payment of £250 for families when a child starts nursery and the best start grant school-age payment of £250 for families when a child starts school. It will have introduced funeral expense assistance, to help families with contributions towards a funeral, and the young carer grant, which will be awarded to young carers aged 16 to 18 who do at least 16 hours of care a week but do not qualify for carers allowance.

I again give all Tory members an opportunity to intervene and say that, beyond 2021, the Tories would continue to support those benefits—I see that not a single Tory MSP will give that commitment. We can all read into that that if the Tories ever had control over the levers of power they would prioritise tax cuts and they would cut benefits from working people and people in poverty in order to pay for their tax cuts. Each of those benefits will make a substantively positive difference to individuals and families across Scotland and will result in their being treated with compassion. That is what a social security system looks like when it is created by a Government that recognises its responsibility to tackle enduring inequalities and to reduce poverty. As we all know, politics is a question of power and how the use of that power is prioritised.

We often hear the bad joke that the Tories will win in 2021, but the Scottish Government has made the decision to substantively change the lives of the people of Scotland for the better and has committed significant funding to tackling in-work poverty. The question for the Tories is whether they will go into the next election supporting the continuation of those benefits. What kind of party will the Tory party be come 2021? My guess is that it will be the same old Tory party, offering tax cuts for the richest, looking after the wealthy and punishing the poor. Maybe the Conservatives would appreciate some new campaign slogans, such as "Scottish Tories—the party of in-work poverty".

This much is clear: it is only the SNP that can be trusted on social security, and full social security powers should be devolved to the Scottish Parliament. The Tories do not represent the best of what Scotland can achieve. They must change their policy, otherwise they will continue to be met with universal and justified discredit.

15:21

Jamie Halcro Johnston (Highlands and Islands) (Con): I welcome the opportunity to discuss the Social Security Committee's report on in-work poverty. Last week, the Office for National Statistics released figures that show that Scotland is following trends across the UK, with employment at record highs and unemployment at record lows. That is undoubtedly to be welcomed, but many people in work still find themselves in low-income employment and without the opportunities and rewards that, we all hope, work should provide.

Wage growth, of course, is an important metric. As we emerged from the most recent recession, the period of exceptional growth in employment was not matched by similarly positive levels of wage growth, although that trend shows signs of reversing. Across the UK, the gains in employment are being consolidated and there are real-terms increases in wages that appear to be sustainable. As the independent Office for Budget Responsibility reported at the time of this year's spring statement, wage growth has been revised up to 3 per cent or higher in each year of its forecasts. However, those in the chamber need little reminding that as wages increasingly grow ahead of inflation, it is productivity growth that will make a real impact on the incomes of working people in this country and establish a strong economy. In that regard, although there is more work to do across the UK, productivity remains a more acute problem in Scotland than it is on average in the UK, despite the Scottish Government's pledge to put such issues front and centre in its economic policy.

As the committee heard, no one factor of itself can address poverty. In-work poverty is heavily concentrated in a relatively small number of sectors, which nevertheless can be large employers, so we should look at the particular issues that arise in those sectors and at what support the Government could offer. We should also bear in mind the fact that relative income poverty is a necessarily narrow measure and that analysis of one metric alone is likely to ignore particular problems in our economy. In remote and island communities, for example, the higher cost of living has a considerable impact on how people can spend their incomes.

The current statistics measure income poverty before and after housing costs. That is certainly important, as increasing housing costs are a major drain on household incomes, particularly for young people, who are less likely to own their own home and more likely to find themselves in the rental sector and exposed to changes in the property market. However, that analysis ignores a whole suite of additional expenses, including energy

costs and transport costs, that reduce disposable incomes for families, particularly in my region.

I have mentioned not only employment and wages but opportunities in the workplace. In discussions about the levers that are necessary to address low pay, the Scottish Government has often brushed over the most obvious and most important area, which has been within its control since the advent of devolution; that of education and skills. Building good-quality and high-paying work will require effort to be targeted at ensuring that people have the skills to succeed in the labour market. That is not just an issue for young people who are entering employment for the first time; it is about providing opportunities for people who are established in their careers to reskill and develop in line with their aspirations. Increasingly, a skilled workforce will be essential in our rapidly changing economy.

Although it is tempting to see the issue from the point of view of investment in our future productivity, there is also an individual angle, which is about creating a society in which people have choices and can grasp opportunities without being held back. Employability is one part of that, and the committee has welcomed the Scottish Government's commitment to providing employment support for people who move into work. Although we have seen early figures from the newly devolved employability programmes, there has been a troubling lack of detail, which has hampered any real examination of their performance so far.

The committee noted the positive impact of Jobcentre Plus work coaches in supporting people who are moving into work or looking to progress in their careers. Clearly, there is a need for services to work together in a positive way to achieve the best outcomes. Public services are at their best when support is personalised and reflects individual needs.

The report does not examine personal debt despite debt being a consideration in relation to a number of the outcomes for households with low incomes. For those on the lowest incomes or those whose incomes are made up largely of income-assessed benefits, sizeable debt repayments will always have the effect of pushing incomes below tolerable levels.

Dr Alasdair Allan (Na h-Eileanan an Iar) (SNP): The member—quite rightly—mentions the problems associated with debt. Does he feel that people waiting five weeks for the initial payment of a benefit to which they are entitled might be a factor in their being pushed into debt?

Jamie Halcro Johnston: As I have mentioned and as I will come on to again, a number of areas

cause problems and that is one that has been looked at.

For those on the lowest incomes or those whose incomes are made up largely of income-assessed benefits, sizeable debt repayments will always have the effect of pushing incomes below tolerable levels. We know that a large proportion of people who face real financial difficulty have debt problems and we should be looking at not only tackling those issues when they become a problem but equipping people with the tools to manage spending.

It is clear, as the committee heard, that in-work poverty has a range of causes but few simple solutions. Although there are many positive signs of improvement, with growing wages and the number of people in work at historic highs, issues remain that, undoubtedly, have a deep impact on people's lives.

There have been several successful interventions. The increase in minimum wage levels following the announcement of the national living wage has been a major change for the lowest earners in our society, as has taking an increasing number of the lowest earners out of paying income tax altogether.

Within the mix—

Alex Cole-Hamilton: Will the member take an intervention?

Jamie Halcro Johnston: I am afraid that I do not have time.

Within the mix, this Parliament has a great many levers that can have a positive impact on in-work poverty. Unfortunately, too often, this Scottish Government has been more inclined to point the finger of blame elsewhere and ignore areas in which it has clearly failed to make progress. In many cases—in relation to education, for example—the Government's policies have built up problems for the future.

It is imperative on all of us to look towards building a society where work pays, where opportunities are within people's reach and where higher pay is underpinned by a strong economy.

15:27

Clare Adamson (Motherwell and Wishaw) (SNP): I thank the Social Security Committee for its work on this important report. I was a member of the Welfare Reform Committee in the previous session of Parliament and I am a former convener of the Social Security Committee, so I am familiar with much of the work that has been done. I am, therefore, surprised to hear members on the Tory benches in particular say that they are waiting to see what the impact and outcome of universal

credit will be, because universal credit has been a failing benefit since its introduction. Indeed, the Highlands and Islands was one of the pilot areas for the roll-out of universal credit in Scotland and when I visited there, only months into the pilot, we were being told about the increase in rent arrears and the increased use of food banks in the area, so we know that universal credit has been failing from day 1.

Significant work was done by Sheffield Hallam University on the impact of welfare reform, which showed that the most affected would be single-parent families, young men aged under 25 and disabled people, so we have known about the impacts for a long, long time. It is, therefore, disappointing to hear some people say that they are still waiting to see what the outcome will be.

Elaine Smith (Central Scotland) (Lab): Did the member, like me, receive the briefing from Citizens Advice Scotland, which works every day with clients who are detrimentally affected by universal credit? If so, perhaps she would recommend it to our Conservative colleagues to read?

Clare Adamson: I would certainly encourage them to read the briefing and to listen to the people who are affected by the appalling legislative decisions of the Conservative Government.

I want to talk about what we call social security. Michelle Ballantyne mentioned the idea of it being a social contract between the citizens of a country and their Government. The impetus of a social security system should be to champion the vulnerable and protect those most in need—that is intrinsic to the social contract; yet we see the othering of disabled people and of those who are in need or on zero-hours contracts. That social contract has been broken for the WASPI—women against state pension inequality—women. It has also been broken for those who have lost out on severe disability payments—for which, as Mr Brown said, they are yet to be recompensed, despite that being promised more than a year ago—and for those affected by the botched roll-out of universal credit.

The statistics are shameful and, astonishingly, there is little sign of the UK Government listening. By 2020-21, social security spending in Scotland is expected to have been reduced by about £3.7 billion. That is more than £3 billion stripped from those who need it the most as a result of austerity from Westminster. The "2018 Annual Report on Welfare Reform" found that the UK Government's benefit freeze would lead to reductions of about £190 million in 2018-19, rising to about £370 million by 2020-21. However, the current UK Administration seems content with its legacy. It has no understanding or empathy and little

understanding of how precarious the financial position is for those who are most in need, or how easily any delay in payment or mix-up with monthly universal credit payments can force a family into financial crisis.

There is denial on universal credit. The figures are abhorrent and, importantly, they represent an on-going problem, yet we see little from the UK Government to show that it is addressing the gross level of inequality that the roll-out has caused.

Food bank use is the most striking example. The operators and volunteers of food banks are dedicated and compassionate people who are doing what they can to mitigate a systemic imbalance, but they should not be needed. It is a damning indictment of the current social security system that food banks exist in the first place. The Trussell Trust has told us that in areas where universal credit has been fully rolled out for 12 months or more, food bank use has increased by 52 per cent. That is staggering. Thousands of Scots are being driven into poverty by UK Government policy. They face the ignominy of relying on charity food parcels and then the same UK Government has the temerity to pillory them, with the othering of the most vulnerable.

Last year, the UK Government spent more than £120 million fighting appeals by claimants who were denied their benefits, yet 70 per cent of those appeals were won by claimants who were entitled to the support. That is a 70 per cent failure rate in the decision making of the Department for Work and Pensions. In any other walk of life, that would be seen as a failed system, and it should long since have been fixed by the Tory Government.

Last year, I hosted a reception for the menu for change project. A play, written by a volunteer at a London food bank, told the stories of the people who attended the food bank and of one of the volunteers, who themselves was in in-work poverty. It brought home to me just how incredibly divisive it is to use charity in a social security system; it should not be needed or acceptable. I was pleased that, during the reception, the panel praised the work of the Scottish Government in providing access to the Scottish welfare fund to ensure that people in crisis can access support from the Government with dignity.

I do not have time to say much more, but the committee's report is hugely important, and I welcome it.

15:33

Elaine Smith (Central Scotland) (Lab): I am not a member of the Social Security Committee, but I thank it for its work in preparing the report. Despite what the Tories claim, there is no doubt

that the impact of the changes to the benefit system and in particular the roll-out of universal credit has brought hardship to a number of households in the country. The UN special rapporteur on extreme poverty and human rights has advised that the roll-out has had a bigger impact on women.

As we have heard, in-work poverty is on the increase, which is just not acceptable. Nearly 60 per cent of those who use food banks came from households with at least one person in work. The StepChange Debt Charity, which recently held an information event in Parliament, has reported that, UK wide, in 2018, 55 per cent of new clients were in employment. Its report entitled "Scotland in the Red: The latest debt statistics from StepChange Debt Charity Scotland" gives us more information about what is happening, and estimates that more than 700,000 people in this country are in, or at risk of, problem debt. Such debt is primarily a symptom of poverty, poor housing conditions, welfare cuts, ill health and insecure work and cannot be addressed by simply advising that people should learn how to budget. No matter how skilful they might be, it is not possible for them to create a budget out of nothing—which is often what they have left at the end of the week.

As the Child Poverty Action Group pointed out in its very helpful briefing paper for the debate, 65 per cent of children who were assessed as living in poverty over the past three years did so in households where at least one adult was in work—a point that was also made by Mark Griffin in his speech. That is taken from the Scottish Government's own analysis of poverty and income inequality, and it really is shameful.

Tory austerity is certainly to blame for much of the poverty in this country, but if we are to be serious about developing policies and interventions that reverse that trend, the Scottish Parliament must also take some responsibility. It is not good enough to pass it all on to the UK Parliament or to place the blame solely on the aspects of the social security system that are reserved to Westminster. The committee's report draws attention to a number of steps that the Scottish Government could take to improve people's lives here and now. I would like to focus on those.

As I said in the chamber before the Easter recess—and as Alison Johnstone said in her speech today—the refusal to consider an immediate uplift in child benefit while more and more families struggle to put food on the table seems to be indefensible. We still do not seem to have clear progress on the proposed income supplement, other than a letter to the committee that assures it that a report will come in June. I ask the minister, when responding to the debate, to let

members know how the income supplement will take account of the reality of today's flexible labour market. We need to have answers to such questions.

Payment of the living wage is not a requirement for recipients of many public sector contracts, but it should be. The Scottish Government's national standard for early learning and childcare providers requires that the staff who deliver the childcare receive the living wage. However, as was highlighted by Audit Scotland and by a Scottish Parliament research paper this month, that applies only to the hours that a staff member works on ELC funded places. Therefore, the same staff member could have two rates of pay for different times of day. Furthermore, the requirement does not apply to all staff in a nursery or day care facility. There is nothing in a publicly funded contract that provides for the living wage as a minimum for cleaning staff, janitors or other support workers. That is only one example—there are many more.

In today's Scotland, we can do something about wage levels and contracts. Decent, well-paid and secure employment is needed to ensure that standards of living rise and that in-work poverty falls. Employment statistics deserve far closer examination if we are to understand fully the reality of what is happening in people's lives.

I turn to the Scottish welfare fund, which was mentioned by Clare Adamson in the speech prior to mine, and which is another resource over which the Scottish Government has control. Community care grants and crisis grants are administered at local authority level. However, in some areas they are difficult to apply for because of lengthy and intrusive forms and questions, which I urge the Government to look at. The committee has asked that such grants be increased. I certainly support that call, but I must also ask what is being done to ensure that there is no underspend in the fund, and that payments from it reach all those who need them. Last year, there was an underspend of £2.3 million in the Scottish welfare fund, and we know that, during that time, food bank use continued to rise.

