



OFFICIAL REPORT
AITHISG OIFIGEIL

Social Security Committee

Thursday 19 November 2020

Session 5



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Pàrlamaid na h-Alba

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SOCIAL SECURITY COMMITTEE

23rd Meeting 2020, Session 5

CONVENER

*Bob Doris (Glasgow Maryhill and Springburn) (SNP)

DEPUTY CONVENER

*Pauline McNeill (Glasgow) (Lab)

COMMITTEE MEMBERS

*Tom Arthur (Renfrewshire South) (SNP)

*Jeremy Balfour (Lothian) (Con)

*Keith Brown (Clackmannanshire and Dunblane) (SNP)

*Mark Griffin (Central Scotland) (Lab)

*Rachael Hamilton (Etrick, Roxburgh and Berwickshire) (Con)

*Alison Johnstone (Lothian) (Green)

*Shona Robison (Dundee City East) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Mhoraig Green (Citizens Advice Scotland)

Kirsty McKechnie (Child Poverty Action Group)

Katie Schmuecker (Joseph Rowntree Foundation)

CLERK TO THE COMMITTEE

Anne Peat

LOCATION

Virtual Meeting

Scottish Parliament

Social Security Committee

Thursday 19 November 2020

[The Convener opened the meeting at 09:02]

Decision on Taking Business in Private

The Convener (Bob Doris): Good morning. I welcome everyone to the 23rd meeting in 2020 of the Social Security Committee. We have a full house this morning—no apologies have been received.

Under agenda item 1, the committee is asked to agree that item 5, which is consideration of the evidence that we will hear today, and item 6, which is on a letter from the Finance and Constitution Committee and this committee's response in due course, be taken in private.

I will assume that everyone agrees to take those items in private unless I see otherwise in the chat box.

That is agreed.

Social Security Response to Covid-19 (Inquiry)

09:02

The Convener: Agenda item 2 is the committee's third evidence session in its inquiry into the role of social security in our response to, and recovery from, Covid-19. I welcome Mhoraig Green, strategic lead on social justice at Citizens Advice Scotland; Kirsty McKechnie, welfare rights worker at the Child Poverty Action Group in Scotland; and Katie Schmuecker, deputy director of policy and partnerships at the Joseph Rowntree Foundation.

I remind members to keep their questions as focused and succinct as possible. The same applies to answers from witnesses. If witnesses wish to respond to a question, they should put an R in the chat box, please. I would find that very helpful in managing the meeting to avoid the duplication of answers. The point may already have been covered.

The first question is from our deputy convener, Pauline McNeill.

Pauline McNeill (Glasgow) (Lab): My question comes under the banner of the need for radical change in social security. We have had a number of written submissions; I will mention two. The first is from the Scottish women's budget group, which said:

"Covid-19 and the related economic crisis has shown us how quickly individuals' situations can change and in turn the importance of having a responsive, flexible social security system that supports people in times of change".

Similarly, Reform Scotland has advocated radical change. It stated:

"The welfare system was broken before the Covid-19 crisis. Sticking plasters cannot help."

A witness from Reform Scotland said:

"we think that now would be an ideal time for that, in order to harness the unparalleled change. We are now at a juncture that is not dissimilar to the end of world war two and the creation of the national health service."—[*Official Report, Social Security Committee, 5 November 2020; c 3.*]

I am interested to hear the panel's views on that, but I will add one thing first. I have been following this line of questioning, because I think that a change is needed to social security. Many home owners who have worked for most of their lives get nothing out of social security for mortgage support now, and they are one group that should be considered. I would also be grateful to hear anything else that the witnesses wish to add.

The Convener: I said earlier that witnesses should put an R in their chat boxes but, as that

was the opening question, we can hear from all three witnesses at this point. After this, however, please put an R in the chat box.

Mhoraig Green (Citizens Advice Scotland): One thing that we have seen in our data throughout the pandemic is the breadth and depth of the financial impact that the pandemic is having across society. New types of people are coming to citizens advice bureaux to seek advice on benefits. During the pandemic, our new clients are more likely to be younger, they are more likely to be owner-occupiers, and they are more likely to be in employment than clients were before the pandemic. One in four of our new CAB clients seeking advice on universal credit is a home owner who will receive no support for their housing costs for the first 39 weeks. Those are live concerns to us.

This is a good opportunity to consider long-term change to the system, but we must also remember that lots of people are in financial crisis at the moment. We cannot forget that we also need to consider mechanisms for getting money into the pockets of people who need it now.

Our view is that, in the recovery process, we need to consider how to ensure that social security is paid at an adequate level. At the very least, it needs to provide a safety net to prevent people from falling into destitution but, ideally, it would allow people to participate in society and live their lives with dignity.

The reliance on food banks and other charitable support, which has come up in our advice sessions throughout the pandemic, indicates that the levels of social security are currently insufficient. The new demographic, which includes home owners and people who might have had higher incomes and are now going on to universal credit, will experience a real income shock because of the difference between their current income and the levels of universal credit.

We have discussed a minimum income guarantee, which would be at an income level that no one would be allowed to fall below, taking into account their income from both work and benefits. We have had an opportunity to explore that with other charities in recent weeks through the social renewal work that the Scottish Government has been doing. Although the Scottish Government does not have the full levers to deliver that sort of scheme at the moment, we think that it is worth putting pressure on the United Kingdom Government to consider the levels of universal credit and, critically, to maintain the £20 uplift, while also considering what mechanisms are available to the Scottish Government regarding top-up benefits, such as the Scottish child payment and the uprating of existing payments.

Kirsty McKechnie (Child Poverty Action Group): We agree with much of what Mhoraig Green has just said. Even before the pandemic, one in four children in Scotland was growing up in poverty. Covid has highlighted the inadequacy of social security and the gaps in support. There were many problems before the pandemic, which has illuminated the holes that were already there, simply through the sheer number of people who are facing them.

As Mhoraig Green said, in considering radical change, we must not lose sight of what needs to be done for families who need financial support at the moment. In May, research by the Institute for Public Policy Research and Standard Life found that almost half of households with children were facing serious financial difficulties, compared with one third of all households. That highlighted the families who are being particularly hard hit by everything.

As Mhoraig Green said, we need to look at the adequacy of the social security system so that it provides a good safety net. We also need to look at how reliable the social security system is. Currently, one thing that comes through our early warning system evidence is how difficult it can be to interact with the social security system and some of the problems that can arise through errors. Those issues need to be addressed as well.

Katie Schmuecker (Joseph Rowntree Foundation): I agree with a lot of what my colleagues have said. We came into the pandemic in pretty bad shape, with a million people in Scotland experiencing poverty. A quarter of them were children. We were not on course to meet the interim child poverty targets. That says a lot about how our social security system is not providing the anchor that we all think that it should provide when we hit times of trouble.

However, there is also real cause for hope, because recent months have shown us that there is real public demand and cross-party support for finding a clear strategy to solve poverty in the UK. We saw in the response to the Marcus Rashford free school meals campaign, for example, that there is real energy behind those issues and that it is not okay that our social security safety net is not providing the sort of lifeline that people need.

Early on in the pandemic, we saw bold and compassionate action when the Government chose to throw a lifeline to people on universal credit by increasing the standard allowance. That was the right thing to do then, and making that a permanent feature of our social security system is the right thing to do now. The Government quickly recognised that the help that was available was not enough to support people to meet their needs. That was true then, and it is still true now.

There are definitely big issues around adequacy that we need to address. There are really interesting ideas about minimum income guarantees and the sorts of things that my colleagues have talked about. Those ideas share the desire to make sure that our social security system is the anchor that people can rely on, and we should absolutely explore them. However, we cannot overlook the need for fast action and fast fixes now. We are in the middle of a really difficult winter as the coronavirus storm continues, and we need to make sure that people are not swept into poverty. That means using all the levers that are available to us now, such as speeding up the top-up payments that others have mentioned and using mechanisms that already exist to put money in people's pockets now, in order to make sure that we get through this winter without more people being swept into poverty.

