



The Scottish Parliament  
Pàrlamaid na h-Alba

## Official Report

# HEALTH AND SPORT COMMITTEE

Tuesday 15 November 2011

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**Tuesday 15 November 2011**

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**HEALTH AND SPORT COMMITTEE**  
**12<sup>th</sup> Meeting 2011, Session 4**

**CONVENER**

\*Duncan McNeil (Greenock and Inverclyde) (Lab)

**DEPUTY CONVENER**

\*Bob Doris (Glasgow) (SNP)

**COMMITTEE MEMBERS**

\*Jim Eadie (Edinburgh Southern) (SNP)

\*Mary Fee (West Scotland) (Lab)

\*Richard Lyle (Central Scotland) (SNP)

\*Fiona McLeod (Strathkelvin and Bearsden) (SNP)

Gil Paterson (Clydebank and Milngavie) (SNP)

\*Mary Scanlon (Highlands and Islands) (Con)

\*Dr Richard Simpson (Mid Scotland and Fife) (Lab)

\*attended

**THE FOLLOWING ALSO PARTICIPATED:**

Mark Ballard (Barnardo's Scotland)

Marion Davis (One Parent Families Scotland)

John Dickie (Child Poverty Action Group in Scotland)

David Griffiths (Ecas)

Douglas Hamilton (Save the Children)

Kate Higgins (Children 1st)

Maggie Kelly (Poverty Alliance)

Matt Lancashire (Citizens Advice Scotland)

Marion Macleod (Children in Scotland)

Robert McGeachy (Action for Children Scotland)

Dennis Robertson (Aberdeenshire West) (SNP) (Committee Substitute)

Drew Smith (Glasgow) (Lab)

**CLERK TO THE COMMITTEE**

Douglas Wands

**LOCATION**

Committee Room 1



## Scottish Parliament

### Health and Sport Committee

*Tuesday 15 November 2011*

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

### Subordinate Legislation

#### **National Health Service Superannuation Scheme etc (Miscellaneous Amendments) (Scotland) Regulations 2011 (SSI 2011/364)**

**The Convener (Duncan McNeil):** Good morning and welcome to the 12th meeting in session four of the Health and Sport Committee. I remind all those who are present—the public and members of the committee—to turn off BlackBerrys and mobile phones. I have received apologies from Gil Paterson. Dennis Robertson joins us again this morning as a committee substitute. You are welcome, Dennis.

Item 1 is subordinate legislation. The Subordinate Legislation Committee has drawn our attention to the fact that the National Health Service Superannuation Scheme etc (Miscellaneous Amendments) (Scotland) Regulations 2011 contain drafting errors, although none is likely to affect the operation of the regulations.

There are no comments from members, so does the committee agree that we do not wish to make any recommendation to the Parliament on the regulations?

**Members** *indicated agreement.*

## Welfare Reform Bill

10:01

**The Convener:** We move to agenda item 2. I welcome our first panel of witnesses on the Welfare Reform Bill legislative consent memorandum. We have with us David Griffiths, who is the chief executive of Ecas and an elected member of the Scottish Council for Voluntary Organisations policy committee; John Dickie, who is the head of the Child Poverty Action Group in Scotland; Maggie Kelly, who is the policy and campaigns officer at the Poverty Alliance; and Matt Lancashire, who is the social policy officer at Citizens Advice Scotland.

Before I call Mary Scanlon to ask the first question, the committee would like to note that this is Mary Scanlon's last meeting as a member of the Health and Sport Committee. I know that colleagues who have served with Mary on this committee and its predecessor committees would like to express our appreciation and thanks for her commitment to the committee and its objectives over many years. We have all enjoyed working with her in the short term and the long term. We wish her all the very best in her new role as deputy convener of the Public Audit Committee.

**Mary Scanlon (Highlands and Islands) (Con):** Thank you for your kind words, convener.

The Welfare Reform Bill is a Westminster bill, on a matter that is reserved to Westminster. We have to scrutinise the legislative consent memorandum that pertains to the Scottish Parliament and the Scottish Government.

In my usual way, I will roll two questions into one. First, what are the panel's views of Professor Harrington's proposals, following the pilots that were carried out in Aberdeen and Burnley, and secondly, what are your views on the issues on which the committee and the Parliament have responsibility—that is, the four issues that are covered in the LCM?