Eligibility criteria for payments from the fund include the requirement that households have low incomes, whether or not they receive benefits or include children. In fact, 54 per cent of the households that were assisted by the Scottish welfare fund over the past five years were single-person households, which might indicate a level of need that requires specific policy intervention. The Scottish Government might want to pick up on that point.

The most common Scottish welfare fund crisis grant expenditure, as reported up to September 2018, was for food, essential heating expenses

and other living expenses. There are crisis grants for recipients who are in work. We should all have a basic right to food, yet paying for it accounts for 60 per cent of crisis grant expenditure. Basically, we are a society that is failing to feed everyone, and that has got to change.

I commend the committee's recommendations to the Parliament and I again thank the committee, everyone who gave evidence and the clerks for the report, but I also urge the Government and the Parliament to do far more with the powers that are at our disposal, to change direction and to reverse the growing gap between rich and poor in our society. We really cannot afford not to address child poverty right now.

15:40

Tom Arthur (Renfrewshire South) (SNP): I am grateful for the opportunity to contribute to this debate. I commend the Social Security Committee on what is a worthwhile, considered and timely report, and I think that that has been reflected in the speeches that we have heard from across the chamber this afternoon.

One theme that has run through many speeches—at least those from members on the SNP, Labour, Liberal Democrat and Green benches—is the relationship between what we are discussing in the abstract and the lived experience of our constituents. In debating matters such as social security, given the complexity of policy and the huge sums of money that are involved, it can often be rather easy to slip into the abstract.

One of the most effective elements of the committee's report is to be found on page 14, where there are some first-hand accounts of those lived experiences. I will share some of them with members.

"Case 1. A woman living with her partner and young child. Since moving to UC, she owes more than £7,000 on her credit card."

"Case 2. A single parent sanctioned for volunteering in a community project instead of spending that time looking for paid work."

"Case 3. Children caught stealing food from a community garden. Their mother had no money for food, as her UC claim had been delayed by a week."

We are living in 21st century Scotland, yet those things are happening around us—not because of the policy actions of the Scottish Government, which the Scottish Parliament is elected to hold to account, but because of those of the UK Government at Westminster, which has been rejected in Scotland at successive elections.

That raises a question about what the role of the Scottish Parliament is. I know that there is a debate regarding what our responsibilities are in responding, but I think it is worth while to note and

reiterate the cabinet secretary's point that we are now spending over £120 million every year to mitigate welfare cuts from the UK Government. That is the amount that we spend on the pupil equity fund, which is having a transformative impact on young people—particularly those from rather challenging backgrounds—in my constituency. I ask members to think about what we could do with that £120 million if we did not have to spend it to mitigate cuts that we did not make and from which we do not receive the savings.

As many members have said, the debate about in-work poverty is incredibly complex, and social security is but one aspect of it. As I have said, the report highlights where the challenges are within reserved benefits, and the cabinet secretary and some of my colleagues have highlighted in their speeches the work that the Scottish Government is doing to mitigate that, but broader work is being undertaken under the Scottish Government's commitment to fair work. Also important is the Scottish Government's commitment on public sector pay, because we do, of course, understand that there is a relationship between public sector pay and private sector pay. Salaries can become more competitive when we increase public sector pay. Again, however, those are tangential measures and attempts to mitigate. We are not dealing with the problem at source.

When I think about where we will be in two, four and 10 years' time, with the challenges that are coming down the track in the labour market, I have a grave concern. If we are unable to address the issues at source, we will be unable to mitigate the catastrophic damage that will be inflicted on the livelihoods of our constituents and on our communities—communities that are being disadvantaged because some people are being sanctioned for seeking to go and do community work, as the report highlights.

What is the solution? I think that, ultimately, instead of the current piecemeal approach, it is for this Parliament to be responsible for all powers over social security. I understand the arguments for pragmatism, and for focusing on the powers that we have, but we are limited in what we can do. As has been highlighted, 230,000 children—one in 10—are in poverty. The cuts that have been made—which, cumulatively, will be £3.7 billion—are not a saving for the UK Government, though. Instead, the Government is just storing up problems for the future, because every one of those children is at more risk of adverse childhood experiences and a challenging upbringing that will result in reduced opportunities and limited potential. It means that, in the future, those children could need more support from the state.

The policies that the UK Government is pursuing do not have the long-term wellbeing of our constituents at heart. They are not policies that will build up our communities, strengthen our people and genuinely help them to get in to work; rather, they are an expression, couched in the language of "work pays", of very old and sadly indelible Tory values of the deserving and the undeserving. I do not want that for my constituents and I do not want it for my country, and that is why this Parliament needs full powers over social security.

15:46

Gordon Lindhurst (Lothian) (Con): I thank everyone for their work on this important report. We are debating the issue of in-work poverty at the same time as we are seeing record-breaking employment levels in Scotland and, indeed, across the UK. In January, we learned that the UK employment rate has risen to more than 75 per cent—the highest rate since comparable estimates began—while, for the first time in decades, we have a record low unemployment rate in Scotland. It has been referred to as the jobs miracle, and it is evidence of the attractiveness that the UK market continues to hold for business.

Creating jobs and ensuring that people are in employment are the basis of making work pay. Other policies and principles that have been adopted by the UK Conservative Government are equally important. The commitment to increase the personal allowance to £12,500 a year earlier than expected builds on the progress that has already been made, whereby 1.74 million of the lowest-paid workers have been taken out of paying income tax altogether. The national living wage, which has continually increased over the years, had helped some 300,000 workers out of low pay by 2017. Those policies should be welcomed across the chamber, as they provide longer-term solutions that allow people to keep more of their hard-earned money while developing skills and experience that can lead to happier and more fulfilled lives.

However, when people who are in work are still experiencing poverty, we must recognise that as a problem that needs to be tackled. Human lives, in which money can play an important part, are naturally complicated, so we should be careful about blaming any single set of circumstances or Government policy for in-work poverty. Relative income depends greatly on a list of factors including education, the performance of the economy and high living costs such as for housing and utilities. The powers to tackle those issues fall within both reserved and devolved responsibilities and require action from both the UK and Scottish Governments.

Universal credit is, of course, one policy that is scrutinised in detail throughout the report. Its intention, which is to simplify the welfare system and to design it around trying to help recipients to budget in the same way as they would with a monthly salary, should be welcomed. The UK Government is taking the time to correct things and has made a number of improvements, including raising work allowances by £1,000 a year and offering a more generous taper rate. Improving the welfare system in those ways will ensure that it fulfils the role that it was designed for, which is to support progression into work.

The sort of scrutiny that the committee carries out into social security, including its report on in-work poverty, is needed at this critical time for welfare reform to ensure that we get it right at Westminster and in Scotland as we take on greater powers. However, in understanding in-work poverty, we cannot simply pay lip service to certain factors. In tackling the problems, we need to adopt a holistic approach. Responding to in-work poverty requires us to think about why less money is coming into households and more is going out and about how that situation can change.

In this session of Parliament, the Economy, Energy and Fair Work Committee has looked at the performance of the Scottish economy—in which levels of gross domestic product growth are marginal, productivity is low and wages are stagnant. Our productivity performance has been stagnating for a number of years, and we are 20 per cent below our target levels of productivity. In a report into in-work poverty, the Institute for Fiscal Studies has said that the key to sustaining higher hourly wages is higher productivity, which could address the problem of in-work poverty. However, there is much work to do if we are to reach the levels of productivity that are achieved by other OECD countries, which bring higher wages.

Tom Arthur: I am listening to the member's remarks with interest. Does he recognise the argument that increased wages can drive up productivity by necessitating that firms invest in adaptations, developments and new technologies that contribute to increased productivity?

Gordon Lindhurst: All these things are, of course, interlinked. It is not a simple matter of one leading to the other; there is a complex interplay between such factors, which, I think, we all recognise.

The levels of expenditure that households now have to put up with continue to increase. With local authorities struggling to make ends meet, given the ring fencing of much of their budgets, the SNP Government has increased the council tax limit. However, families are already struggling to pay, with council tax costs being a major factor in

nearly 700,000 people in Scotland having debt problems.

In-work poverty is deeply regrettable, but there are numerous reasons for it. The committee's report has considered the role of social security in in-work poverty, but we cannot ignore the pressures that are put on families who have dwindling incomes relative to their outgoings, which are increasing all the time. If we are to truly tackle the complex problem of in-work poverty, we need to take an all-encompassing approach that pursues policies that tackle those pressures and shows that work really does pay.

15:53

Dr Alasdair Allan (Na h-Eileanan an Iar) (SNP): Like other members of the committee, I thank the clerks and all those who gave evidence to the inquiry.

The Social Security Committee received overwhelming evidence that, first, poverty is a clear reality for many Scots who are in work and, secondly, the UK Government's shambolic roll-out of universal credit has actively contributed to worsening in-work poverty. I acknowledge that two Conservative members of the committee largely dissented from that assessment, but the evidence that was presented to us speaks for itself and allowed the committee to come to a very clear view.

As Bob Doris mentioned, it is disappointing that neither the UK Secretary of State for Work and Pensions nor the Minister of State for Employment were able to accept the committee's invitation to give evidence to our inquiry, despite universal credit and much else in the benefits system being matters that are still largely reserved to Westminster.

I will focus briefly on a couple of related areas of the committee's findings: the wait that individuals are experiencing to receive their initial universal credit payment and the fact that assessment dates do not always align with people's pay days. Both of those things have real human costs, as the committee heard from many witnesses.

We agree with the UK Government about the importance of encouraging a culture in which people manage their incomes responsibly. However, as Russell Gunson of IPPR Scotland pointed out to the committee,

"it is not good enough to suggest that people on the lowest fluctuating incomes—potentially they are people in insecure work, whether self-employed or otherwise—just need to budget better."—[*Official Report, Social Security Committee*, 13 September 2018; c 21.]

In particular, budgeting is easier said than done if a person's job pays every four weeks but universal credit is assessed once a calendar

month. The very significant peaks and troughs that that can create in family incomes—particularly when a person finds that they have, in essence, been penalised for receiving two wages in one calendar month—are by no means easy to manage. The UK Government has acknowledged the problem but has given little indication of whether it is going to do anything about it, as Alison Johnstone pointed out. The committee therefore strongly recommended that the UK Government at least maintain the flexibility that is allowed by the current rate of the higher earnings threshold before income is carried over. Any attempt to reduce that will have major consequences for many people in work who are trying to manage their incomes at something like a steady level.

The committee's report also concluded that it is unacceptable for anyone to have to wait five weeks for benefits to which they are entitled, yet that is exactly what happens to people who are awaiting their first universal credit payment, as Mark Griffin and other members have pointed out. I know that I am not the only member who has had to deal with constituents who have had to live off a combination of charity, debt and fresh air during that five-week period. In some cases, there is also evidence of administrative delays having prolonged the waiting period further or having resulted in elements being missed from clients' universal credit payments. The committee concluded that it is unacceptable to make anyone wait for that length of time and recommended that the UK Government urgently redesign the system to ensure that payments are made within two weeks.

As I said, there are human consequences to policy failures of that kind, one of which—the committee was left in little doubt—is hunger. Nonetheless, the Conservative social security spokesperson, Michelle Ballantyne, speaking about food poverty on 12 February, said:

"What we haven't got is hard evidence about what the real causes are ... I haven't yet seen the concrete evidence of where that's"—

meaning food poverty—
"coming from."

I am afraid that, like the Trussell Trust, the Church of Scotland and the UN special rapporteur on extreme poverty, the committee felt little of Ms Ballantyne's sense of mystery about at least one of the reasons why food poverty might exist in the UK. Indeed, only the day before Ms Ballantyne's remarks, the work and pensions secretary, Amber Rudd MP, herself admitted:

"It is absolutely clear that there were challenges with the initial roll-out of universal credit and the main issue that led to an increase in food bank use could have been the fact

that people had difficulty accessing their money early enough."

The committee was left in no doubt that food poverty and the failures in how universal credit has been rolled out are very closely connected.

We hear a lot from the Conservatives about any measure that they think might infringe on the rights of hard-working families. Let me remind them that people on the upper rates of income tax, such as politicians—hard working though we all are—do not have a monopoly on hard work. As we have heard from the committee's convener, 18 per cent of hard-working people in Scotland are paid less than the real living wage. As the committee's report finds, the way in which universal credit has been implemented by the UK Government makes those families' lives even more difficult.

15:58

Alex Rowley (Mid Scotland and Fife) (Lab):

Like many other speakers, I welcome the report and congratulate the committee on its publication.

I note that the report has very clear and well-argued recommendations and I hope that the Parliament will get behind those recommendations and fight for the change that we need, particularly in the welfare system. The report is clear that the benefits freeze has impacted the poorest disproportionately; that universal credit is not working for many claimants; that the digital first requirement gives cause for concern; that the committee was "surprised and disappointed" about managed migration, for which there had been "little or no planning"; that transitional protection under managed migration can be lost should the individual be a victim of domestic abuse, as universal credit does not provide an exception in such a circumstance to protect someone from the losses that they would incur; and that it is counter-productive to close jobcentres at a time when demand for their services is scheduled to increase.

Ahead of the autumn budget, UK Labour launched 10 emergency demands for the budget to help to repair the damage that had been caused by the roll-out of universal credit. They included cutting the five-week wait; removing the insistence that claims be made and managed online; ending counter-productive sanctions; allowing split payments, as is the case in Scotland; allowing direct landlord payments, which have been introduced in Scotland; reversing the cuts to disabled people; reversing the cuts to children by reinstating the family element and getting rid of the two-child limit; supporting people who are on fluctuating incomes; restoring work allowances; and ending the freeze on social security. All those actions would certainly have a positive impact on

the roll-out of universal credit if they were to be carried out.

In Scotland, we have said that we would reduce in-work poverty and tackle the cost-of-living crisis by topping up child benefit by £5 a week, fixing our broken energy market, cutting private sector rent increases and making public transport more affordable. We would introduce a £10-an-hour living wage and establish sectoral collective bargaining along with sectoral industrial and economic planning as part of a long-overdue industrial strategy for Scotland. We would make the real living wage and labour standards, including trade union rights, a condition in public procurement. All those measures would help to address the unacceptable levels of poverty in our country.