Pauline McNeill: Has any work been done on what a minimum income guarantee would look like? Do any of the witnesses have a figure in mind? It is fine if you do not, but it would be interesting if you do.

The Convener: There is an awkward silence as I wait to see whether the witnesses want to use the chat box to request to speak.

Pauline McNeill: Mhoraig Green mentioned a minimum income guarantee first. Does she have a figure?

Mhoraig Green: We do not have a figure. Various figures have been produced by different organisations, but Citizens Advice Scotland does not have its own. We would need to review the issue before that was taken forward as a policy.

Kirsty McKechnie: We need to proceed with caution and make sure that any figure that is reached takes into consideration the different needs of different households. One simple figure would not suit all. It is important that we recognise the additional costs of children or disabilities, for example. There could not be one straightforward figure.

Tom Arthur (Renfrewshire South) (SNP): An issue that has emerged over the past seven or eight months has been the interaction between devolved and reserved competencies. The public health response to Covid—restrictions on the economy and, indeed, lockdown, for example—has involved public health measures that are within the competence of the Scottish Parliament, but practically implementing them requires the furlough scheme, which is, obviously, in the hands of the UK Government. It is clear that there is an interaction in which we may have what we could call nominal competence but, in practice, we would rely on decisions that are taken elsewhere.

09:15

I will pick up on a comment that Mhoraig Green made in relation to not having the full levers and the need to put pressure on the UK Government. I know that we will look at some of the nuts and bolts of the response in the immediate term and over the winter, but I want to think towards recovery and about the theme of the need for radical change. What are the witnesses' reflections on the current composition and balance of powers between Holyrood and Westminster in relation to social security? What lessons have been learned in that area? What reflections do the witnesses have on the past seven to eight months? Do we have the balance right? Is there a need for adjustment? Do the witnesses have any reflections on the fiscal levers that the Scottish Government has to respond effectively when there is an increased need for social security?

Mhoraig Green: We do not have a view on where the powers should necessarily lie. As members will be aware, the people of Scotland are able to access social security payments from four different agencies—the Department for Work and Pensions, Her Majesty's Revenue and Customs, Social Security Scotland and local authorities—so it is a complex field. We stress the importance of the provision of good-quality advice to support people to navigate that.

The other thing that has struck me in recent months has been the challenge of the co-operation between the Scottish Government and the DWP. For example, we are aware that the Scottish child payment for children over the age of six has been delayed by issues relating to data sharing between those two organisations. I have a question in my mind about whether those organisations are adequately resourced to do such collaborative work and to make sure, for example, that the DWP is able to provide the services that Social Security Scotland needs to deliver benefits efficiently.

Kirsty McKechnie: We would agree with everything that Mhoraig Green has said. Likewise, we have no position on where the powers should lie, as long as they are used to their maximum impact.

In our submission, we said in relation to the development of social security in Scotland that we wondered whether Social Security Scotland should, in future, consider moving away from linking to reserved benefits to preserve more autonomy for the Scottish Government so that it has fuller control over social security in Scotland. There are things that the Scottish Government can do within its powers, and it is important that those powers are used to their maximum efficiency.

Tom Arthur: You have anticipated my next question, which is on efficiency. Is the current landscape of four agencies—HMRC, the DWP, local government and Social Security Scotland—the most efficient way to deliver social security?

Kirsty McKechnie: We have concerns about that from the client's perspective. It does not matter to the client who delivers their benefits as long as they get them but, as Mhoraig Green highlighted, data sharing becomes an issue. Unless that data sharing is smooth, having the benefits administered by different agencies will be an issue.

Tom Arthur: How can we optimise the efficiency of data sharing across the four agencies?

Kirsty McKechnie: I am not an expert on data sharing, but I think that there needs to be an agreement that the data can be shared seamlessly so that it is almost invisible to the client and there is no wrong door. If a client approaches an agency, the information should be passed to the other agencies. We look at the matter very much from the client's point of view. What happens behind the screens is probably better reserved for experts on data sharing.

Tom Arthur: That is still very helpful. Does Katie Schmuecker have any reflections on what we have been discussing?

Katie Schmuecker: I agree with much of what my colleagues have said. I will not repeat those points; rather, I will take us in a slightly different direction.

You mentioned the fiscal levers more broadly. That is a really important question. It is clear that social security has a huge contribution to make in reducing poverty, but it is not the only lever. We have to think about how we support people to retrain in a changing labour market and how we can bring down the cost of housing by continuing with the ambitions around building more affordable and social housing. The Scottish Government's borrowing powers are a challenge in some of those areas. There might be a need to look again at that.

Like my colleagues, I have not come to this meeting with a prior view on the balance between what is devolved and what is reserved in social security. However, the point about integration is important. When we talk to people with lived experience of poverty, the message that we hear loud and clear and time and again is about how complex the landscape is and how difficult it is for them to navigate it and get all the information that they need, not only about what they are entitled to, but about what additional help they might get through discretionary payments. Information on discretionary payments in particular often comes

through word of mouth or through support from third sector organisations.

I suspect that we might come on to those issues, so I will leave it at that for now. However, integration and ensuring that it is easy for people to find out in one go everything to which they are entitled is essential.

Tom Arthur: My final question is for each of the witnesses. I do not want to put you on the spot but, in a few words, if you could, with a click of your fingers, implement one radical change to social security in Scotland, what would it be?

Katie Schmuecker: You are putting us on the spot. Scotland has absolutely made the right choice with the child payment, which has the potential to be a game changer. We have argued that, if the child poverty targets are the number one priority, the child payment is absolutely the right instrument to choose. I want to see an amping up of the ambition around that. In particular, I highlight the need for speed, because people cannot wait for the time that we are asking them to wait to get that help. The need is now, and we think that mechanisms could be put in place to create a bridge to get cash in people's pockets quickly so that the over-sixes do not have to wait until the end of 2022 to get help. Targeting support at low-income children in order to meet a clear child poverty goal is absolutely right.

Kirsty McKechnie: I agree with what Katie Schmuecker has just said. I would increase the value of the Scottish child payment, bridge the gap until it can be rolled out to over-sixes—possibly through the school clothing grant—and consider uprating the Scottish child payment in 2021 rather than 2022, on the basis that families have been particularly hard hit and that is one mechanism that the Scottish Government has, which it has already used brilliantly to bring the payment in. Let us be ambitious and make sure that that has the impact now that we want it to have.

Mhoraig Green: On a similar theme, I would put more money into the system. The Scottish Government might want to look at taking a human rights approach to its budget, which would prioritise social security and put more money into that system in order to boost the money in people's pockets. We see social security as an investment in people, and we think that, in the current context, more money spent on social security is a good thing.

Tom Arthur: Thank you very much.

The Convener: We will move on to the next theme. We have been looking at the response so far by the UK and Scottish Governments. It is worth noting at this point that some of those final comments are reflected in the committee's letter to the Cabinet Secretary for Social Security and

Older People, Shirley-Anne Somerville, as part of our budget scrutiny process.

It might also be worth putting on the record something that was mentioned earlier about ensuring that claimants know exactly what they are entitled to. In our budget letter to the cabinet secretary, we highlighted the committee's previous benefits uptake inquiry, in which we called for a one-Scotland approach—although I do not think that we used that term—to benefits uptake, on which the Scottish and UK Governments would come together, with a statutory duty to maximise benefits uptake and on which Social Security Scotland would take the lead. It would be a very focused benefits uptake strategy. The committee is echoing some of the comments that have been made already.

Also in that letter—here comes the substantive question—the committee said that we would like to see a permanent extension of the £20 increase for universal credit claimants and for those in receipt of working tax credit. Something sticks in my craw a little bit on that. It is absolutely the right thing to do, but a constituent of mine, who had an income shock this time last year and had to navigate their way through universal credit, would desperately have wanted that £20 increase in benefit. Even had Covid not occurred—we know that it is devastating communities right now—would increasing universal credit by £20 a week have been the right thing to do? It is easy to say yes to that, of course, and I suspect that witnesses will do that, but what I really want to know is whether you can quantify the difference that that would make to families and that it is making to families currently.

Kirsty McKechnie: Yes, absolutely. The JRF has estimated that the removal of the £20 uplift would plunge a further 300,000 children into poverty across the UK. Those are the overall figures, but with regard to individual families, that additional money is absolutely essential at the moment, as families face additional costs. They are in the house more, so they have additional heating costs. There might be additional food costs from having the children at home more. The need for children to spend more time outside requires warm clothing. The difference to individual families of the £20 uplift must not be underestimated.

The Convener: That is really important, because it provides balance. We are welcoming an action that has been taken by the UK Government, but what I hope that we are saying is that it is making a real difference and that it has to become permanent.

Katie Schmuecker: Yes, that is absolutely right, and it was great to hear Kirsty McKechnie using our figures. To come at it from a slightly

different angle, we absolutely think that families should be kept afloat by the retention of that £20 uplift in universal credit and working tax credit. We would go further and say that that same lifeline should be thrown to those who are on legacy benefits. Many of those people are disabled people and people who are sick. They need that help just as much as the people on universal credit do. The fact that the Government acted so quickly when the pandemic struck was recognition of the inadequacy of the support that is available through social security to meet people's needs. That was the right decision then; the right decision now is to make the uplift permanent.

If that is taken away, families will lose £1,000 a year. More than 1 million working-age people in Scotland are set to lose that from their income, which would make an already incredibly challenging winter more difficult for those families. It would be the wrong thing to do. On extending that lifeline to those on legacy benefits, this is the month that that decision needs to be made, because it takes time to work it into the system and to get it operational for the new financial year. Therefore, we are pressing hard now for the UK Government to announce not only that it is going to make the change to UC permanent, but that it will extend that lifeline to those on legacy benefits.

The Convener: That is helpful, and I note that the committee reflected that in our budget letter.

Mhóraig Green, is there a danger that if the £20 per week increase—which is very welcome—eventually goes, that will send out a message to people who felt isolated and were struggling on benefits before Covid-19? Once we eventually mop up the economic crisis and the impact of Covid-19 for those who do not normally interact with the benefits system, and they—we hope—move out of the system again, might that say to other people who are in poverty that they are somehow less deserving than those who are new recipients of universal credit and legacy benefits? Could there be a stigma issue if we do not make that £20 per week increase permanent?

09:30

Mhóraig Green: That is certainly a risk. Citizens Advice Scotland has had long-standing concerns about the level of universal credit. We do not think that it is paid at an adequate level—and we thought that prior to the pandemic. That is before taking into consideration factors such as deductions and the advance payment, which automatically puts people into debt if they enter the system. Regardless of the pandemic, the level of universal credit is too low.

We did some analysis of our complex debt clients over the summer, which showed that

without the additional £20 per week, eight in 10 people who were on universal credit were in a negative budget, which meant that they were unable to meet their essential living costs. That additional £20 a week had the effect of lifting one in five of those people out of a negative budget. However, there are still a significant number of people on universal credit in complex debt on a negative budget. That illustrates the fact that the level of payment, with or without the £20 a week, is insufficient to cover many people's essential living costs. It is critical that that uplift is extended.

I would echo Katie Schmuecker's point about the importance of the UK Government making a decision to do that as soon as possible. Every day, our advisers in citizens advice bureaux are speaking to people about their benefits, and there are people on legacy benefits who are thinking about moving on to universal credit to take advantage of the uplift because it might look like they would be better off on that in the short term. That is a complex decision to make, because they do not know, at the moment, whether or not the £20 uplift will continue beyond April. It is a difficult decision, and we are concerned that some people will move on to universal credit for that short-term benefit, but it could then be taken away from them, and they will be worse off on universal credit than they were on legacy benefits. It is critical, to assist with people's decision making, for that decision to be made as soon as possible.

The Convener: That is helpful. This sounds a little bit like the recent debate on the extension of furlough. We all welcomed its extension, but we know that some employers went ahead and consulted on redundancy, implemented redundancies and even restructured businesses, so what was a welcome extension was viewed as being too late for some people.

Regarding the time-sensitive nature of any extension of the £20 per week universal credit uplift, we are of course wanting that to happen as soon as possible, but are we talking about confirmation before Christmas or before the end of January, for instance? You seem to be suggesting that there is a window that is closing by which the UK Government can confirm that the £20 uplift will be made permanent, or else it will not work as well as it otherwise would, and there could be unintended consequences. What is the timescale for that?

Mhoraig Green: It should be done as soon as possible. It is a slightly different matter with the furlough scheme, as people will continue to receive something, regardless of their situation. The challenge at the moment concerns individuals making a decision about whether they are better off on legacy benefits or universal credit. The uncertainty about the levels of universal credit

beyond the end of March introduce an element of risk for them. We would like a decision on the extension of the uplift to be made as soon as possible. It is critical, because it is impacting on people's decisions just now.

The Convener: Rachael Hamilton will shortly continue on this theme, but I first want to give you the opportunity to comment on other changes that the UK Government has made—which, again, have been welcomed—concerning the minimum income floor and restoring the link between the local housing allowance and current local rents. Should some of those changes be made permanent or extended? What else has the UK Government done that has been welcome? Which changes do you think should be extended or made permanent?

If there is agreement on that, perhaps we might need to bring in only one witness. I am checking the chat boxes to see whether anyone wants to volunteer to come in.

As no one has so indicated, I apologise for picking Katie Schmuecker to answer. What are your observations? What else would you make permanent? What has not worked well, and what should we stick with?

Katie Schmuecker: The two aspects that you mentioned are really important. The suspension of the minimum income floor speaks to the fact that the self-employed elements of universal credit are not functioning well. We need to look again at how we do that. I do not think that we can just suspend the minimum income floor in perpetuity, but it speaks to the need to look again at how the universal credit system treats self-employed people.

The restoration of local housing allowance to 30 per cent is absolutely crucial. We were seeing a growing gap between people's housing costs on the one hand, and the support that they were getting with those costs through the benefits system on the other. That meant that they were having to dip into their other—not very substantial—income to enable them to bridge that gap. We were seeing more and more children in Scotland—some 30,000—being driven into poverty purely as a result of their housing costs, so those were really having an impact. The restoration of the 30 per cent level is really welcome. However, we now need to see the allowance being uprated in line with rising rents rather than generally in line with inflation. There is a big question about uprating on the horizon, but we certainly welcome the restoration of the 30 per cent level and the fact that it looks as though that change will be staying.

The Convener: Are there any other technical changes? Quite often, changes that appear to be

minor technical ones can make a real, substantive difference to claimants. Has any other change been welcomed or is there anything that our witnesses would like to see being extended or made permanent? Do not feel obliged to come in; I am just giving you the opportunity of putting your view on the record if wish to do so.

No one has indicated that they wish to answer that question, so we will move on.

Rachael Hamilton (Ettrick, Roxburgh and Berwickshire) (Con): That does not give me much confidence that one aspect of my question will be answered. How significant have the extra payments for the devolved social security measures been, such as the extra money for discretionary housing payments, the Scottish welfare fund or extending carers allowance? Should those be made permanent?