As the Resolution Foundation recently warned, things are not going in the right direction. It said that 23 per cent of Scottish children—around 230,000—lived in households that were below the UK relative poverty line in 2016-17. The Child Poverty (Scotland) Act 2017 requires the Scottish Government to reduce that to below 18 per cent by 2023-24 and to below 10 per cent by 2030-31. However, the foundation's projection, which combines an economic forecast with planned tax and benefits policies, suggests that the Scottish child poverty rate is likely to be higher in 2023-24 than it was in 2016-17—at 29 per cent, the projected rate would be the highest in more than 20 years. Although such an outcome is uncertain, it could leave more than 100,000 additional children living in poverty than if the interim target was met and demonstrates that we need action.

The Resolution Foundation also said that

“UK-wide benefit policy is the key cause of this, with the benefit freeze, two-child limit and other welfare cuts taking substantial amounts of money from lower income parents”.

It added:

“the Scottish government also has the power to reduce child poverty, and much will depend on the generosity, design and funding of the promised ‘Income Supplement’.”

John Dickie, director of the Child Poverty Action Group in Scotland, said that families are struggling now and cannot wait years for the introduction of the Scottish Government's promised income supplement. He believes that a £5 top-up to child benefit would be a simple way of lifting thousands of children out of poverty. He said:

“These aren't just statistics. These are children going hungry, missing out on school trips, unable to enjoy the activities and opportunities their better-off peers take for granted. These are parents going without meals, juggling debt and seeing their own health suffer to protect their children from the poverty they face.”

Douglas Hamilton of the Poverty and Inequality Commission said that it was time for “meaningful action” and that:

“Poverty has a firm grip on Scotland ... Behind these statistics, there is the reality that over 1 million people are locked in a daily struggle to make ends meet. If the Scottish Government is serious about addressing this, it should be making full use of”

its

“powers to reduce housing costs, improve earnings and enhance social security.”

Shelter Scotland has also welcomed the fact that the report recognises that in-work poverty is driven by many factors, including the cost of housing.

As the report points out, there is much to be done. We must move beyond talking about addressing poverty—we need action, and we need it now.

16:05

George Adam (Paisley) (SNP): I was a member of the Social Security Committee when it took most of the evidence for its inquiry into in-work poverty; I left the committee just as it started to work on the report.

I have listened to the debate and all the information that I heard when I was on the committee, but I find some of the things that we are hearing from the Conservative Party quite strange. Jamie Halcro Johnston spoke about helping people to manage their money. That is all well and good and highly commendable, but that is only possible if they have money to manage. The problem is that, after five weeks, if someone ends up with rent arrears they are in a crisis situation at that point, and beyond just needing a wee helping hand with how to deal with their finances. I find the tone of the Tories in the debate quite disgusting.

During Bob Doris's speech, I was disappointed to hear that the committee did not manage to secure a meeting with a UK minister. We have constantly been told that there is a respect agenda between both Parliaments, and that we should all work together to make sure that we can make things better.

Bob Doris: The reason that was cited for Alok Sharma MP's most recent refusal to attend the committee was Brexit.

The Deputy Presiding Officer (Christine Grahame): I am sorry, Mr Doris, but I cannot hear you when you turn away from the microphone. Could you repeat that?

Bob Doris: The latest reason why a UK minister could not attend a Social Security Committee meeting was Brexit.

George Adam: That is all well and good but, at the end of the day, if we cannot have a meeting with a minister of the UK Government so that we can scrutinise the policies that it is using to destroy communities and attack families in our constituencies, there is something far wrong.

As I said, I have been listening carefully to what everyone has said. We heard from Michelle Ballantyne that universal credit is a test-and-learn policy. That depends on what the test is. If the test is whether someone lives in abject poverty, the UK Government is probably succeeding, because it is making sure that members of our communities are living in poverty. All we seem to be learning from the policy is that we can never trust the Conservatives with any form of policy that relates to people in our communities. There is no test and learn—all that we are learning is that the same old callous Tories are continuing with their devastation of our communities.

We have heard from countless Tories, including one who said that the debate is bogged down in political posturing. Excuse me if I stand up for people in my constituency who are struggling through this Tory-designed financial mire—and that is exactly what it is.

Most of the Tory involvement in the debate has been pure fantasy. During Michelle Ballantyne's speech, I half expected the late, great Ricardo Montalbán to don his famous white suit, go down to the front of the chamber and say, "Welcome to Fantasy Island". The only difference between that great 1970's show and the Conservatives is that the show finished every week with a happy ending, but there ain't no happy ending with the Conservative Party in Scotland.

That brings me back to what the report says. The Social Security Committee made it clear that the Scottish Government could not be expected to mitigate the impact of

"every UK Government welfare policy".

We constantly hear that from the Conservatives in particular.

The committee said:

"It is the view of the Committee that the UK Government's freeze on benefits must be lifted. It is not realistic to expect any Scottish Government to top up or mitigate every UK Government welfare policy to ensure the income of Scottish claimants does not drop in real terms."

That is true. With our limited budget in the Scottish Parliament, we cannot constantly try to save the people of Scotland from the Westminster Government's constant attacks.

The UN special rapporteur, Professor Philip Alston, said the same. He, too, said that it was not sustainable to do that. He stated:

"Devolved administrations have tried to mitigate the worst impacts of austerity, despite experiencing significant reductions in block grant funding and constitutional limits on their ability to raise revenue ... But mitigation comes at a price and is not sustainable."

That is part of the problem. The Tories can say what they like in the chamber, but everything that they have put forward is not sustainable. They know that, from its inception, universal credit has been a callous policy that has caused poverty throughout our communities. *[Interruption.]* Michelle Ballantyne can say something if she wants to instead of shouting from the sidelines, because the issue is important. We cannot have people shouting from the sidelines when my constituents are suffering. I wonder what she has to say.

Michelle Ballantyne: George Adam is keen to have an intervention, so does he recognise that 80 per cent of people on universal credit are satisfied and happy with their treatment?

George Adam: I can say only that I diligently serve constituents from whom I hear horror stories that have resulted from the Conservative Party's policies as it continues to attack our communities. I, for one, will no longer listen to the Conservatives' nonsense, because I am sick of their posturing. This is about my constituents—the people whom I represent—and the people of Scotland. The Tories need to be called out continually for the chaos that they are causing in our communities.

The Deputy Presiding Officer: I call Alexander Stewart, who is the penultimate speaker in the open debate. Other members who are not here have been warned.

16:12

Alexander Stewart (Mid Scotland and Fife) (Con): I am pleased to be able to take part in this debate on the Social Security Committee's report "Social Security and In-Work Poverty". I am not a member of that committee, but I commend its work and the report that it has produced.

Although we have made significant progress on employment in recent years—for the first time in decades, fewer than 100,000 people in Scotland are unemployed—we all understand that in-work poverty is a real concern for many individuals and families across Scotland, and it needs to be addressed as a matter of urgency.

One of the major problems that we have is that the debate can be framed in the wrong way, with a narrow focus on incomes and welfare in particular, although the real roots of the problem of in-work poverty go much further and deeper. The problem has various drivers, from education to housing, and from childcare to transport. All of those may

play a part in in-work poverty. I am glad that the committee has listened to organisations such as the Joseph Rowntree Foundation and has recognised that important fact in its report. Childcare costs, for example, are a significant problem for those on low incomes. As the report outlines, when parents weigh up the benefits of work and getting themselves into a job versus the costs of childcare, that can be a real situation for them.

The cost of housing is another abundantly clear problem. The Joseph Rowntree Foundation has estimated that the number of households with children that receive benefits has doubled since the mid-1990s, and the rate of relative poverty increases when housing costs are taken into account.

We must not forget that the responsibility for those drivers and many other drivers of in-work poverty is devolved to the Scottish Parliament and that the Scottish Government has the opportunity to react. Rather than tackle the problem head on, the Scottish National Party has broken a manifesto commitment on the council tax. The freeze for local government was removed. We are well aware that, with general local government funding down and the 3 per cent cap removed, many local authorities have raised their council tax by 4 per cent or even more, and that has a continual impact on individuals. StepChange Debt Charity Scotland has warned that hundreds of thousands of people will have a problem with debt as a result of council tax arrears.

Alex Rowley: I understand what Alexander Stewart says, but does he accept that welfare reforms have been the greatest cause of increasing poverty in Scotland?

Alexander Stewart: Welfare reforms have evolved and continue to evolve. As I said, the employment rate is up and the unemployment rate is down. We want people to have opportunities so that, when they require benefits, they make the best of that. We know that there have been issues with universal credit, but we are tackling them to ensure that people who require support get it.

Unless it is urgently addressed, the Scottish Government's mismanagement of local government will only worsen the problem of in-work poverty. Welfare is not the sole cause of in-work poverty, but it is a factor that needs to be considered. We need a welfare system that supports people into the workplace and helps those who are struggling, while being fair for the taxpayer.

Under Labour in the past, the welfare system was complicated and complex; sometimes, it resulted in the ludicrous situation where people who wanted to earn more or had the opportunity to

get a job were left worse off. Universal credit seeks to change that. The principle is simple—work should always pay. We in the Scottish Conservatives certainly believe in that principle, and I hope that others also believe in it.

We recognise that there have been flaws in the implementation of universal credit. The recently appointed Secretary of State for Work and Pensions, Amber Rudd, has acknowledged that there have been and continue to be issues that require to be addressed, which have been and are being addressed. She has already halted the transfer of 3 million cases from legacy benefits to universal credit, exempted families from the two-child benefit cap and ensured that payments will in many cases go directly to the woman in a household. In addition, a fund for advance payments has been set up to plug the gap between applying for universal credit and receiving the first payment. We heard from many members today about that difficulty, which has been acknowledged and which an attempt is being made to address.

Generally, the UK is committed to making work pay and to supporting the lowest paid in our society. That is what we want in a strong economy in which wages grow and the employment rate goes up.

The UK Government has supported hundreds of thousands of the lowest-paid people by introducing the national living wage, which sits at £8.21 an hour, in comparison with the national minimum wage, which was £6.70. In addition, the UK Government has continued to increase the tax-free personal allowance, which has cut tax for millions of people. Since 2010-11, that reform has taken 1.74 million of the lowest paid in the UK out of paying income tax entirely. That must be a good thing for the families involved and must offer them the opportunity to develop and expand their potential.

Those are important changes that we should take forward. Despite all that, universal credit, the UK Government and the welfare reforms have been subject to criticism after criticism, as we have heard today. However, we must look back to consider what those criticisms say. Let us not forget that the Scottish Government has the power to reverse or adapt any of the policies but has chosen not to do so. On welfare, it has failed to deliver on its manifesto—there has been delay after delay for the 11 benefits that are coming to Scotland. It is rather ironic that a party that claimed that Scotland could become an independent country within 18 months has talked about taking nine years to manage some of the devolved responsibilities that are coming.

This is still work in progress, but much has been achieved. The UK Government is committed to

ensuring that work pays. To play its part, the Scottish Government must work holistically to put its existing devolved powers to better use in order to support individuals and families to overcome the problems of in-work poverty by tackling the cost of living.

The Deputy Presiding Officer: You took a little longer than I should have allowed you, but I am in a good mood.

I call Emma Harper.

16:19

Emma Harper (South Scotland) (SNP): Thank you, Presiding Officer. I hope that you are in a good mood for me this afternoon, too.

I am pleased to speak in today's debate. I thank committee members, clerks and those who gave evidence that led to the creation of the report. I am not a member of the Social Security Committee, but welfare is an important issue for many of my South Scotland constituents, including those in the south-west.

From the outset, I put on record that this SNP Government will continue to challenge the UK Government's punitive, unfair and unjust welfare reforms that take money out of the pockets of the most vulnerable people in our society and those who are barely managing to get by.

I completely agree with Clare Adamson's sentiment that social security is about support for people during the times when they need it most. We are trying to support those who are most vulnerable in our society, and the associated stigma must be addressed.

The remit of the Social Security Committee's inquiry was

"To explore the potential impact of Universal Credit on in-work poverty."

We have heard examples of casework about that from across the chamber.

The inquiry included consideration of recent research on trends in low wages and in-work poverty and indications of increasing financial need in working households, such as increased use of food banks. We have seen a marked increase in the use of food banks in Dumfries and Galloway in my South Scotland region. Last year, the Trussell Trust released figures revealing that the use of its food banks in Dumfries and Galloway between April and September had risen by 44 per cent over the same period in the previous year. That is the second highest rise across Scotland's 32 local authorities. Mark Frankland at the First Base Agency food bank in Dumfries says that his figures are similar to those of the Trussell Trust.

I will touch on the key findings of the committee report that I think are the most important and worth reaffirming. The work allowance levels were reduced substantially—they were almost abolished—in April 2016. Before 2016, every claimant had a work allowance, but since then only those with a disability or a child get a work allowance and the rate is based on whether someone's universal credit includes amounts for housing costs.

The committee welcomes the increases to the work allowance in universal credit, but notes that the full work allowances should be restored to pre-2016 levels. That is an extremely important point, because that would encourage people into the workplace by allowing families and single people who are just getting by additional money every month to help with household costs.

Another universal credit design issue is that of the UK Government's policy intention to extend in-work conditionality. Bob Doris spoke about that. Unlike working tax credits, there is no requirement in universal credit for someone to work 16 hours before being entitled to claim. Although that is not being applied unless someone is on very low wages, the policy intention is that someone who is in receipt of universal credit could be subject to conditionality—and even sanctions—despite working more than 16 hours a week, as reaffirmed in paragraph 112 of the committee's report. That means that families across my region who are just managing to get by with support from universal credit—£338 a month for single people and £541 for couples under the administrative earnings threshold—could lose out on those vital funds should they not earn more money than was the case when they started their UC claim.

The committee was concerned about the plans for managed migration, particularly as many people who are in receipt of working tax credits may not consider themselves to be benefit recipients. The committee considered that existing concerns with universal credit should be addressed before a move to managed migration.

All those issues are a direct result of an out-of-touch UK Government determined to press on with welfare reforms that will affect people across Scotland. I ask the Scottish Government to continue to do all that it can to press for Scotland to lead the way and to have control over all welfare powers as soon as practicable.

Thousands of individuals and families across Scotland are being forced into poverty because of devastating UK Government welfare cuts. Because of those cuts, it is expected that, in 2020-21, social security spending in Scotland will have fallen by £3.7 billion since 2010.