Kirsty McKechnie: Such increases in funding for local authorities are very welcome. Alongside them we would like to see clear and transparent guidance on how that money should be directed, which would improve the way in which it is spent and ensure that it is targeted so that it reaches the people who currently need it most.

During lockdown, we saw that people were facing delays in moving and some were left with a dual rent liability, in that they had to pay rent on two homes. Housing associations felt that they could not move the dates on which people were allowed to move in and that discretionary housing payments should pick up that liability, but they were not necessarily doing so. It would be really helpful for us to have clear direction from the Scottish Government about how it wants that money to be spent and targeted—not just for local authorities, but for people who advise individuals.

Katie Schmuecker: As Kirsty McKechnie has said, the increased funding is really welcome. Both the measures that you mentioned—DHPs and the Scottish welfare fund—are discretionary spend that enables an important crisis response. We would not necessarily expect to see funding continue at the high level that it is at now, but there are big questions about whether the funding that is in place for the crisis response is sufficient and meets current needs. On DHPs, for example, we know that one of the really big challenges is that people's arrears are climbing. Recently, we did a big poll, which found that about 10 per cent of renters are already in arrears. The protections that are in place are great and important but, if we do not act on arrears, we might see a wave of evictions in the spring, when some of those protections are lifted.

We would certainly ask whether we should do more through DHPs to target support around arrears. As Kirsty McKechnie said, that requires

changes to the guidance to enable that to happen. Again, the Scottish welfare fund plays a really important role in crisis response. The extra funding that has gone into it is important and welcome, but we have concerns about how well it is operating. We would like minimum standards to be set out in the guidance, so that we get a greater consistency on what sort of situations people are able to get help in and how well the fund is marketed and communicated. There is a lot of complex language and a lot of people do not know that it exists or that they might be able to get help through it. Again, people need help and cash in their pockets now. It is great that the money is going in, and it does not need to be permanently funded at that level when we are not in a time of crisis but, while we are in a time of crisis, we need to make sure that that help is going where it is needed.

Rachael Hamilton: Katie, you were just speaking about the issues that people have in accessing, for example, the Scottish welfare fund or crisis grants and the way that we give people access to those funds. Do you have any suggestions about how that would be better delivered? In some local authorities, the default mechanism was just an online application. In past evidence, we have heard that that has held people back and, even though they were eligible for grants, they have not been able to take them up and have had to turn to charity. How could it be improved?

Katie Schmuecker: It varies between places but, in some places, the fund is badly promoted and the complex language that is used to talk about it puts people off and does not help them to realise that they might be able to get help through those mechanisms. There is also a concern that, although the funding for grants increased substantially, the administrative funding did not increase alongside that, so there were challenges for local authorities in trying to administer the funds and get the money out of the door. The fact that there has been a huge increase in emergency grant funding through third sector emergency support funds, such as Aberlour, and there has not been that same increase around the Scottish welfare fund, suggests that something is not working well there.

As well as being an employee of the Joseph Rowntree Foundation, I am a commissioner for the Scottish Poverty and Inequality Commission. The commission has done some really good work on the Scottish welfare fund and it talks about the need for there to be minimum standards around eligibility, the way that the fund is promoted and ease of applications, which speaks to the point that Rachael Hamilton raised about online-only applications. If we are to live up to that aspiration of a system that is imbued with dignity and respect, we must also think about the way in which

staff are trained to deliver it. It is welcome that that will be pushed down through the system to the local authority level, but it will need training of staff to get that consistency of approach across all local authorities.

Mhoraig Green: First, I will quickly cover some of the things that I would like to change in the system generally, because I had a technical issue when that question was asked, but that links into Ms Hamilton's question as well.

We would like to see the relaxation of conditionality continue beyond the pandemic, because the word from our advisers is that that is having a positive impact on people with regard to their experience of universal credit. There has been greater flexibility around phone applications in maintenance of universal credit claims, and that has had a positive impact in Scotland where, historically, the digital-by-default nature of universal credit has been more problematic than in other parts of the UK, because of rurality, issues with mobile phone signals and distance to job centres or public internet sites.

09:45

I also stress the issue of phone assessments for disability payments. Initially, we were pleased that they had moved away from face-to-face assessments, but we are hearing that the phone assessments are very arduous for people; they are long and, often, claimants do not have the support that they normally have for face-to-face assessments. Therefore, we caution against too much emphasis on that as something that we could learn from for the Scottish system.

Those issues around phone applications for universal credit are also relevant for the Scottish welfare fund. In some areas, there is a digital-only application process for the Scottish welfare fund, and we believe that that presents an access issue for many people. Therefore, we would like all local authorities to offer a range of ways to access the Scottish welfare fund; as we have talked about elsewhere, there should be a no-wrong-door principle, which is a multichannel approach.

I agree with much of what Katy Schmuecker and Kirsty McKechnie have already said about the importance of the Scottish welfare fund. We have seen demand for advice on accessing the fund throughout the pandemic, so we believe that the investment has been really important. We are concerned that the money is not always being spent effectively, but I echo the point that has been made about the lack of funds that local authorities have had for the administration of the fund. If the programme for government aspiration—to develop a human rights approach to social security at local authority level—is to be

realised, local authorities will require additional support to do that.

The other point, which has not already been made, is that it is important that the pots for DHPs and the Scottish welfare fund are topped up as necessary. We are concerned that local authorities are not spending the money at point of need, because they are concerned about running out of money before the end of the financial year. During the crisis situation, it is important that those funds are kept topped up. As Katy Schmuecker said, DHPs are increasingly important, because they have a role in tackling the developing rent arrears problem.

The Convener: Thank you. We will move to our next theme.

Alison Johnstone (Lothian) (Green): It is fair to say that, in this important discussion, many of the themes are overarching, so some of what I was intending to explore has been touched on. However, we have real concern about those who fall through the gaps—[Inaudible.] Like many other MSPs, a lot of my constituents have been in touch because they did not qualify for the job retention scheme or the self-employment scheme, and were not able to claim means-tested benefits.

According to our briefing for this morning's discussion, research from the welfare at a social distance project estimates that, across the UK, more than 200,000 people who claimed for universal credit were advised that they were ineligible. Obviously, that could be very difficult to hear. Perhaps it was deemed that they had enough savings, but it does not take away from the fact that many folk have experienced great financial distress; nearly half of them have reported severe financial strain.

We have been having a discussion about the gaps that exist and the fact that some folk are coming up against the hard reality of the inadequacy of some payments. Pauline McNeill has spoken about that; I wholly support a minimum income guarantee; and Reform Scotland and others are getting behind my party's long-standing policy of having a universal basic income, but what can we do in the meantime? I am sure that you share my concerns that we do not want to exacerbate the situation and come out at the end of the crisis to find that, through no fault of their own, people are in truly dire straits.

Kirsty McKechnie: We whole-heartedly agree and we have identified a number of gaps in social security support during the pandemic. Students, who normally have a part-time job or casual work to see them through, are not entitled to universal credit if they do not have dependents or disabilities so, if they are not working, there is that great loss of income. It is a particular issue for migrants,

either because they are European Union nationals who—if they are not working—are not entitled to benefits, or because they have no recourse to public funds. There is also a gap for 16 to 17-year-olds, who are not entitled to universal credit because they are not yet 18, but there is a big issue in their households. We need to look at those gaps and how we support people who are in those situations.

It is not just that there are gaps but also that there is inadequacy in the system, an example of which would be the arbitrary limits that have been placed on social security, including the benefit cap and the two-child limit. We need to look at removing them or, if they cannot be removed, how we mitigate them in the meantime. Those are the main issues for us.

Katie Schmuecker: Kirsty McKechnie has identified some of the important, glaring gaps. The only thing that I add—which the welfare at a social distance project identified and Alison Johnstone pointed to—is the problem with contributory benefits. A lot of people find that they are not eligible for universal credit because they have savings in excess of the limit or a partner who is working, which takes their household over the income limit. However, they might experience severe income shock or struggle to keep up with payments for rent and other bills that were perfectly manageable when they had two earners in the household, before their circumstances changed. In that scenario, people expect the contributory benefit system to kick in to support them for a limited amount of time, in order to get through that experience. However, because the £20-a-week lifeline applies to universal credit but not to other benefits, universal credit is now slightly more generous than contributory benefits. That is an odd situation and it raises big questions about how we design the contributory element of a benefits system.

Mhoraig Green: I agree with everything that has been said so far, and we have identified a couple of other gaps. Despite the various schemes that were in place for them, self-employed people have fallen through the gaps, because they were not entitled to either of the payments from the UK or Scottish Government and because they lack protections that workers have, such as sick pay. That protection was not in place for self-employed people who could not work because they were self-isolating, so there is a need to look at what income protection is available for self-employed people. In addition, the current pandemic has highlighted the inadequacy of overall levels of sick pay.

The other gap that I want to flag up is around people who are on zero-hours contracts, who have often been unable to access the furlough scheme.

The furlough scheme has been very welcome and has kept lots of people attached to jobs, with an income coming into their homes, but there have been gaps in it. One of the issues is that there is no right to access it, because it is dependent on people's employers facilitating it. We have seen lots of people who were denied access to it because their employer, for whatever reason, did not access it. We have also seen people on zero-hours contracts who have not been able to take advantage of that protection. We need to look at the rights and protections of zero-hours workers and people in the gig economy and how the social security system interacts with them going forward.

Alison Johnstone: Thank you. I really appreciate the comments that you have made.

I have been looking into what happens in other countries. In Denmark, for instance, unemployment insurance can pay up to 90 per cent of a person's previous salary, albeit up to a ceiling. I have been having a look at the Kurzarbeit system in Germany, which is interesting, too. However, those things do not really apply for people who are in such precarious work that they have no guaranteed powers and practically no contract.

It seems that all our witnesses are saying that the impact of coronavirus has absolutely strengthened the case for higher benefit rates. I would be grateful if you could comment on that and also on the self-isolation support grant that you mentioned, Mhoraig. A number of concerns have been raised about it. I think it was Richard Gass from Rights Advice Scotland who told us last week that a high proportion of applications had been rejected, and there are concerns around means testing in that respect.

We are struggling with compliance with self-isolation. Would it be helpful if that grant was available not just for employees? Is there a case for making the grant available even for someone who does not or is not able to work?

Mhoraig Green: It is interesting that you have raised that subject, as we have not yet seen a lot of feedback from the CABx about issues with accessing that grant.

One of the issues that we have picked up on, however, is that the guidance on that grant is not terribly clear. There are potential contradictions in the essential guidance that is being issued on it. That is particularly relevant for whether people with no recourse to public funds are able to access it—and it seems, from looking at the mygov.scot website, that they cannot access it—because they are not entitled to any of the passported benefits. The guidance that was agreed by the Convention of Scottish Local Authorities and the Scottish Government, which was circulated to local

authorities, says that people with no recourse to public funds and who are in low-paid work are entitled to access it.

As a first step, there is a need to ensure that the guidance on that payment is crystal clear. That applies to guidance across the board. It is a real barrier to the take-up of any social security payment if eligibility is not clear.

To be honest, I do not have a view on whether or not the support grant should be open to people who are not in work. I would need to consider that further—sorry about that.

Alison Johnstone: Thank you, Mhoraig. I appreciate that.

The Convener: Before we move to some additional questions from our deputy convener, Pauline McNeill, does any other witness have a view on extending the criteria for the self-isolation grant?

Kirsty McKechnie: We concur with what Mhoraig Green has said about the need for the guidance on the self-isolation grant to be clearer, but there is something that we would like to be made really clear. The guidance on the gov.uk website says that, if somebody does not meet the criteria for the self-isolation grant, consideration should be given to a crisis grant. We would like the matter to be dealt with at local authority level if somebody is refused a self-isolation payment. Richard Gass said last week that 75 per cent of applications in Glasgow are being refused. The application should automatically be treated as an application for a crisis grant, and there should be guidance on when it is particularly pertinent to pay such a grant.

For instance, when it comes to people who might not be entitled to the self-isolation payment, we have not seen any guidance suggesting that it is available for people who have to self-isolate more than once. Is it payable to parents who might have to take time off work because their children are self-isolating? We know that a number of children have been sent home from school.

We would like clarity on the crisis grants. Ms Somerville sent a letter to local authorities back in March, advising them that it should be possible to get the crisis grant more than three times a year. However, we are hearing through our advisers that crisis grants are still being refused on the basis that somebody has already had three grants this year and that the exceptional circumstances are not being taken on board.

If people do not meet the criteria for the self-isolation support payment, there should be a clear route for them as to what other help is available, and that should be a seamless transition for them.

The Convener: Do you wish to add anything else before we move on, Alison?

10:00

Alison Johnstone: My one outstanding question this morning is about help for self-employed people. There are people who are still telling us that the support that they need is not in place. Are we in a position where universal credit is our only response?

The Convener: Does any of our witnesses wish to say something specific on that? If you have a specific suggestion of how we could do better for the self-employed or a comment on our record now, you can email the committee's clerking team at a later date, and we can deal with that as part of our inquiry. Does anyone wish to comment on that just now?

Thank you for that point, Alison; it is now on the record.

Pauline McNeill: I agree with the last point that Alison Johnstone made. There seems to be a gap for the committee to consider regarding universal credit being our only response.

I have a question for Kirsty McKechnie. I was astonished at the figure that you mentioned, Kirsty—that 75 per cent of applicants in Glasgow had been refused the self-isolation grant. Do you have any idea why that might be?

Kirsty McKechnie: I am taking that purely from Richard Gass's contribution to your evidence session last week. I think he thought that it is because people are not entitled to the qualifying benefit—for example, universal credit or jobseekers allowance. That is the reason why people are being refused the grant.

Pauline McNeill: Thank you. That seems to be a big issue for the committee to consider. Are qualifying benefits the stepping stones to something else that is greatly needed by a lot of people?

I have just one other question. I am trying to understand the self-isolation support grant, and I wonder whether anyone can help me with that. Employees who earn more than £120 a week would get statutory sick pay, which is £95.85, whereas the grant for those in receipt of universal credit or legacy benefits is £500. Is there a disparity between the two rates? If someone had to self-isolate for two weeks, would their statutory sick pay be the £95 times two, or would they get a proportion of the £500? Is there a disparity between workers on statutory sick pay and those in receipt of universal credit? The situation is complicated by the fact that many people who are working will also be on universal credit. Does that mean that they would get the lower amount or the

£500? If anyone could help me by answering that, I would be very grateful.

The Convener: I want to give witnesses the chance to self-select. I see that you are desperately keen to make a comment in response, Ms McKechnie.

Kirsty McKechnie: I am not sure that it was “desperately keen” that you spotted there, convener, but I will try.

You are right, Ms McNeill, that there is a disparity there. It will come down to the individual circumstances in a household. It seems that, if people who are receiving a benefit are then entitled to the £500 payment, they will get more of a cushion, whereas people who sit just above the cliff edge in relation to benefits might experience a significant income drop. As people tend to budget to their incomes, that could have a big impact on people’s ability to meet their outgoings.

Pauline McNeill: Could you hazard a guess about this? Do you think that people who are in receipt of child tax credits, for instance, who are nominally in the universal credit system and who are working would have a choice between the £500 and the statutory sick pay? I appreciate that you might not know the answer to that.