The “2018 annual report on welfare reform” found that the UK Government’s benefit freeze has led to huge reductions in spending—about £190 million in the current year, 2018-19, which will rise to about £370 million by 2020-21, which is equivalent to three times the annual police budget. That is staggering. The report also found that universal credit claimants are more than six times as likely to be sanctioned as claimants of any other legacy benefit and that young men are the most likely to be sanctioned.

Local authorities and third sector agencies are being left to pick up the pieces of a broken system, and are investing their own money to support people on universal credit. I want to put on record my thanks to a number of third sector and charity agencies across Dumfries and Galloway that work to mitigate the impacts of Tory welfare cuts, including First Base Agency and Mark Frankland in Dumfries, who came to the committee to provide evidence.

In conclusion, I add my support for the Social Security Committee’s report. I call on the UK Government to halt the roll-out of that flawed system, and to take seriously the concerns from across the third sector, and even from international organisations such as the UN.

I welcome and commend the report.

The Deputy Presiding Officer: Before we move to closing speeches, I note that one member who spoke in the debate is not present. I expect the SNP whips to tell that member that I expect a note of apology and an explanation.

We move to closing speeches, with a little time in hand. Ms Grant, I can give you seven minutes.

16:25

Rhoda Grant (Highlands and Islands) (Lab): Thank you, Presiding Officer. Like others, I welcome the committee’s report. We have all known for a long time about the big issues with in-work poverty and universal credit and to have those issues laid bare by the committee makes stark reading. To know that 60 per cent of working-age adults in Scotland who are in relative poverty are in working households is absolutely stark. The Fraser of Allander institute’s “From the Fraser Commentary” said:

“despite record levels of employment, for many being in work is no longer providing the security and prosperity it once did.”

That is absolutely unacceptable.

The committee’s report focuses on universal credit, which takes over from working tax credits. Emma Harper made the point that, for many, getting a tax credit did not feel like receiving a

benefit and that changing to universal credit changes the ethos.

The committee highlighted concerns about universal credit that we all hear from constituents, including the length of time people wait for payments, which is unacceptable. Most people who claim universal credit do not have savings that will last five weeks.

There are also concerns about what payments are taken into account as earnings. Mark Griffin laid bare the worst excesses of the scheme. He told us that someone’s tax rebate was being treated as income and that their universal credit was being reduced.

Alex Rowley said that the benefit freeze had also made universal credit unacceptable.

In response to some of those criticisms, Michelle Ballantyne said that the UK Government has a test and learn approach. That is callous; people are living in poverty and living out of food banks, they are not guinea pigs for Tory policy. Surely the Government has learned that that is unacceptable.

Clare Adamson told us that where universal credit has been rolled out, the use of food banks has increased by 52 per cent. That is a test and it clearly shows failure. Will the UK Government learn from that?

Just as worrying were Elaine Smith’s comments about the welfare fund being underspent in areas where food bank use was still increasing. Again, that is unacceptable.

The Tories implemented the terrible policy of the two-children cap, but the SNP will do nothing to mitigate it. I fought for a Scottish Parliament to defend us from the worst excesses of a Tory Government, and yet the SNP Government does not use the powers that it has to do that. I will join the SNP Government in criticising the UK Government, but I cannot stand by quietly while the SNP Government refuses to act.

Many speakers talked about the digital first policy of universal credit. That is a huge problem in the Highlands and Islands, the area that I represent. There is a lack of connectivity, both digitally and in public transport that does not allow people to travel to where they could fill in a digital claim. That makes it almost impossible to apply.

Bob Doris and others talked about the closure of job centres, which, because people need to travel, make it much more difficult to apply digitally and cuts down engagement with advisers.

Elaine Smith and Alex Rowley spoke about the latest Scottish Labour Party policy of a child benefit top-up of £5 a week to lift children out of poverty. Again, the SNP has refused to implement

that, despite presiding over an increase in child poverty.

As Alison Johnstone pointed out, organisations that work with children have said that an increase in child benefit offers an easy way to tackle child poverty—it is not the only thing that we can do, but it could be a quick fix until we can find a better solution. Even if the Scottish Government thinks that increasing child benefit is not the way forward, surely it could implement an increase quickly while it worked on its alternative. It should use the powers that it has to make a difference.

Alexander Stewart talked about childcare costs. Such costs make a big difference to working families—indeed, sometimes they make the difference between being able to work and not being able to work at all. A £5 per week increase in child benefit would help many families to pay for childcare.

Elaine Smith talked about how people are in debt due to poverty and rightly challenged Jamie Halcro Johnston, who suggested that help with budgeting is required. A person cannot budget on nothing, as George Adam said. Alasdair Allan quoted the evidence that the committee heard from Russell Gunson, who made the point that it is impossible to budget on a low income. Help with budgeting is fine, but people need something to budget with.

In her speech, the cabinet secretary talked about Scottish choices. We welcome the Scottish Government's offer to make twice-monthly payments and to make housing payments directly to landlords. However, people should surely be able to have a weekly payment, if that is what they want. It is hard to make a small amount of money stretch over seven days, far less 14 days, or worse, a month.

The cabinet secretary said that there will be the option to have split payments. Universal credit is currently paid in one payment, normally to the man in the family. I suggest to the cabinet secretary that split payment should be the norm. A person who is suffering from coercive control cannot request a split payment; the abusive partner would never allow it. Unless split payment is the norm, we can do nothing to fight the control over finance that is part of domestic abuse and about which this Parliament legislated.

Further, a default payment to a man enhances inequality and promotes the view that the man should be in charge of the household finances. Surely all members find that unacceptable.

We would do things differently. We would remove the two-children cap and thereby remove the rape clause. We would top up child benefit by £5 per week and we would pay a £10 an hour living wage. That would lift people out of poverty

and enable them to benefit from work, with the confidence that there was a safety net below them.

16:32

Jeremy Balfour (Lothian) (Con): It is my pleasure to sum up this afternoon's debate on behalf of the Conservatives. I welcome the debate.

In-work poverty is defined as

"individuals living in households where the household income is below the poverty threshold despite one member of the household working either full or part time."

The Scottish level of in-work poverty is a critical problem—that, at least, is something on which I think that all members agree.

The Scottish Conservatives want a welfare system that helps people into work and supports people who need our assistance. The previous system was complicated and often resulted in people losing money. When Mark Griffin spoke, it was not clear to me whether he wants to go back to the old system, which was failing so many people who were working. Having people stuck on benefits ultimately costs the taxpayer more money.

That is why it is essential to implement universal credit. We must improve on the previous system, which was failing, and ensure that people who are in work benefit from a much more effective and supportive system, to save hard-earned taxpayers' money.

I say this again: tackling poverty requires a sustained and strategic approach. It will not happen overnight and problems will not be solved purely by the benefits system, as is evidenced in the Social Security Committee's report. We must take a bird's-eye, all-encompassing view of the factors that contribute to poverty if we are to make genuine improvements. Many policy areas require attention, such as the lack of opportunity for skills development in low-paid and part-time jobs, and the barriers that people with disabilities or caring responsibilities face in gaining employment.

However, the benefits system and universal credit undoubtedly have a significant part to play, and I believe that some of the changes that have been made to universal credit are a step in the right direction in bringing about the reduction in in-work poverty that is needed.

Too often—this is true in the chamber and of what has happened in the committee's report—evidence is ignored and simple political spin is put in its place. That is a danger when we are discussing this area. If we are to come to a balanced, correct view, we must look at all the evidence that was given to us, rather than just selecting the evidence that we like.

Alex Rowley: On the subject of evidence, I was not aware of there being any food banks in Scotland in 2010. Now, we have food banks in most communities. Does that not show that something has gone seriously wrong in social and economic policy?

Jeremy Balfour: I challenge the assertion that there were no food banks in Scotland in 2010, but Mr Rowley is right to say that something has gone wrong. There are many reasons other than universal credit for the existence of food banks in Scotland. Economic and other policies that are pursued by the Scottish Government often lead to people having to seek universal credit. I agree with Mr Rowley that food banks are on the increase, but to lay the blame for that solely at the door of universal credit is to misunderstand the situation.

As Michelle Ballantyne pointed out, a major change that has been brought in is the fact that benefits are now received under one umbrella benefit—that of universal credit. Previously, six benefits were received separately. Now, they have been rolled into a single payment that is paid directly into the claimant's bank account. That supports the development of a much simpler, more efficient and streamlined benefits system that helps people to keep track of their money and manage their finances more effectively. A constituent came to me whose child is severely disabled. She said that having to fill in only one form rather than six forms had made a massive difference to her life. In addition, providing the option of having universal credit paid directly to a landlord is a welcome move, as it provides added security in housing and allows for a smoother renting experience for the tenant and the landlord.

We must make it clear that we are moving towards a digital first approach—I understand that the Scottish Government, too, is to roll out such an approach in the new Scottish social security system—which is welcome. However, there is help available for people who do not have the necessary information technology skills, whether through—

Shirley-Anne Somerville: I make it absolutely clear that the digital policy of Social Security Scotland bears no resemblance to that of the DWP, because we recognise that there are concerns about a digital-only approach. I am pleased that the DWP is making further improvements, but I put on record the fact that we will not run our system in the way that the DWP does.

Jeremy Balfour: I thank the cabinet secretary for that intervention, but I must make it clear that the DWP's approach is not a digital-only approach. People can telephone or text the DWP, or can have face-to-face interviews with its staff. I would be interested to know whether Ms Somerville is

telling us that, if and when the Scottish Government gets round to rolling out the personal independence payment and disability living allowance, a digital approach will not be the first port of call, because that is not my understanding.

Shirley-Anne Somerville: I make it absolutely clear that the applicant will be able to use whatever method of application they want to use, whether that involves applying by digital means, by telephone or by paper, because that is what people with lived experience have told us that they want to happen.

The Deputy Presiding Officer: I will let you make up your time, Mr Balfour.

Jeremy Balfour: I suspect that paper and pen might be out of use by the time the Scottish Government gets round to implementing its new system. As I have said, I believe that it is important that a mixed approach is maintained that makes people comfortable and gives them a personalised experience.

As other members have pointed out, in practice, universal credit has not been rolled out for a significant period of time, so we cannot know for sure the full extent of the impacts that it has had. As with all new systems, there will be initial teething problems. I am interested in the fact that Labour's approach is that, if something is not working, we should never change it. Under universal credit, if things go wrong, we can change the system without having to introduce new legislation, which seems to be the correct way to proceed.

The new benefit roll-out is also working well in many areas. As Michelle Ballantyne pointed out earlier, it is working for 80 per cent of people—that is from evidence that was given to the committee. I appreciate that we need to look at what is happening with the other 20 per cent and do it better, but to say that the whole system is failing is simply not correct.

I believe that universal credit is working to create what is needed and that, in the long term, it will be effective in reducing the number of those who are experiencing in-work poverty. I welcome the committee's inquiry. I am disappointed that the report did not always follow the evidence and I think that we need to continue to monitor the situation to see what is happening—not just what we think is happening but what is happening in reality.

16:40

The Cabinet Secretary for Communities and Local Government (Aileen Campbell): Like others, I thank all the members who contributed to this considered, thoughtful and often reflective

debate. In particular, I thank the Social Security Committee, which has created the space today for us to think about what further actions this Parliament and this Government need to take to create the fairer Scotland that I think that most of us seek to create.

I thank the committee for its thorough inquiry. It gathered opinions from a wide range of sources, including academics and think tanks. Perhaps more importantly, it captured the voices and the stories of those with lived experience—those people who are having to cope daily with the harsh realities of living in poverty and who know the harsh consequences of decisions that have been taken by a UK Government that does not understand what it is like to live in poverty or with low pay and whose decisions have not been routinely guided by the principles of dignity or respect.

It is those harsh realities that Alex Cole-Hamilton spoke about that go beyond employment statistics or other facts and figures—the realities of the trauma and stress that are associated with poverty, the increased pressure on mental health and the associated connections with domestic abuse through universal credit being paid to a single claimant that he described. Similarly, Keith Brown described some of his constituents not being able to clothe their children and Alasdair Allan spoke about constituents having to survive on charity, debt and fresh air while they wait for help.

There was an incredibly moving personal account from Mark Griffin, who described how his parents worked hard to provide for their family, only to be rocked by the untimely passing of his father. In describing his own family, Mark Griffin showed how families can be vulnerable to significant changes of circumstance such as bereavements, relationship breakdowns or job losses, which destabilise family security and income and mean that they need the support that the social security system should be there to offer.

That is where Clare Adamson's contribution was so important, because the unfortunate narrative that has developed around benefit payments, with language such as skivers, scroungers and the like, has hidden what social security should be—not a transaction or an inconvenient budget line to be cut but a safety net to help the most vulnerable and to protect all of us if we ever need to use it. It is that safety net that is being dismantled by the UK Government, and today's contributions further and firmly assert that to be the case.

It is right that the committee examined in-work poverty, because it cannot be right that people who are doing all that society asks of them—working hard and doing their best—should

continue to have to work damn hard but never get out of living in poverty.

The committee and members are right to highlight the impact of universal credit and the problems that are caused by it, because the UK Government's assault on welfare benefits has played a significant role in increasing poverty levels for people in and out of work. The UK Government's cuts, which it is estimated will reduce social security spending in Scotland by £3.7 billion by 2021, have removed many of the financial measures that previously supported families, locking them in poverty. To put that £3.7 billion in context, that is the equivalent of three times our annual police budget or the entire annual budget of the Glasgow and Lothian health boards, yet the UK Government refuses to fix the problems that have been caused by its welfare reforms, which have been articulated today. To coin a phrase, it refuses to test and learn from the failings of its own policies. The continued assault on welfare and the continued benefit cuts make it feel as though we are continually fighting poverty with one hand tied behind our backs.

However, as I have said in previous debates, we are not sitting blithely by and letting welfare reforms hit the poorest the hardest or hiding behind constitutional divisions. We are taking action. That action has included significant decisions and concerted effort across Government, not limited to particular portfolios but instead responsive to the wide-ranging ways in which poverty has an impact.

Rhoda Grant: If the Scottish Government is willing to take action, why has it not taken action on the two-child cap?

Aileen Campbell: I am about to talk about the actions that we have taken and continue to take. The Labour Party would do well to reflect on what we are doing to protect those who are being hit the hardest by the significant welfare decisions of another Government, which have been described as "outrageous" and that are recognised as such by Rhoda Grant's party leader.

In 2018-19, we invested more than £125 million to mitigate the worst impacts of austerity, to protect those on low incomes and to help soften the blows landed on the most vulnerable by another Government with differing priorities. There was £64 million for discretionary housing payments and £38 million for the Scottish welfare fund, and we know that 13 per cent of that fund is used to deal with benefit delays. We are investing in financial health checks to provide tailored advice for families on low incomes. We are spending £3.5 million on our fair food fund to support dignified responses to food insecurity. Moreover, we are spending £6 million to deliver increased levels of school clothing grants,

investing £25 million in the education maintenance allowance and providing £750 million to the attainment Scotland fund in the current parliamentary session to help to close the poverty-related attainment gap.

Our work will not stop there. Instead, we will seek to pursue policies that are designed to respond to the needs of the people of Scotland. The Child Poverty (Scotland) Act 2017, which enshrines our ambition to tackle unacceptable levels of child poverty and to build a better future, is backed by £50 million in the tackling child poverty fund. In the delivery plan, we set out a broad range of action to assist parents to increase their income from work and earnings. In April last year, we launched our newly devolved employability service, fair start Scotland. To complement that, we have committed to invest an additional £12 million in intensive employment support for parents and up to an additional £6 million to support disabled parents into employment.

Alongside that support, we are taking action to tackle low pay, even though the main levers to do so are at UK Government level, rather than here. Nevertheless, as a result of action that we have taken without those levers, Scotland already has the highest rate in the UK of employees who are paid the real living wage, at 80.6 per cent. We are working to lift a further 25,000 individuals on to that rate by 2021. In the first year of a three-year strategy, we have already succeeded in securing increases for 5,000 individuals, thereby making a real difference to their income. We are also investing nearly £1 billion in the expansion of early learning and childcare provision—we will have doubled funded provision to 1,140 hours by 2020.

Members have mentioned the income supplement, which was raised during the committee's inquiry. The important role that it will play in tackling poverty has been recognised. As social security is clearly one of the key drivers in reducing poverty, we committed to developing the income supplement to provide additional financial support to low-income families. In that, we will be guided by two key tests. The first is that it should target the families who need it the most and help to lift the maximum number of children out of poverty. The second is that there should be a robust and viable delivery route to get help to families.

The income supplement is a significant commitment, but it is not without its complexities. Members should recognise that it is not a quick or easy fix. My officials are undertaking analysis of the feasibility of potential policy and delivery options for the income supplement, and I will provide an update to Parliament in June on the outcomes of that work. Shirley-Anne Somerville

and I will discuss the issue in more detail with Opposition spokespeople in the coming weeks.

Elaine Smith: Will the cabinet secretary take an intervention?

The Deputy Presiding Officer: The cabinet secretary is just closing.

Aileen Campbell: I am in my last few seconds.

In-work poverty and poverty more generally are unacceptable in a rich country such as Scotland. A country in which folk rely on food banks and struggle with the basics is not the kind of country that I want. I, as cabinet secretary, along with my colleagues in the Government in Scotland, will do all that we can to create the type of country that we want—a fairer and more equal country with opportunities for all. We will continue to mitigate where we can and to soften the blows of the UK Government. When even the UN recognises that devolved Governments having to mitigate UK welfare policies is “outrageous”, we cannot let the Tory Government off the hook. In the 20th year of this Parliament, we should not seek simply to be a Parliament or Government of mitigation; instead, we should pursue policies to meet the needs of the people who put us here. In the meantime, we will continue to do all that we can to support those who need our help the most.

The Deputy Presiding Officer: I call Bob Doris to close the debate on behalf of the committee. You have nine minutes, Mr Doris.

16:49

Bob Doris: I thank all members who have contributed to the debate. First, I would like to mop up a couple of matters that I did not have the opportunity of raising in my opening remarks. The committee asked the UK Government urgently to reconsider how universal credit impacts claimants who are self-employed. Under UC, self-employed people are subject to a “gainful self-employment” test and require to attend a jobcentre for such an assessment to be made. A minimum income floor is applied whereby, after 12 months, the claimant is assumed to have a certain level of earnings, even if their actual earnings are less. Self-employed people who claim universal credit are also required to report their earnings monthly, rather than annually, as was the case in applications for working tax credits. That is a significant issue, and it would be remiss of me not to put it on the record in my closing contribution.

I highlight the committee's recommendation that the 2015 cut to the work allowance should be reversed—not just by a bit, by increasing it by £1,000, but reversed in its entirety. Mark Griffin also mentioned that in his speech.

I thank Alison Johnstone for reinforcing the committee's concerns about the monthly assessment period for universal credit, which is creating significant issues. I therefore take the opportunity to put on record what the committee said about the related aspect of surplus earnings thresholds, more information on which can be found in the report. Crucially, there is a temporary £2,500 threshold until April 2020, at which point it will disappear. That threshold could make a real difference, and the committee believes that it should endure, because it benefits people.

I will reflect on some of the other speeches that we have heard. Elaine Smith and others mentioned the Scottish welfare fund, the give me five campaign, and ways in which the Scottish Government might seek to mitigate the worst aspects of welfare reform. It is not for me, as convener of the committee, to take a specific view on those, but I guarantee that the committee will scrutinise such approaches in its day-to-day work.

I thank Tom Arthur for highlighting the lived experience of people who gave evidence to the committee, which is crucial. I also thank Gordon Lindhurst for looking more widely at in-work poverty issues. I say to him gently that I do not think that he engaged with the realities of universal credit, although I acknowledge that he painted some of the wider picture.

I would like to comment in detail on the contributions of Clare Adamson and Keith Brown, but I would not be able to do so without digressing from the committee's report. However, their passionate speeches are now on the record. I also thank Alex Rowley, who, rightly, identified that we should not close jobcentres at a time when we are about to put additional burdens and duties on their staff and on people who are in in-work poverty. That is an important point, which should be reinforced.

I turn to transitional protections, by which I mean measures that are designed to protect those who would otherwise be on tax credits but who are being moved on to universal credit through a managed migration process. To put it simply, if someone would be worse off by moving on to universal credit, their income will be protected and they will be sustained until universal credit provision catches up with their current income. Shirley-Anne Somerville mentioned that, as did Alex Cole-Hamilton and Alex Rowley. Such protections apply only until there is a change in circumstances, in which case they will be lost without exception. Such an outcome would also apply to someone who had been the victim of domestic abuse. They might be forced to choose between leaving an abusive partner or losing money—there are no exceptions. Our committee tried to reach a consensual conclusion on that,

across all party-political boundaries. A lot has been made of party politics in relation to the report, but I say to members that the other members of the committee could not get our Conservative colleagues to sign up simply to say that the lack of protections in that regard was disappointing. I will leave it to others to judge where the party politics sat, but I direct members to the comments on that point that George Adam placed on the record.

At the start of the debate, there was an interesting exchange between me and Michelle Ballantyne, in which she mentioned evidence that suggested that the majority of people would be better off on universal credit. I restate the committee's recommendation on that:

"The Committee observes, when talking about social security support, that language referring to 'winners and losers' can cause offence. Our social security systems must be designed to ensure everyone in need receives all the support they are entitled to."

In other words, the approach should not be about winners and losers; it should be about supporting our most vulnerable people.

I do not think that it does the Parliament any favours for the Conservatives somehow to use Russell Gunson as cover for their position, given that he told the committee that the changes to tax credits and the move to universal credit with conditionality

"bears no relation to reality."—[*Official Report, Social Security Committee*, 13 September 2018; c 10.]

I return to the elephant in the room, which is the 50,000 people in work who are in receipt of universal credit and the 170,000 who are on tax credits, who are facing a managed migration to universal credit. As things stand, that will mean light-touch conditionality, which will at some point, I assume, mean that there will simply be conditionality on all of those hundreds of thousands of people. That will impact on all of our constituents who are in work and in receipt of working tax credits, who really do not consider themselves to be part of the benefits system but need the support of tax credits to go out to work in order to make ends meet.

I suggest to members that we go to those constituents, say to them, "We think you should just increase your pay—you should increase your hours of work or take a second job", and tell them that, if we do not think that they are trying hard enough to do what we have asked, we will sanction them. In effect, we will dock their wages—we will dock the wages of the working poor, if you like. In effect, that is what moving the tax credits system to the universal credit system under conditionality means, and that is what the committee rejected, with the exception of its Conservative members.

It is little surprise, then, that the committee firmly rejects a move to universal credit if in-work conditionality remains. It is little surprise that the PCS union, which most work coaches are represented by, also rejects such sanctions, and it is little surprise that our committee shares PCS's concerns regarding Jobcentre Plus and DWP job losses and the lack of resources.

I should mention the UN special rapporteur, who does not have a party-political case to argue. We were alarmed by Professor Alston's findings, which included:

"British compassion for those who are suffering has been replaced by a punitive, mean-spirited, and often callous approach".

He said:

"through it all, one actor has stubbornly resisted seeing the situation for what it is. The Government"—

that is, the UK Government—

"has remained determinedly in a state of denial."

He added:

"devolved authorities in Scotland and Northern Ireland are frantically trying to devise ways to 'mitigate', or in other words counteract, at least the worst features of the Government's benefits policy".

Our committee has written to Professor Alston with a view to holding an evidence session with him when his final report is available. However, there is a lived reality of welfare reform that we already know, and it impacts negatively on our most vulnerable constituents. This Parliament knows that, and our committee knows it.

Be it sanctions, the minimum five-week wait for entitlement to benefits, the £3.7 billion reduction in income, which is mainly due to the benefits freeze, or the reforms to the tax credits system and the move to universal credit, with all the dangers that I have outlined this afternoon, our committee has looked at the evidence and we have concluded that, as things stand, universal credit is simply not fit for purpose in relation to protecting the working poor.

We were almost able to unite as a committee. Unfortunately, we could not get our Conservative members on board, but we will continue and will endeavour to stand up for the working poor where we can. We will stand up to not just the UK Government but, on certain calls, the Scottish Government, including on the idea of an income supplement and on the responsibilities that it has in relation to tackling in-work poverty.

I thank members for contributing to this afternoon's debate.

Committee Announcement

The Presiding Officer (Ken Macintosh): We turn to the next item of business. I am pleased to call Clare Adamson, convener of the Education and Skills Committee, to make an announcement on Scottish national standardised assessments.

16:59

Clare Adamson (Motherwell and Wishaw) (SNP): Thank you, Presiding Officer, for this opportunity to highlight to Parliament on behalf of the Education and Skills Committee our "Report on Scottish National Standardised Assessments".

The committee agreed to undertake an inquiry on the evidence base for the recently introduced Scottish national standardised assessments in literacy and numeracy in primary 1, primary 4, primary 7 and secondary 3. The committee report, which was agreed to unanimously, includes a series of recommendations, some of which I wish to draw to the Parliament's attention this afternoon.

The committee notes that evidence from certain witnesses to the inquiry reflected that the Scottish Government announced the policy quickly, without meaningful collaboration with certain key stakeholders or establishing an in-depth evidence base for elements of the policy. The committee considers that the Scottish Government should reflect on that evidence and learn lessons for future policy development.

We examined whether the assessments are low stakes, and we recommend that they are prevented from becoming medium stakes, for example by seeking checks and balances from Her Majesty's Inspectorate of Education. The committee also recommends that the Scottish Government and its agencies acknowledge explicitly the summative function of the assessments in future communications.

We were interested in the costs of the policy, including an estimate of its cost over five years and details of the basis for the overspend. We have sought an assessment of the likely reduction in the use of local authority-level standardised assessments by the end of the first three academic years of the SNSAs, and the associated saving at local government level.

We recommend that the Scottish Government undertakes an assessment of the workload implications for teachers and other school staff.

At local authority level, the committee heard positive evidence of tangible examples of how SNSA data is contributing towards improvements and we would welcome an update from the Association of Directors of Education in Scotland

on further examples at the end of this academic year.

On national performance data, including the replacement of the Scottish survey of literacy and numeracy with the achievement of curriculum for excellence levels, the committee is concerned that decisions on national performance data have generated a data gap of at least five years, with no guarantee that the gap will not be longer.

We also examined information and communications technology implications in relation to data literacy. For those and other recommendations, I would encourage members to look at the report to see our detailed examination of those areas.

We look forward to receiving the Government's response on this important issue. I thank all those who contributed to the work of the committee and the clerks for their support.

Business Motion

The Presiding Officer (Ken Macintosh): The next item of business is consideration of business motion S5M-17023, in the name of Graeme Dey, setting out changes to this week's business.

Motion moved,

That the Parliament agrees to the following revisions to the programme of business for:

(a) Wednesday 24 April 2019—

delete

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions:
Justice and the Law Officers;
Government Business and
Constitutional Relations

and insert

1.30 pm Parliamentary Bureau Motions

1.30 pm Ministerial Statement: Brexit and
Scotland's Future

followed by

Portfolio Questions:
Justice and the Law Officers;
Government Business and
Constitutional Relations

delete

5.00 pm Decision Time

and insert

6.00 pm Decision Time

(b) Thursday 25 April 2019—

after

2.30 pm Portfolio Questions:
Culture, Tourism and External Affairs

insert

followed by Ministerial Statement: Advance Redress
Payments.—[*Graeme Dey*]

17:02

Maurice Golden (West Scotland) (Con): In today's news alone, we read that school subject choice is in crisis, that nearly half of infrastructure projects are late and that there is an inquiry into cancer care in Tayside. Those are the things that really matter: schools, the economy and hospitals. Nicola Sturgeon wants to give a statement not about schools, the economy or hospitals, but about a second independence referendum. She is making her priorities absolutely clear, so let me be equally clear. The Scottish Conservatives want to move on from the Scottish National Party's constitutional grandstanding and get back to the things that matter to the people of Scotland. That is why we will vote against the motion.

17:03

The Minister for Parliamentary Business and Veterans (Graeme Dey): In seeking to oppose the business motion, the Conservatives are arguing against the Government providing this Parliament and the country as a whole with an update that seeks to bring order and clarity amid the chaos and confusion that the Conservatives' own Brexit policy has created.