Kirsty McKechnie: I do not know the answer to that off the top of my head, but I would be more than happy to come back to you on it.

Pauline McNeill: Thank you very much.

Keith Brown (Clackmannanshire and Dunblane) (SNP): On the issue of Social Security Scotland benefits, there was a big increase in the processing time for best start grants, which, in August, went from 11 to 20 working days. We were told that that was due to something called telephony—I assume that that is about the number of people who are able to staff phones. In addition to some of the points that the witnesses have already made, do they want to talk about the impact of Covid on the need for any changes to any Social Security Scotland benefits, whether that is in relation to administration, eligibility, the level of payments or support to access the payments? Some of that has been covered in their responses so far, but is there anything in addition to what has already been said?

Kirsty McKechnie: As we have already covered, we would like the Scottish child payment to increase in response to the pandemic. Through our early warning system evidence, we have not heard of huge problems in accessing Scottish social security during the pandemic, which is to be commended. Other colleagues might have different evidence. The main issue relates to the increase in the Scottish child payment, but we also

want to make sure that the benefits remain accessible to people.

Mhoraig Green: Our evidence base is not showing significant issues with Scottish payments, which is to the agency’s credit. The multi-channel approach that the Scottish Government committed to early on, which means that people can apply online or by phone, has served the agency well during the pandemic.

I have already touched on the fact that we would like to see the Scottish child payment increase. We also welcome the additional payment that was made to carers in April and we would like to see that repeated, because that has had a good impact on people.

Katie Schmuecker: I will add a little detail to what I said previously. As I said, we want faster action to support low-income families with children who need help now. We think that it is too long to wait until the end of 2022 to roll out the payments to families of children aged six and over. As a temporary fix, we could route money to those families through local authority channels. Two options that we could look at are the channels that local authorities have been using during lockdown to make payments to people in lieu of free school meals or the school clothing grant. We see that as a bridge or stopgap to get us through to when the formal payment comes on stream further down the line.

There is a trade-off to make there. In doing that at speed, the payment will not reach as many people who would be eligible for it in the long run but, given the level of need now, that trade-off is worth making and we should not allow perfection to be the enemy of the good. We acknowledge that there will be varied take-up across local areas and that eligibility will be narrower, but it is a reasonable trade-off and we estimate that the Government could potentially reach 178,000 children through that route and that it would cost around £90 million. That is not insignificant, but it is a relatively small cost for making a big difference to families with children who need help as we enter this challenging winter, as the storm of coronavirus continues to hit people’s incomes.

Keith Brown: Thank you. It is reassuring to hear those positive comments about access to Scottish social security benefits. Mark Griffin might want to comment on that. Having had that reassurance, I will ask a more general question—at the risk of the convener jumping all over me for doing so.

My question is about comments that were previously made about a universal basic income or minimum income guarantee. Pauline McNeill asked a pertinent question about what level that would be set at, but, for fairly obvious reasons,

there is no real answer. We always run into difficulties when we look at UBI and a minimum income guarantee in relation to what we would be trying to do and the different needs of different people.

Should we be taking a needs-based approach—for example, on the basis that everyone should have a warm, dry home, internet access and the ability to heat and light their home? If we did that, there would be different packages. For example, somebody who lost their job and had their house put in jeopardy would get support to sustain that house. Would it be better to consider what the needs of individuals are and have the state meet those needs, instead of trying to set an arbitrary level of universal basic income that might not be enough to meet those needs?

The Convener: There might be a bit of drift from theme 4 in that question, but it is important.

Mhoraig Green: The other interesting idea that sits alongside UBI and minimum income guarantee is the universal basic services model, which is the principle that the state provides or funds a range of essential services for people in the community. For us, the pandemic has highlighted some of the services that should be considered essential. Broadband and internet connectivity is one that we knew about before, but the lockdown, the working-from-home situation and the closure of public internet access points have really highlighted how important it is for people to have access to broadband as an essential service. Another essential service is advice. It is critical that people have advice to deal with points of crisis in their lives and to enable them to access things to which they are entitled, which is central to a human rights-based approach.

CAS would like to see a redefinition of what statutory services are. Which services are essential to our communities, and are they the same services that are currently defined in Scottish law as being statutory? There could be an opportunity to revisit that in consultation with communities, the voluntary sector and local authorities, to think about which services are essential to our communities, how we define them and whether that can be codified in law to make sure that people have access to what they need in order to have a decent life.

Kirsty McKechnie: Some things would lend themselves nicely to being a universal basic service. As Mhoraig Green says, broadband is almost like turning the tap on in the house to get water—every house should have broadband these days as well. It is important that we consider which services lend themselves nicely to that, but not all will. It is important that people have dignity, respect and autonomy to make choices. For

example, in relation to the provision of care, we want to make sure that people do not lose things that are important to them, such as the ability to make choices and the autonomy to reflect their different needs in different households. However, although we are in favour of that for some services, we would add a note of caution that, for other services, it would need to be given careful consideration.

The Convener: I am afraid that we have to move on.

Mark Griffin (Central Scotland) (Lab): I have a question about access to social security entitlements in general throughout the pandemic. The image that I have, and it is probably a familiar picture for other MSPs, is of people reaching a real crisis point, then going to a local authority first-stop shop, coming into an MSP's office or going to a job centre while being really distressed and baring their soul, and a skilled and experienced advice worker picking through that story to identify what support they would be eligible for. How has the ability for someone to seek that sort of comprehensive advice been impacted by the lack of access to local offices and face-to-face advice services during the pandemic?

10:15

Mhoraig Green: That is a really good question, and one on which we have been working, given the nature of what Citizens Advice Scotland does. At the start of the pandemic, there was a huge effort to get our advisers kitted up with laptops and phones at home, so that they could continue to provide our advice service. We did that with a great deal of success. There has been a real switch from the overwhelming majority of our advice being given face to face in bureaux, which was the position in March, to the advice being given from people's homes.

We hear from our advisers that the phone calls are getting longer because, as always, they are dealing with a range of issues. One of the benefits of citizens advice bureaux is that people come in with one problem and then get help on a range of other issues. The calls are getting longer as the range of issues that people are facing becomes more complex. The advisers often deal with distressed people who are distressed and on the point of crisis, which is difficult for the advisers as well as for the people with the issues.

There has been concern throughout the pandemic about access to our services. Early on in the pandemic, there was a dip in the number of applications for disability benefits. Initially, you would think that a telephone application system would improve access for people who have disability problems, for example, but there was a

dip. As social distancing goes on, we need to be live to how people who have access issues continue to access the services that are essential to them.

Katie Schmuecker: The point about people being able to access their entitlements is crucial. As I touched on earlier, there is a lot of complexity in the system, and we know that complexity drives down take-up, along with lack of awareness about what people are entitled to, the costs associated with making a claim and the stigma of claiming. That stigma means that people often wait until the point of crisis before they seek help, which can mean that the time when we might have been able to help them has already passed.

We need to do everything that we can to make the system as uncomplex as possible for the person who is seeking help. That is not to say that the system will not be complex behind the scenes; of course, it will be. However, the person who needs help needs a single point of access and to get all the advice and information about everything to which they are entitled all in one place.

Prior to the pandemic, we saw some promising experiments on different ways of providing advice. Whether it is through general practitioners' surgeries in Glasgow or schools, nurseries and libraries in Edinburgh, there are positive examples that we can learn from and build on as and when those routes open up again.

We need to think not just about how we deliver advice in the midst of a crisis—Mhóraig Green has talked about that very eloquently—but about how we ensure that that advice is available to people in the longer term in a way that is accessible, goes to where they are and interacts with them in their lives.