There is a widespread expectation, based on undertakings given by the First Minister, that the Government will provide an update on its thinking regarding Brexit, its implications for Scotland and this country's constitutional future. Indeed, the First Minister gave a specific undertaking in this chamber, replying to Patrick Harvie on 17 January, that she would provide such an update, even in the event of the article 50 process being extended. That extension has now been granted—it was agreed while this Parliament was in recess—and this week provides the first opportunity since then to provide the promised update.

The basis upon which the Government is seeking to proceed is not only rational and sensible but the mark of a Government fulfilling its responsibilities to this Parliament and the wider country. We will take no lessons from the Tories when it comes to getting on with the day job.

The Presiding Officer: The question is, that motion S5M-17023 be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Motherwell and Wishaw) (SNP)
 Allan, Alasdair (Na h-Eileanan an Iar) (SNP)
 Arthur, Tom (Renfrewshire South) (SNP)
 Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Bibby, Neil (West Scotland) (Lab)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Constance, Angela (Almond Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Denham, Ash (Edinburgh Eastern) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Doris, Bob (Glasgow Maryhill and Springburn) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Dugdale, Kezia (Lothian) (Lab)
 Ewing, Annabelle (Cowdenbeath) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Findlay, Neil (Lothian) (Lab)
 Finnie, John (Highlands and Islands) (Green)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Freeman, Jeane (Carrick, Cumnock and Doon Valley) (SNP)

Gibson, Kenneth (Cunninghame North) (SNP)
 Gilruth, Jenny (Mid Fife and Glenrothes) (SNP)
 Gougeon, Mairi (Angus North and Mearns) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Greer, Ross (West Scotland) (Green)
 Griffin, Mark (Central Scotland) (Lab)
 Harper, Emma (South Scotland) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Haughey, Clare (Rutherglen) (SNP)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Johnson, Daniel (Edinburgh Southern) (Lab)
 Johnstone, Alison (Lothian) (Green)
 Kelly, James (Glasgow) (Lab)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lamont, Johann (Glasgow) (Lab)
 Lennon, Monica (Central Scotland) (Lab)
 Leonard, Richard (Central Scotland) (Lab)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Uddingston and Bellshill) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 MacGregor, Fulton (Coatbridge and Chryston) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 Mackay, Rona (Strathkelvin and Bearsden) (SNP)
 Macpherson, Ben (Edinburgh Northern and Leith) (SNP)
 Maguire, Ruth (Cunninghame South) (SNP)
 Martin, Gillian (Aberdeenshire East) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McDonald, Mark (Aberdeen Donside) (Ind)
 McKee, Ivan (Glasgow Provan) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McMillan, Stuart (Greenock and Inverclyde) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Ross, Gail (Caithness, Sutherland and Ross) (SNP)
 Rowley, Alex (Mid Scotland and Fife) (Lab)
 Ruskell, Mark (Mid Scotland and Fife) (Green)
 Russell, Michael (Argyll and Bute) (SNP)
 Sarwar, Anas (Glasgow) (Lab)
 Smith, Elaine (Central Scotland) (Lab)
 Somerville, Shirley-Anne (Dunfermline) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, David (Highlands and Islands) (Lab)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Todd, Maree (Highlands and Islands) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 Yousaf, Humza (Glasgow Pollok) (SNP)

Against

Balfour, Jeremy (Lothian) (Con)
 Ballantyne, Michelle (South Scotland) (Con)
 Bowman, Bill (North East Scotland) (Con)
 Briggs, Miles (Lothian) (Con)
 Burnett, Alexander (Aberdeenshire West) (Con)
 Cameron, Donald (Highlands and Islands) (Con)
 Carlaw, Jackson (Eastwood) (Con)
 Carson, Finlay (Galloway and West Dumfries) (Con)
 Chapman, Peter (North East Scotland) (Con)
 Cole-Hamilton, Alex (Edinburgh Western) (LD)
 Corry, Maurice (West Scotland) (Con)

Fraser, Murdo (Mid Scotland and Fife) (Con)
 Golden, Maurice (West Scotland) (Con)
 Greene, Jamie (West Scotland) (Con)
 Halcro Johnston, Jamie (Highlands and Islands) (Con)
 Hamilton, Rachael (Ettrick, Roxburgh and Berwickshire)
 (Con)
 Harris, Alison (Central Scotland) (Con)
 Kerr, Liam (North East Scotland) (Con)
 Lindhurst, Gordon (Lothian) (Con)
 Lockhart, Dean (Mid Scotland and Fife) (Con)
 Mason, Tom (North East Scotland) (Con)
 Mitchell, Margaret (Central Scotland) (Con)
 Mountain, Edward (Highlands and Islands) (Con)
 Mundell, Oliver (Dumfriesshire) (Con)
 Scott, John (Ayr) (Con)
 Simpson, Graham (Central Scotland) (Con)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, Alexander (Mid Scotland and Fife) (Con)
 Tomkins, Adam (Glasgow) (Con)
 Wells, Annie (Glasgow) (Con)
 Whittle, Brian (South Scotland) (Con)

The Presiding Officer: The result of the division is: For 83, Against 31, Abstentions 0.

Motion agreed to,

That the Parliament agrees to the following revisions to the programme of business for:

(a) Wednesday 24 April 2019—

delete

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions:
 Justice and the Law Officers;
 Government Business and
 Constitutional Relations

and insert

1.30 pm Parliamentary Bureau Motions

1.30 pm Ministerial Statement: Brexit and
 Scotland's Future

followed by Portfolio Questions:
 Justice and the Law Officers;
 Government Business and
 Constitutional Relations

delete

5.00 pm Decision Time

and insert

6.00 pm Decision Time

(b) Thursday 25 April 2019—

after

2.30 pm Portfolio Questions:
 Culture, Tourism and External Affairs

insert

followed by Ministerial Statement: Advance Redress
 Payments.

Parliamentary Bureau Motions

17:05

The Presiding Officer (Ken Macintosh): The next item of business is consideration of Parliamentary Bureau motion S5M-17024, on a committee membership substitution.

Motion moved,

That the Parliament agrees that Rhoda Grant be appointed to replace Neil Bibby as the Scottish Labour Party substitute on the Rural Economy and Connectivity Committee.—[*Graeme Dey*]

Decision Time

17:06

The Presiding Officer (Ken Macintosh): The first question is, that motion S5M-16957, in the name of Bob Doris, on social security and in-work poverty, be agreed to.

Motion agreed to,

That the Parliament notes the conclusions and recommendations contained in the Social Security Committee's 2nd Report, 2019 (Session 5), *Social Security and In-Work Poverty* (SP Paper 466).

The Presiding Officer: The final question is, that motion SM5-17024, in the name of Graeme Dey, on a committee membership substitution, be agreed to.

Motion agreed to,

That the Parliament agrees that Rhoda Grant be appointed to replace Neil Bibby as the Scottish Labour Party substitute on the Rural Economy and Connectivity Committee.

Open University at 50

The Deputy Presiding Officer (Linda Fabiani): The final item of business is a members' business debate on motion S5M-16671, in the name of Claire Baker, on the Open University at 50. The debate will be concluded without any question being put.

Motion debated,

That the Parliament recognises that 23 April 2019 marks the 50th anniversary of The Open University (OU); notes that the Royal Charter that it received in 1969 required it to "promote the educational wellbeing of the community generally"; acknowledges the OU's mission to be "open to people, places, methods and ideas"; considers that its open access policy, which requires no entrance qualifications for most courses, is as radical today as it was 50 years ago; notes what it sees as its contribution to social justice and accessible higher education across Scotland and the transformational impact that it has had on lives and communities, with more than 200,000 Scots from all backgrounds having studied with the institution, and wishes it well for the next 50 years and beyond.

17:08

Claire Baker (Mid Scotland and Fife) (Lab): I am honoured to open this evening's debate, which celebrates 50 years of the Open University. I thank all members from across the chamber for supporting the motion, and I invite everyone to the reception tomorrow evening to further celebrate the positive impact that the Open University has had on individuals and communities across Scotland and the United Kingdom.

It is more than 55 years since Harold Wilson's powerful speech to a Labour conference in Glasgow on the "white heat" of technology. In that speech, he talked about the expansion of higher and further education, and he expounded plans for a university of the air. He described the changing nature of industry, just as we now recognise the changing economy that we have inherited. In Government, Wilson understood that rapid change brings challenges for the workforce and society. His Government also promoted the importance of social mobility.

Today is exactly 50 years since the Open University was given its royal charter. It might have been Harold Wilson's idea, but it was the job of Jennie Lee, the minister for the arts, to deliver it. As an MSP for Mid Scotland and Fife, I am very proud to be related to Jennie Lee and welcome the fact that her contribution as a member of Parliament and in Government has increasingly been recognised, including in the celebrations for the Open University's 50th birthday.

Delivering the Open University was not all plain sailing. It was a radical idea that challenged tradition and privilege, but Jennie Lee was

determined and tenacious in her pursuit of the vision. Driven, no doubt, by her experience of growing up in Fife during a time when, for many, life was very hard and educational opportunity was limited, Jennie committed herself whole-heartedly to the project. In 1973, laying the foundation stone for the first OU library, she described it as

“a great independent university which does not insult any man or woman, whatever their background, by offering them the second best; nothing but the best is good enough.”

That is the quality that the Open University has been delivering for 50 years. It serves students across the whole of Scotland, opening up opportunities for everyone, regardless of background, current circumstances or geography. Its flexible approach to study supports the ambitions of, for example, people who have caring responsibilities, people with disabilities and those who live in remote or rural locations. There are almost 16,500 students across every part of Scotland, with over 1,800 in my region.

Entry to our universities is increasingly competitive, and, although we see some contextualisation of entrance qualifications, there are challenging minimum entry thresholds. The Open University maintains an open entry policy, meaning that no previous qualifications are required for the vast majority of courses. That is as radical a notion today as it was 50 years ago, and it challenges our perceived wisdom about a student's potential and ability to succeed. The Open University's approach is egalitarian: it does not matter what school the student went to, what age they are or where they live—it is open to all.

That was pretty radical. To open up the opportunities of higher education and the possibilities that come with that was an important legacy of a reforming Labour Government that is still going strong today. Three quarters of OU students are in work, two thirds earn less than £25,000 a year, 22 per cent declare a disability and almost a fifth do not have traditional university entrance qualifications. That student profile is unique and reflects the desire of all sections of our society to benefit from education, with the OU providing the means to do so.

The part-time fee grant, which exempts those on lower incomes from paying fees, is received by almost two thirds of OU undergraduates in Scotland—a proportion that has grown steadily since the grant was introduced, six years ago. It could also be argued that those who do pay fees pay a significantly lower rate than they would if they paid fees to English universities. However, given that part-time OU students are not entitled to maintenance support, we need to be mindful that the financial costs of learning do not exclude people who are looking to benefit from the

opportunity. The forthcoming consultation on part-time study is, therefore, welcome.

Although, at its core, the Open University maintains its guiding principles, it has modernised. Having grown up in the 1970s, I can remember glimpses of the late-night OU programmes on the BBC—complicated equations, theories and lots of beards. The internet has revolutionised the Open University. The free learning website OpenLearn has had more than 60 million visitors, and more than 8 million people have learned with FutureLearn.

The OU has also fostered relationships with national and regional partners. In my region, Babcock International, Diageo, Fife Council, NHS Fife, SSE and Scottish Water all sponsor students, recognising that, as well as the benefit for the individual, there is a huge benefit for the company that employs them. In addition, the young participants in schools scheme enables sixth-year students to build their skills and confidence by studying at degree level in their own schools, including in many schools across my region.

At the inception of the Open University, Harold Wilson envisaged it within the context of a changing industrial landscape and the growth of new technology. We have recently had debates on the increasing need to consider the jobs of the future and the skills that people will need to succeed in them and in our future society. The Open University is as relevant in this context as it has ever been. We have a rapidly changing economy and jobs market, and we need to reinforce the critical importance of lifelong learning so that people in and out of work are prepared to adapt and thrive with the skills and knowledge that they need. I feel that there has been a contraction of opportunities and that we should take the opportunity of this significant birthday of the Open University to reaffirm the importance of lifelong learning and be clear about supporting policies that will deliver it.

I return to the beginning. The royal charter instructed the university

“to advance and disseminate learning and knowledge”,

which is an instruction that we would expect to be issued to a university. However, it also placed a responsibility on it

“to promote the educational well-being of the community generally”,

which is a much broader obligation that sets the OU on a social mission to make learning accessible to students and non-students alike. It is truly a university of the air that opens up education for all, extending opportunities for adult learners and cementing the ideas of lifelong learning and second chances. It is more than an educational institution.

In his 1963 speech, Harold Wilson said:

“I believe a properly planned university of the air could make an immeasurable contribution to the cultural life of our country, to the enrichment of our standard of living.”

The Open University has achieved that and much more. It is a pleasure to lead this evening's debate, and I wish the Open University and all its staff and students a fantastic anniversary year. I am confident that there are many more to come.

17:15

Annabelle Ewing (Cowdenbeath) (SNP): I congratulate Claire Baker on securing this debate to mark the 50th anniversary of the Open University. It is absolutely appropriate that we, in this Parliament, should mark this momentous occasion.

In so doing, we are afforded the opportunity to commend the pioneering and pivotal role of Jennie Lee in securing the establishment of the Open University. That was against a backdrop of opposition and scepticism among many of her colleagues in the House of Commons—and, indeed, much of the civil service at the time—although she had an important ally in the Prime Minister, Harold Wilson, as her relative, Claire Baker, has pointed out. As the MSP for Cowdenbeath, I can say that my constituents are, rightly, very proud of Jennie Lee, who was born in Lochgelly and was the dux of her high school. She started her political career as an MP for North Lanarkshire, representing the Independent Labour Party in Scotland.

The royal charter that established the Open University, which was granted on 23 April 1969, tasked the Open University

“to promote the educational well-being of the community generally”,

and that wide remit is at the heart of the OU's unique role. It is not just about the promotion of learning and knowledge; it is about ensuring that everyone has the opportunity to realise their potential through education. It really is a university that is open to those of all ages and all backgrounds all of the time. No entrance qualifications are required, and students can study anywhere, the OU having been the first university in the United Kingdom to facilitate distance learning. That was done initially by the use of television, which I remember well, as does Claire Baker—it was interesting to puzzle out what was being shown on late-night television—as well as by means of radio and correspondence, and then through online learning.

Some 200,000 Scottish students have studied through the OU over the past 50 years, which statistic demonstrates quite simply how effective the OU has been in widening access to tertiary

education. I was pleased to note that the take-up in Cowdenbeath is above the Scottish average and that nearly three quarters of those who study in my constituency are in work. The accessibility of the OU is underscored by the fact that about a fifth of its students have a disability, and it is heartening to note that gender balance is near to being achieved in science, technology, engineering and mathematics subjects. I am sure that it will be achieved in short order.

We have heard that the Open University's financial accessibility is improved by the fact that its students can be classed as part-time students and so have access to means-tested fee grants. In addition, the university's OpenLearn platform makes some 5 per cent of all course material available free on its website so that people can see whether a course is likely to be for them. It is good to note that it is also possible to study Open University courses locally, at Fife College.

As we celebrate the 50th anniversary of a wonderful institution, I pay tribute to Jennie Lee and all who have worked so hard over the past five decades to make such a success of this unique educational institution. I recommend the Open University to any of my constituents who are interested in broadening their education and improving their qualifications, whether for personal development or for the development of their careers.

17:20

Oliver Mundell (Dumfriesshire) (Con): I join other members in congratulating Claire Baker on securing this important debate. I feel privileged to take part in what is a great opportunity to say happy birthday to one of our most unique and precious educational resources. The Open University has been pushing the case for excellence and equity in education since long before it was fashionable to do so.

There are many people across Scotland and throughout the United Kingdom who are very grateful for the opportunities that the Open University has given them. Its values are at the heart of what we are trying to do in Scottish education right now, and its mission statement and the work that it is doing are as important today as they were 50 years ago. It seems strange to be talking about an organisation that is 50 when it feels that it is still coming of age and is just as relevant, radical and disruptive to the traditional ideas of education. Particularly in rural and remote areas, including my own constituency, the Open University is still doing a huge job in pushing other organisations and institutions to think about how they do things and to develop online and distance learning.

Most of all, the Open University is a great avenue of learning for non-traditional students, such as students who have missed out on other opportunities or who have work or caring responsibilities. The Open University is a great force for levelling the educational playing field.

More than anything, the Open University challenges people to think again about what university and study mean. I have met constituents who have benefited from career changes. As education and the employment market have changed, they felt that the Open University provided them with an opportunity to avoid stagnation, make the most of their career and adjust their skills for a changing economy.

I know that many veterans who have come out of military service study at the Open University. The Open University currently has 2,000 former service personnel as students, which is greatly to its credit and lays down a marker for others.

I am particularly interested in the partnerships that the Open University has developed with schools and businesses. The issue of subject choice continues to rumble on as part of the education debate and there are big challenges across the country. I am aware of many young people in my constituency who have benefited from the opportunities that the Open University has given them to take an interest in subjects that might otherwise have been unavailable to them.

Through embracing new technology and innovative forms of learning, the Open University has kept very much up to date and continued to reinvent itself. I am too young to remember the days of having resources on the television, but I have certainly been aware of the huge expansion of resources since they were moved online.

I am confident that we will be here in another 50 years—well, I hope that I will be—talking about the success of the Open University in the next half century.

17:24

Richard Leonard (Central Scotland) (Lab): I thank Claire Baker for lodging the motion for this important parliamentary debate.

The Open University stands as one of the Labour Party's greatest achievements, and it has close associations with Scotland. Jennie Lee was its driving force and Walter Perry was its first vice-chancellor. Although Harold Wilson later claimed that the plan for the Open University was drafted "Between church and lunch" on Easter Sunday 1963, it was, as Claire Baker said, in Glasgow in September 1963 that the idea of a university of the air was publicly launched.

The Scottish connections are strong, but we should not let that submerge the fact—I make no apology for saying this—that the idea is a distinctively Labour one in its origin, with roots going back through the rich traditions of the Labour movement, from chartism through the Clarion clubs to the Workers Educational Association, the Independent Labour Party summer schools and the left book clubs of the 1930s. It was born of an unswerving belief that education is liberation. Education was not reduced simply to serving the needs of the economy or the demands of the labour market; there was a belief in the conception of the OU's chief architect, Michael Young, of education as not merely a stepping-stone or a sorting device, but as a good in itself that serves the general growth of humanity.

Wilson's best biographer, Ben Pimlott, wrote:

"It was a brilliantly original and highly ambitious institution which took the ideals of social equality and equality of opportunity more seriously than any other part of the British education system."

Tony Benn later said:

"Wilson was the real driving force behind it—he willed it; it was therefore unstoppable".

However, it was Jennie Lee, who was the first Minister for the Arts in British history—that is another Labour achievement—who was given the task of bringing the Open University to fruition.

The 1966 Labour election manifesto, which was called "Time for Decision" because the country was at a turning point, contained a section that was headed "Educational Opportunities For All" and the pledge to

"give everyone the opportunity of study for a full degree."

With the election won, the mandate was secured.

As Patricia Hollis wrote in "Jennie Lee: A Life":

"It was an independent project, neither enriched nor constrained by whatever else was going on in further and higher education, superimposed on the department's priorities, led by a junior minister with no reputation in education and with no educational support behind her, and which at best drew a studiously neutral response from her Secretary of State, who privately wished the scheme would disappear."

Jennie Lee overcame all of that with passion and principle. She battled in Parliament—and even in the Cabinet—and she defeated vested interests and naked class prejudice outside Parliament to ensure that the university was

"open in access, uncompromising in its standards."

The Open University has undergone a difficult few years recently. Cuts and staff casualisation have had to be resisted by its many supporters, its students, former students and the University and College Union. That is precisely because it

remains a university that is worth fighting for with teaching methods that are worth defending, and which is built on an idea that is worth standing up for.

Michael Foot summed up the political life of Jennie Lee as “Passionate unity in action”. The Open University is her greatest triumph and, with the national health service, it is Labour’s most enduring legacy. We should mark today’s anniversary by refreshing the ambition and the vision that it heralded. *[Applause.]*

The Deputy Presiding Officer: I remind those in the public gallery that they should not be clapping, cheering, jeering or doing anything at all.

17:29

Kenneth Gibson (Cunninghame North) (SNP): I am pleased to celebrate 50 years of the Open University and I congratulate Claire Baker on bringing the debate to the chamber. The Open University is not only world renowned as an excellent educational resource but widely known for its unparalleled accessibility and inclusivity. For half a century, the OU has enabled and empowered many people who could not study at a traditional institution to pursue higher education. We must recognise the leading role of the then Minister for the Arts, Jennie Lee, in establishing the OU and her determination to carry it through.

The latest figures to be published by the OU show that 37 per cent of its 210 students who live in my Cunninghame North constituency are from the most deprived 20 per cent of backgrounds and that 52 per cent are from the most deprived 40 per cent of backgrounds. To further demonstrate the OU’s rightful reputation for broadening access to education, 71 per cent of the students in my constituency are in employment, while 27 per cent have a disability and 70 per cent are female. Those figures show that, no matter what someone’s situation is—whether they have a job that they need to maintain, a dependant who they must care for or a disability that limits their mobility—with the Open University, nothing is out of reach.

Last year, 40 pupils from Ardrossan academy, Largs academy and St Matthew’s academy in my constituency participated in the OU young applicants in school scheme. That programme receives support from the Scottish funding council and allows the OU to offer fully funded places for secondary 6 pupils from local authority schools to undertake 10-credit and 30-credit modules. With subjects that range from science to engineering, business studies, information technology and computing, arts, mathematics and languages, YASS has helped more than 7,500 people across Scotland to bridge the gap between school and

university, college or employment; has encouraged independent learning; and has built confidence. Beyond the qualifications, the courses equip young people with essential skills that are needed to succeed in their future career pathway.

Over the past 50 years, more than 2 million people worldwide have achieved their learning goals by studying with the Open University. Each will have their own unique story about the difference that it made to their life. I recall that a friend who was studying biology at a Russell group university found the strict schedule of lectures and seminars to be unsustainable and out of step with how he learned best. He left after just one year of study to work on an oil platform rescue boat but felt that he still had room to challenge himself academically. He completed a BSc in mathematics with the OU by fitting in modules around his duties on ship. When he returned to a life on land, his BSc opened doors to a professional career that would otherwise have been closed. That is just one example of how the OU’s flexibility can change lives.

As part of its year of celebration, the OU has released a series of photographs that showcase the early days of its teaching and its contemporary students. Photographer Chris Floyd, who shot the portraits of current students, said that he wanted

“people to look at this collection and think, ‘that person looks like me’ ... If there are people out there wondering how to further themselves, I want them to see these photos and think ‘that could be me’.”

The photos certainly tell that story. The students photographed have each used the Open University to unlock opportunity, from Tracy Thorpe, who studied modern languages while out at sea serving as crew on a yacht; to Stephen Akpabio-Klementowski, who gained a BSc in social science while serving a 16-year sentence for drug smuggling; to Zahra Alidina, who became the UK’s youngest-ever law graduate at 15 after taking a degree with the OU; and to Karis Williamson, who has congenital muscular dystrophy and is working towards her BA open honours degree.

Thanks to the Scottish National Party Government, 60 per cent of Scottish OU students received a part-time fee grant last year. That can only have made a positive difference to their education and, I hope, to their lives and careers.

Thanks to the OU and that model of support, many people in Cunninghame North and beyond are studying when deprivation, disability or a lack of time might have otherwise prevented them from taking up studies. I hope that this year of anniversary and celebration of the Open University will help to raise its profile and spread the message that further study and higher education are an option for all, no matter where people live

or who they are. I again thank Claire Baker for bringing the debate to the chamber.

The Deputy Presiding Officer: Quite a few members would still like to speak, so I am happy to accept a motion without notice, under rule 8.14.3 of standing orders, to extend the debate by up to 30 minutes.

Motion moved,

That, under Rule 8.14.3, the debate be extended by up to 30 minutes.—[*Claire Baker*]

Motion agreed to.

The Deputy Presiding Officer: Good—I am pleased about that.

17:34

Liz Smith (Mid Scotland and Fife) (Con): I whole-heartedly welcome the debate, which Claire Baker has brought to the chamber, because it affords us not just the opportunity to celebrate the past 50 years but the opportunity to examine the crucial role that the Open University will play in a fast-changing university sector in the future.

On Parliament's behalf, I thank Susan Stewart—and all her officers—for how she has led the changes. Hers is a crucial role, and certainly a very challenging one. Her engagement with the Parliament and parties from all different political perspectives is second to none, and I thank her for that.

As Claire Baker rightly said, this debate is important for everyone in Scotland who wants to undertake a degree, regardless of their age, income, qualifications or geography. In an educational world that is increasingly demanding greater diversity and flexibility, the Open University could hardly be a more important part of the education system.

The debate represents an excellent opportunity to celebrate the achievements of the past 50 years and the many connections that the Open University has made in Scotland and beyond. Much has been said about origins and Harold Wilson's speech in Glasgow about a university of the air. That was a very good speech, but it was a politician from Fife—previous speakers have rightly mentioned Jennie Lee a great deal—whose efforts played the pivotal role in its foundation, and it is right that we celebrate all that achievement.

However, Jennie Lee was not the only female politician to play an important role in the OU's early days. After the foundation of the OU in 1969, the Heath Government—very ill-advisedly—was thinking about cutting public spending and that the OU might have to be closed down. That was unthinkable to the then Secretary of State for Education and Science, Margaret Thatcher, whose

arguments for its retention won the day in Cabinet—and thank goodness for that.

Nowadays, as Annabelle Ewing pointed out, the Open University reaches across Scotland. Since it obtained its royal charter, more than 200,000 students in Scotland have participated. It is a great privilege for us as members of Parliament to represent so many people who have participated and who participate so successfully in the OU.

The Open University has a very positive role to play in widening access to higher and further education for people in work, who have families or who live in some of Scotland's most disadvantaged and most remote communities. In each case, I have been particularly impressed by the quality of teaching that the OU provides. It has been ranked in the top three universities in Scotland for student satisfaction in every year for which the national student survey has been in existence, which is some achievement.

Apart from the high academic standards, of which it should be very proud, the OU adds diversity and flexibility for many students, including, as members have mentioned, those who are more mature and part-time workers. That is a very important part of what it can achieve.

The OU has a very proud history in deliberations about what the future of education should hold. Its recent #LovePartTime campaign is an excellent example of that.

I am aware that Claire Baker will host tomorrow's event at the Parliament. In a previous year, I had the privilege—as I think did Iain Gray—of hosting an OU reception in Parliament, which focused on the amount of time that the Open University gives to many of the new approaches in education. I am sure that tomorrow's event will be a huge success.

I reiterate my thanks to Claire Baker. I again thank Susan Stewart and her many officers, who have done an outstanding job. I wish the OU every future success.

17:38

Gillian Martin (Aberdeenshire East) (SNP): I, too, congratulate Claire Baker on securing the debate. This is the first time that I have heard that she is related to Jennie Lee. That is incredible.

Whenever I think of the Open University, I think of the opportunity that it has provided for those who have found access to higher education difficult. Today, a lot of Government policy is associated with widening access. In many ways, the OU has been ahead of its time—it has been successfully widening access for hundreds of thousands of students in Scotland for 50 years.

We all have our own family stories about the Open University. I will mention one member of my wider family who was an OU graduate. My late father-in-law, David, came from a family who, like many Scottish families in the 1950s and 1960s, never had anyone who had been to university. Despite being the school dux and having the brains and the qualifications to get into uni, David was expected to get a job when he left school. He became a journalist on the local paper, married and had children. A few years on, with a young family and a full-time job at the *Daily Record*, he set his sights on going into the BBC. David knew that, in order to make his ambitions a reality, he had to get a degree.

Of course, there were no video recorders, much less the internet, in the late 1960s and early 1970s, so anyone who was working full time also had to put in a night shift, to watch Open University programmes and study. David's family remember dad coming in from work and staying up most of the night, just to go back to work again the next day. However, on graduating from the OU, armed with his degree, David progressed through the ranks of BBC Scotland and also achieved British Academy of Film and Television Arts success, with his coverage of Pope John Paul's visit to Glasgow.