Kirsty McKechnie: One of the important things that happened during the pandemic is that advice services managed to turn themselves round very quickly in order to support people remotely. However, we find that a real barrier is being put in place not by the advice agencies but by the DWP in relation to disability benefits.

We are hearing of people having assessments and asking for someone to be allowed to support them, but barriers are put in place to having somebody on the call with them. We also run into problems with issues such as consent for advisers who are not necessarily sitting in the room with the person. In recognising the need for access to the benefits system, it is important that we ensure that the agencies that deliver the benefits make it as easy as possible for people to utilise the support that is available to them, without placing barriers to that support.

The Convener: Thank you. We will return to disability benefits before long, so I am glad that you mentioned that.

Shona Robison (Dundee City East) (SNP): We have touched on some of the issues that I want to explore around local authority payments, so I will try to avoid covering the areas that we have already covered.

I know that the witnesses have looked at the previous evidence session, so you have seen concerns raised about the inconsistency of local authorities' decision making and about whether the scope and remit of the welfare fund needs to be reviewed in light of its original purpose, compared with its current purpose and use. Should the fund be reviewed? What do witnesses think about the inconsistency of decision making at the moment?

Mhóraig Green: The guidance for the Scottish welfare fund needs to be reviewed; that would help with the inconsistency of decision making. Through our evidence base, we have seen that that was a barrier to access throughout the pandemic, so it needs to be addressed.

The guidance for DHPs has never been revised specifically for the Scottish context, so there is a need to look at that urgently. We would like DHPs to be used as a protection for people who are in rent arrears, especially when emergency protections wind down, as they will have to at some point in the future. We would like that support to be available to people in that situation and for local authorities to be clear that they can use it for that purpose.

Generally, with regard to the instruction on self-isolation payment, local authorities are being asked to do a lot of things, so some clarity about the rules of and eligibility for those funds and how they sit together would be welcomed and could help with access and inconsistency in decision making.

Shona Robison: From what you say, I take it that you want to see the eligibility criteria broadened rather than contracted.

Mhóraig Green: I would not say that the eligibility needs to be made less narrow; it needs to be made crystal clear, so that everybody understands the entitlements. As I have said, the lack of crystal clear guidance is a barrier to access and, if there is ambiguity about whether an individual is entitled to payment, it makes the job of advice agencies such as us and CPAG difficult.

Kirsty McKechnie: We reiterate what Mhóraig Green said in relation to clear and transparent guidance. Yes, we would be delighted if there was a review of the Scottish welfare fund, to make sure that it is working as efficiently as it could be.

Because there are 32 different authorities, there are 32 different information technology systems and different information on local authority websites. Some use the eligibility checkers that might prevent people who might otherwise be entitled from applying for a crisis grant or a community care grant. Those are little barriers to take-up that can be put in place—sometimes unintentionally. One of the websites that we came across recently said that people could apply only if they were in receipt of an allowable benefit. We know that the criteria is that people have to be on a low income and we are not sure what an allowable benefit is. It is about ensuring that there is consistency across the country, so that, no matter where people live, they get the same information and the same right of access to the Scottish welfare fund and to discretionary housing payments.

We absolutely reiterate what Mhoraig Green said about the DHP guidance, which is causing issues in some local authorities that have perhaps noted that the existing good practice guide is directed at England and Wales and not at Scotland, so they are not using it. Therefore, we need something clear on that now.

Shona Robison: Do you have anything to add to that, Katie?

Katie Schmuecker: We are seeing inconsistency across different local authority areas, which is a concern. Someone who is presenting in crisis and need should be able to get the help that they require, no matter where they live. On the points that Mhoraig Green and Kirsty McKechnie have made about clarity in the guidance and getting minimum standards written into that guidance, I would not say that there should be no local flexibility, but what can be expected should be made really clear, no matter where people are in Scotland. We can also consider the areas where we are more comfortable about having some variation so as to address local needs that might vary due to different demographics, for instance. Those are the points that I wish to reiterate.

I whole-heartedly agree with what both Kirsty Schmuecker and Mhoraig Green have said about DHPs. The guidance needs to be adjusted so that it is suitable for Scotland and so that it is clear what the guidance is in Scotland. It needs to be clarified that DHPs can be used to provide targeted support with rent arrears, as I think that we will be facing a wave of evictions later in 2021 if we do not get on top of the problem now.

Shona Robison: It is helpful to get that on the record.

At an earlier evidence session, we touched on the reduction in the number of community care

grant applications in the spring that was put down to fewer people moving tenancy. Thus, an issue was raised about the consistency of free school meals and holiday meals. Do any witnesses have anything that they wish to say about that? Do you have any comment on that specifically, Katie?

Katie Schmuecker: The Scottish Poverty and Inequality Commission looked into the matter of consistency around free school meals, and we were pleased to see that the Scottish Government is reiterating the focus on a cash-first approach, which is how we can provide dignity to people, by giving them choices about the sort of food that is suitable for them and their family. Although we are pleased that the Scottish Government is urging that, we are still seeing a lot of variation in how free school meals are being delivered by local authorities.

Some of the choices are concerning. In the past, vouchers have been used for just one particular supermarket, which may or may not be near to where people live. There are lots of inconsistencies in how local authorities are delivering vouchers, and there is a need to iron some of that out to ensure that we are quickly delivering what families need in a way that is underpinned by the principles of dignity that are written into the Scottish system.

Kirsty McKechnie: I absolutely reiterate the point that there must be a cash-first approach. We have heard some sad tales on our advice line about people who were given vouchers but were not able to spend them due to their circumstances. They might have been shielding, or they might simply have been unable to access the shops that the vouchers were available for. It is absolutely imperative that the support is provided in cash.

We would like there to be a minimum level of support, consistent across Scotland. Local authorities should have a minimum that they must pay in relation to free school meals.

Shona Robison: Mhoraig?

Mhoraig Green: I have nothing to add to what has been said.

Jeremy Balfour (Lothian) (Con): One of the advantages of coming last is that most of your questions have already been covered. However, I will start with questions for the Joseph Rowntree Foundation, as it was its proposal to extend the winter heating allowance to disabled adults as well as children. Is it too late to do that? How would you see that happening?

My question for the other two witnesses is whether they think that that is a good idea.

10:30

Katie Schmuecker: We are really concerned about disabled adults. We completely understand why the disability assistance payments have been delayed, but that group of people has been cut adrift in much of the Covid response. Going into the pandemic, one in three disabled people in Scotland was in poverty. That group has been unjustly overlooked in the uplift that was applied to universal credit. Many people are still on legacy benefits, so they have missed out on that help. It is a group that is more likely to have been pushed out of work during the response to the pandemic, and it has struggled with additional costs throughout the lockdown, particularly in connection with support needs and help with caring. We have heard lots of stories about people who have had real problems with how they would normally do their shopping. The delay piles problem upon problem for disabled adults in Scotland.

The winter heating assistance for disabled children is a great policy, and we are really glad that it is coming into being. The question that we would ask is whether it provides a mechanism that could be tweaked relatively straightforwardly in order to get cash into the pockets of disabled adults as well as disabled children, through prioritising those on the enhanced rate of the personal independence payment or the highest component of the disability living allowance. The mechanism is there, and we think that it would potentially be quite simple to change the eligibility for the assistance a little so as to extend that bit of help and get a bit of cash in the pockets of people who really need it and who have been at the sharp end of the impact of coronavirus. Disabled adults are a group that was already much more likely to be held back by poverty.

Jeremy Balfour: I should declare an interest, in that I would benefit from that proposal if it were implemented.

Would Katie Schmuecker view such a measure as a one-off because of the situation that we are in at the moment, or does she think that that should be happening into the future and that we should just tweak things in such a way that all adults on the enhanced rate of PIP would get the assistance in future?