The Open University gave David access to a fairly glittering career that might otherwise have been out of the reach of a young father from a Motherwell mining family. If we take David's story and multiply it by thousands of working class Scots, we have a fair idea of why the OU is held in such fond regard. All universities change people's lives, but the OU can change a whole family's social and economic trajectory and the wider social justice landscape.

Many OU graduates had to combine study with family responsibility or full-time jobs, or looked to the OU because their background was not conducive to entering a conventional university. The OU has given access to thousands of students who have physical mobility difficulties, as many members have mentioned. It is not just a case of studying at any time; the OU allows a person to study anywhere, in their own way, and with the level of support that they need. The Open University's contribution to the rights of people with disabilities cannot be overstated, and its contribution to those in rural communities that are miles from any other university campus is significant.

As has been mentioned, Jennie Lee, the founder of the Open University was a pioneer. She is a Scottish hero, and her legacy of pushing the boundaries of what is possible in education continues to this day. I imagine that she would be

well impressed with the leadership of Susan Stewart, as am I.

The OU is at the forefront of the development and use of innovative technology such as virtual reality to facilitate learning for all, and to reach further and further out to make higher education possible for those who previously found access challenging, or for those who are simply attracted to the high quality of the OU's offer.

The OU changed the lives of my husband's family and, therefore, indirectly touched the lives of me and my children. It continues to spread its influence all over Scotland. Happy birthday to the OU, and here's to another 50 years in which it will lead the way in widening access and changing lives.

17:42

Iain Gray (East Lothian) (Lab): I add my congratulations to Claire Baker on securing the debate. I echo the words that we have heard on the pride of the Labour movement in the Open University, and on Scotland's pride in the role that we played through Jennie Lee and Walter Perry, and indeed the setting of Glasgow for Harold Wilson's initial speech on the creation of the institution of the Open University.

Of course we should acknowledge and congratulate the institution and the idea of the Open University, but it is also important that we acknowledge the students across those 50 years. The institution and the idea make their study possible, but it is the students and their determination that actually make it happen.

As somebody who struggled sometimes with the self-discipline of studying at university, despite having everything laid on a plate for me and the opportunity to study full time, I am constantly astonished by those who, while working part time or sometimes full time, are able to study at the Open University, perhaps to upskill their qualifications for their job, or often just for the love of learning and the subject that they are studying. I am astonished, too, by those who have caring responsibilities or who are living with disability, and still have the self-discipline and determination to make their study work and succeed. I take my hat off to those students—200,000 Scots across the years, as we have heard. My late father-in-law—like Gillian Martin's—was a proud Open University graduate. Those are the people who have seized the opportunity and made that vision real.

Annabelle Ewing was right. When Harold Wilson first talked of a university of the air—a virtual university without entry qualifications—the idea was derided and mocked by some, but what a

powerful and transformative idea it was, and how it has developed as society has changed.

Unlike Oliver Mundell, I am certainly old enough to remember the black and white images of beards, corduroys and kipper ties that featured in the television lectures of the early days. It is important to remember that, although the Open University now works through the modern technology of the internet and virtual reality, it still works closely with the BBC, for example on the production of important programmes such as “The Blue Planet”.

Claire Baker mentioned that Jennie Lee was clear that the Open University should not be second best to traditional universities. It is worth noting one statistic in that context: some 40 per cent of Open University students study STEM subjects, and 49 per cent of those students are women. That—frankly—puts the Open University streets ahead of other institutions in the university sector.

Like Kenny Gibson, I want to acknowledge the young applicants in schools scheme. Back in 2015, there was an event in this Parliament to celebrate the success of YASS in Scotland. I was delighted that one of the speakers was Mairi Livsey, a student from Preston Lodge high school, in my constituency. Preston Lodge is one of the most active schools in the YASS programme, which gives secondary 6 pupils a chance to study at university level while at school, as Mr Gibson explained. Mairi was clear about what a useful and powerful experience that was.

The Open University comes up with new ideas all the time. Let us congratulate it on the past 50 years and look forward to the 50 years to come.

17:46

Stewart Stevenson (Banffshire and Buchan Coast) (SNP): I congratulate Claire Baker on securing the debate—I congratulate her relative, too—and I wish the Open University all the best on its 50th birthday. It is a significant milestone, and I congratulate it on its work. The Labour Party has achievements that I can respect, and the Open University is certainly one of them.

In the days of the launch of the Open University, we had a 12-inch black and white television at home. It had one channel. It had been purchased to view the coronation, in 1953, and it had still not been replaced when I left home. The technology that we were using then is a world away from the technology that every one of us now has in our mobile phone to make broadcastable material—in technical terms, if not in content.

The mission of the Open University is important and underpins its academic strategy. It is

“to be open to people, places, methods and ideas”.

That is the very exemplification of inclusion and possibility: being open to opportunity and open to inspiration.

In 1972, I did a short, focused course on systems behaviour. The coursebook is still sitting on my shelf among my other academic books, although I admit that it has been a little while since I took it off the shelf and revisited it. The coursebook was of value to me then and contains many truths that still matter to me.

John F Kennedy said:

“the educated citizen ... knows that ‘knowledge is power’ more so today than ever before. He knows that only an educated and informed people will be a free people, that the ignorance of one voter in a democracy impairs the security of all”.

The Open University plays an important part in helping people to learn about society, about a wide range of subjects and—perhaps more critical—about how to keep learning throughout their lives. The ability to weave the learning process into one’s working life, through the Open University, is important.

In its briefing for the debate on where it is after 50 years, the Open University highlights a couple of things that are right up to the minute. The free learning website OpenLearn, which has had 60 million visits so far, and the massive open online course—MOOC—platform are very effective ways of drawing people into the world of learning through the internet. That is important and of huge value.

There are people who have yet to find the Open University. I hope that tonight’s debate will play a part in spreading the word to people whose talents and skills are as yet undiscovered and whom the traditional methods of learning will simply not reach. The Open University has been transformational for many people and it will be transformational for many more. In Scotland, we recognise the value of education being open to all by providing free education. The Open University is important in delivering education to society as a whole.

Like Iain Gray, I struggled with the self-discipline of full-time study, although perhaps I did not struggle as hard as Iain Gray did. When I finally graduated, my mother was so relieved that she bought my girlfriend a present, because she knew that she had pushed me over the line.

Education must remain open to all, regardless of what road we take, and the Open University is a vital part of our learning infrastructure that supports that.

17:51

Liam Kerr (North East Scotland) (Con): I will make a short and rather impromptu personal contribution to this evening's debate to celebrate 50 years of the Open University. I will focus, in particular, on accessibility and the "open to all" ethos.

The Open University claims to have 16,500 students in Scotland, and for more than a decade I have been one of them. I flirted with the idea of studying with the OU for several years before I committed to doing so. I had a number of questions—or reasons not to pick up the phone—in my mind. Could I afford it? I discovered that I could, because the courses are extraordinarily good value and there are loads of grants and support schemes that one can avail oneself of. Would I need to pre-qualify for the courses that I wanted to do? In general, the answer was no, because the OU has an open-entry policy, which means that no entrance qualifications are required for the vast majority of courses. Did I have the time, given that, in those days, I had a full-time legal job and then a young family? It turned out that I did, because the whole emphasis is on flexibility and allowing people to study wherever and whenever it suits them.

The other question that existed deep down in my mind was whether what the OU provided would be any good. Would the materials and the teaching be up to scratch? The answer to that was an emphatic "Yes". The OU is the fourth university that I have studied at—to be fair, I studied at the other three some considerable time ago—and the materials and the calibre of the teaching staff are second to none.

I signed up to study, sometimes because I was just interested in the topic, sometimes to further my career and sometimes for both reasons. In my time with the OU, I have studied, among other things, European history from 1400 to 1900, upper intermediate French, the weather, a masters in business administration and, now, crime and justice. As long as I do not do anything stupid in the next couple of months—if I get through the dissertation and final exam—that will give me another honours degree.

During that time, I have shared residential with like-minded students of all ages, nationalities and backgrounds in places such as the University of Warwick, Caen in northern France and Brussels, as well as attending day schools at various universities. I have learned a huge amount and have achieved qualifications that have helped me here and in my previous career and that will undoubtedly help me in the future. Above all, I have had great fun doing it.

I wanted to be here to celebrate 50 years of the Open University and to wish it all the best for the next 50 years. I also wanted to thank the institution for all that it has done for me and to encourage anyone who is watching the debate, who might be thinking about studying for their career, for future opportunities or just for the sheer joy of learning, to pick up the phone or go on the OU's website to see what is on offer. They will not regret it.

17:54

The Minister for Further Education, Higher Education and Science (Richard Lochhead): First, many thanks to Claire Baker for lodging the motion and allowing us the opportunity to reflect on the Open University's many achievements in its first 50 years. The number of speakers this evening and the passionate contributions that they have made illustrate very well the high value that members attach to the Open University. Tonight is a great opportunity for us all to join together to wish the Open University a happy 50th birthday. Of course, 1969 is a vintage year and it was a tremendous year in which to be born—I can speak from personal experience. I was delighted that Oliver Mundell said that at the age of 50 it is still possible to be coming of age and be radical and disruptive. I very much took comfort from his comments.

The university's first chancellor, Geoffrey Crowther, described the purpose of the Open University to be

"open, first, as to people ... open as to places ... open as to methods ... and ... open, finally, to ideas".

That statement continues to define what sets the Open University apart. The growth of the university has been incredible; 25,000 places were available to students in its first year in 1971, when it started taking enrolments. Since then, the OU has welcomed over 2 million students across 157 countries. That is a phenomenal footprint across the globe in terms of promoting higher education. As one member mentioned, 16,000 Scots enrolled in 2017-18 alone and 86 per cent of those who enrolled went on to positive destinations thereafter.

Many members have spoken about students and referred to stories from their own lives or their constituencies. Last year, I had the privilege of attending the graduation ceremony of Iain Stephen, a student from Elgin who overcame the challenges of multiple disabilities to achieve a master's degree in science. Hearing from his friends, family and fellow students that day, I was left in absolutely no doubt about the scale of his achievements and the importance of the OU in supporting him along his student journey. The director of the OU in Scotland, the formidable and impressive Susan Stewart, whom many members

have paid tribute to this evening, was there in Elgin with her team to ensure that Iain Stephen was able to have a graduation ceremony.

What we see today is a clear example of what makes this Government, this Parliament and Scotland as a whole proud of our universities. As many members have said, the role of universities has never been more important. They play such a huge role in ensuring that we have a highly educated and skilled population that is able to adapt to the needs of a rapidly changing economy, which is vital for our country's future prosperity and our wellbeing. That is why improving education and closing the attainment gap are our top priorities. A good education is important for its own sake, as Richard Leonard said. It also contributes to the health, happiness and fulfilment of both the individual and wider society.

It is clear from the contributions that we have heard from across the chamber that the OU embraces those ambitions and shares a common purpose with this Parliament and Government. The commission on widening access was clear that all parts of the education system would have to work together to achieve the ambitious target of ensuring that, by 2030, 20 per cent of students entering university come from Scotland's 20 per cent most deprived backgrounds. Social justice and equality of opportunity are at the heart of everything that the OU does and widening access to higher education is the ambition on which it was founded. It has indeed blazed a trail as far as widening access is concerned; it has been ahead of the game, as Gillian Martin said. Indeed, around a fifth of its undergraduate entrants in Scotland join the OU without typical higher education entrance qualifications, with a similar proportion living in the 20 per cent most deprived areas in Scotland.

The OU's open admissions policy, flexible delivery, bridging programmes with schools, articulation agreements with colleges and geographical reach demonstrate its commitment to the widening access agenda.

The commission on widening access also recognised that further work was required to support equal access for other groups of learners. Therefore, we should commend the OU on its high proportion of undergraduate entrants with disabilities and the wide range of support services and facilities it has offered to those students. These examples provide clear evidence that the OU is getting something very right in its uniquely flexible approach to learning and its commitment to delivering education for all.

As Claire Baker said, universities operate in a globally competitive marketplace. The global shift to an economy that is increasingly based on knowledge and skills makes the contribution of our

universities pivotal to the country's future success. We all know that Scotland is an open, welcoming and inclusive country. We need to ensure that our universities can continue to compete globally, which is why it is important that more than 7,000 international students are directly studying with the Open University. The Open University's long-standing partnership with the BBC and its development of open educational resources, which many members have referred to, have allowed it to reach a global audience. OpenLearn, which is the OU's free learning resource website, has had more than 58 million visits since it launched in 2006.

In that global context, the Government is fully aware of the value of STEM learning to Scotland's intellectual and economic future and we recognise that STEM subjects are a key tool in solving many of the big issues facing the planet. Therefore, like Iain Gray, I welcome the fact that more than 40 per cent of the OU's students in Scotland are studying STEM subjects. Iain Gray made the important point that a high proportion of those students are female.

Another of the Open University's strengths lies in its delivery of high-quality and flexible work-based learning, which again is imperative if we are to have future growth in the Scottish economy. We all know about the expansion of graduate apprenticeships, which provide more opportunities for people to combine an academic degree with learning in the workplace. Likewise, the OU has adapted to employer needs by incorporating its open educational resources in the workplace and collaborating with Skills Development Scotland to offer graduate apprenticeships in cybersecurity, information technology, business management and software development. The Open University recognises the value of allowing students to work and learn at the same time, and around three quarters of its students in Scotland are in full-time or part-time employment.

I could highlight many other areas where the Open University plays an important role in the higher education agendas in this century but, as we are running out of time, I should finish by saying that Claire Baker reminded us of the importance of renowned Scottish MP Jennie Lee, who was the daughter of a coal miner from Fife and a student of the University of Edinburgh. Her vision and tenacity were crucial to establishing the Open University, from which millions have benefited over the past 50 years. As the minister, I am confident that the institution will continue to build on Jennie Lee's legacy and will match her determination to provide education to future generations from all backgrounds who wish to realise their ambitions and fulfil their potential. On behalf of the Scottish Parliament, I thank the Open University and all the students, tutors and staff for

their considerable contributions to our country's growth and wellbeing, and I wish them well in this year's celebrations and in their continuing endeavours.

Meeting closed at 18:02.

This is the final edition of the *Official Report* for this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

Published in Edinburgh by the Scottish Parliamentary Corporate Body, the Scottish Parliament, Edinburgh, EH99 1SP

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