Katie Schmuecker: Right now, we are thinking about the measure as a crisis response and as a mechanism that we can use to help a group that has been unjustly overlooked in much of the help that has been made available. There are additional heating costs for disabled people in the longer term, especially through the winter. It is worth considering whether the measures should form a longer-term part of the system. However, right now, we are most concerned about the crisis response.

Jeremy Balfour: Do the other two panellists agree with that?

Mhoraig Green: We have not looked into that suggestion specifically, but we absolutely recognise that disabled people need an enhanced heating receipt. The measure seems to be a sensible proposal.

Our longer-term aim is to redesign the winter fuel payment to target people who are in fuel poverty rather than basing it on an age demographic. However, if my understanding is correct, that would involve collaboration with the UK Government. That would be a longer-term gain. It sounds as if the JRF suggestion is a more suitable short-term proposal that would make a real difference to a group that has been particularly hard hit by the pandemic.

CAS recognises the importance of well-heated homes in the context of a pandemic that affects people's respiratory systems.

Kirsty McKechnie: CPAG does not have a position on the winter heating allowance, but we have concerns about disabled people being able to realise the entitlements that they should be getting at the moment. We noted that universal credit was being prioritised above everything else, and at the expense of disability benefits being processed, particularly at the height of the pandemic. People who should have been receiving additional amounts were told that assessments would not be carried out, even if an actual assessment was not necessary. For example, there should be an automatic decision that someone who is receiving chemotherapy is entitled to an additional amount, but those cases were simply not processed.

We are also seeing considerable delays in relation to personal independence payments, which sometimes lead to people's entitlements being stopped before an assessment is carried out. People might be entitled to the payments once the assessment is carried out but, in the meantime, there is a period during which their income drops. Before we consider additional entitlements, I note our concern that disabled people face difficulties in realising their current entitlements.

Jeremy Balfour: That is helpful. As we have heard, there has been a delay to when we will deliver DLA and PIP in Scotland through the agency. As we design the system, are there any positives that we have learned from the past six or seven months that could make it easier for people to claim or that could make the process work quicker once people have claimed? Is there anything that we have learned that we could use to streamline the system?

Katie Schmuecker: As we start to design systems, it is essential that we involve people who have experience of the system in the design choices. Social Security Scotland got off to a brilliant start by setting out its principles and working very closely with a group of people with lived experience in order to bring that experience into the consideration of what the system should look like. That way of working needs to be embedded in everything that the agency does.

The best people to tell us what a good, streamlined system would look like, how it would feel and how it would work are those who have first-hand experience of interacting with the system. I commend the Scottish Government for the choices that it has made in involving people with lived experience, and I urge that we continue in that vein in answering some of these questions.

Mhoraig Green: I echo what Katie Schmuecker said about the importance of co-production and of listening to the experiences of people who use the current system in the redesign.

We would like a dramatically different approach to be taken to assessments, because we know that the current approach causes stress for people and can put people off making an application for the payments. We would like that to be done dramatically differently in the new system. The Scottish Government has said that it will do that, which is great. The key to what the system should look like will come from working with voluntary sector organisations and people with lived experience in order to identify what changes there should be. We would also like there to be consideration of the use of the mobility descriptors in the assessment process.

Along with CPAG and the Scottish campaign on rights to social security, we published a long-term vision for disability benefits in Scotland, which sets out what we would like to see from the disability payment system beyond the current safe and secure transition. We accept that the current process that we are going through will, in effect, replicate the existing system while fixing some of the most problematic bits of it. That is a good approach to ensure stability and to make sure that people continue to get the money that they need into their pockets.

However, over the longer term, we would like there to be a full review of the system and how it operates, in order to ensure that the Scottish Government is realising its ambitions for a human rights-based approach to disability assistance. We would like it to consider a whole-of-life benefit rather than the three separate payments for the different stages of a person's life. We would also like the Government to consider adopting a social model for disability payments rather than a medical one. That would mean focusing less on

what an individual is and is not able to do and more on how we address the barriers to participation in society.

The Convener: Before I give Kirsty McKechnie the opportunity to come in, does Jeremy Balfour have another question? Time is getting tight, but Jeremy Balfour could ask his question now. I see that he has indicated.

Jeremy Balfour: No. That was effectively a no rather than a positive.

The Convener: Does Kirsty McKechnie want to add anything to what we have heard?

Kirsty McKechnie: No. I have nothing to add to what Mhoraig Green has already said.

The Convener: Does Alison Johnstone want to come in on that theme?

Alison Johnstone: I am content, convener. My main concerns are the lessons that those who deliver benefits might learn in not making applications unduly complicated and lengthy, and the access to help people to make a claim. To be fair, I think that those points have been well made throughout the session.

The Convener: I thank our witnesses for a productive evidence session. As Alison Johnstone indicated, lots of key points have come up. Please continue to follow the inquiry; I know that you will anyway, because you always do. Your contributions have been very valuable, but get back in touch on any other matters that you think that we should be covering, because that would be invaluable to the committee.

Subordinate Legislation

Carer's Allowance (Coronavirus) (Breaks in Care) (Scotland) Amendment Regulations 2020 (SSI 2020/350)

10:41

The Convener: Agenda item 3 is subordinate legislation. I refer members to paper 2, which is a note by the clerk.

Members are asked to consider the Carer's Allowance (Coronavirus) (Breaks in Care) (Scotland) Amendment Regulations 2020, which are subject to the negative procedure. Are members content to note the instrument? I will wait for a brief moment to ensure that we get agreement on that. I see that Rachael Hamilton is indicating that she wants to make a comment.

Rachael Hamilton: I would like clarification on the extension from 3 December 2020 to 12 May 2021. Was that approach in place six months previously, as well? Is that the standard timing?

The Convener: I am afraid that that is not a question for me to answer, but we can seek clarity on it. Does any other member wish to make a comment on that? I am not sure whether your query prevents you from noting the instrument, but we could certainly get the clerk to give us clarity on that.

Rachael Hamilton: Yes, please. That was brought in to reflect the changes that the DWP made. I would like a little more clarity on whether that approach will continue with the UK Government, so that there is consistency.

The Convener: That is my understanding but, as I said, it is not for me to answer that question; it is for me to agree that, if we need clarity, we should get it. I thank Rachael Hamilton for indicating that that does not prevent her from noting that she is content with the instrument.

If there are any other comments, members should put them in the chat box before we formally note the instrument. There are no additional comments. Thank you very much. We agree to note the instrument.

Social Security (Personal Independence Payment) Amendment (Scotland) Regulations 2020 (SSI 2020/340)

The Convener: Agenda item 4 is also subordinate legislation. I refer members to paper 3, which is a note by the clerk.

Members are asked to consider the Social Security (Personal Independence Payment) Amendment (Scotland) Regulations 2020, which

are subject to the negative procedure. Are members content to note the instrument, or would anyone like to make a comment before we note it?

Jeremy Balfour: I have a couple of questions that we could perhaps ask the Scottish Government in writing. I presume that the scheme has been implemented at Westminster, so there will be the same scheme across the whole of the United Kingdom, but I am not sure whether that is the case. I also presume that there has been an equality impact assessment. We could write to the Scottish Government to see that assessment, because the change impacts on older people. It would be interesting to know what work has been done by the Scottish Government in that area.

The Convener: That is a reasonable point, Mr Balfour. I think that the aim is to ensure consistency. We will see what additional information we can get from the Government about an equality impact assessment if we do not have that information already.

I do not see anyone indicating that they are not content to note the instrument. As members are not saying otherwise in the chat box, we agree to note the instrument.

We will now move to agenda item 5, under which we will reflect on the evidence that we heard earlier in the meeting. I formally close the public part of the meeting.

10:45

Meeting continued in private until 11:20.

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