**Matt Lancashire (Citizens Advice Scotland):** I will start with the question about Professor Harrington. Since employment and support allowance came into being in 2008-09, we have seen thousands of problems with claims. We fully welcomed the recommendations in the Harrington report and the fact that Chris Grayling said that parts of the recommendations would be adopted in full. However, there are on-going issues with employment and support allowance. At this moment, Department for Work and Pensions statistics suggest that in 40 per cent of cases that go to appeal, the appellant wins their case. Among those who have representation from a citizens advice bureau, that figure goes up to 70 per cent.

We welcome the second review by Harrington, which will take place over the next six to 12 months and which will consider fluctuation in diseases and illnesses. However, we are extremely concerned that employment and support allowance does not support people in the way that it should.

**Maggie Kelly (Poverty Alliance):** I will follow up Matt Lancashire's point about the Harrington review. A second report has been produced, but we are waiting for Westminster to respond to it. Unfortunately, we have not yet heard any comment on it, which is disappointing. We are concerned about that.

I will echo some of Matt Lancashire's other points. We welcomed the proposals in the original review, but we have concerns about whether they have been implemented on the ground. There is still a lot to be done on that. Matt Lancashire mentioned the statistics on appeals. If 70 per cent of citizens advice bureaux-represented clients are winning appeals, that shows that there is a long way to go and that something is wrong. If things went wrong 5 or 10 per cent of the time in a public service, we would think that it was not great and could be improved, so a figure of 70 per cent is entirely unacceptable.

**John Dickie (Child Poverty Action Group in Scotland):** I will pick up on the second part of the question, which was about the issues that the Scottish Parliament and Government need to consider, given that the bill is on a reserved matter. It is hard to overlay the implications for families and other people in Scotland of the combined effect of the Welfare Reform Bill and the wider cuts that the United Kingdom Government is making to benefits and the benefits system. That throws up important issues for the Government in Scotland about the impact on strategies including its strategy to end child poverty.

The bill will abolish council tax benefit and elements of the social fund—community care grants and crisis loans—and will devolve to the Scottish Government responsibility for replacement schemes. That offers opportunities for the Government and Parliament in Scotland to think about what schemes we want to put in place to better meet the needs of families and others, particularly given the overall damage to family incomes that will result from the bill.

On that overall damage or impact, a recent forecast by the Institute for Fiscal Studies suggests that, throughout the UK, the overall tax and benefits changes will put 800,000 more children into poverty by 2020. If that trend is mirrored in Scotland, which is likely unless we put in place substantial mitigating policies, about 100,000 more children will be living in poverty in Scotland by the end of the decade, which would

wipe out all the progress that has been made since the late 1990s. If those elements of welfare are devolved to Scotland, it is vital that the Scottish Parliament and Government use them to support families more effectively.

There are important issues to do with passporting of benefits. With an entirely new UK welfare system in place, there are challenges and opportunities for the Scottish Government. It must consider how to link to the new system passported benefits such as free school meals, the energy assistance package and healthy start vouchers. The way we do that will have a critical impact on families across Scotland. If it would be helpful, I can expand on how the CPAG thinks that the passported benefits issue should be dealt with and how we should replace the social fund and council tax benefit.

**David Griffiths (Ecas):** I will follow up on John Dickie's points on the impact on Scotland.

First, it is extremely difficult to analyse the impact on Scotland because so much of what is proposed will be in secondary legislation. In many areas, we do not yet have information from the DWP on what the regulations will say.

Secondly, the links between benefits and health and social care are obvious to the person who receives the support—to them, it is just one package—but we appear to be heading for a rather punitive approach to benefits, which goes against the self-directed support principles of this Parliament on health and social care. That is a highly significant potential problem for people who receive benefits and health and social care services.

**Mary Scanlon:** I thank Matt Lancashire and Maggie Kelly for responding to my question about the Harrington proposals, which I can confirm are a work in progress. Significant changes have been made to the initial pilots, many of which have still to be implemented. There are many other aspects of Harrington that are still under review.

My second question was about the legislative consent motion. We have to look at what needs to be done to ensure that the disability living allowance's becoming the personal independence payment

"will not impact negatively on established Scottish social care policy such as our National Strategy for Self-Directed Support."

That is one of the four issues that the LCM covers, which I asked the panel to talk about, given that this Parliament has responsibility for the LCM. John Dickie is right—the bill is enabling legislation, and much of what happens beyond it will be done by subordinate legislation. However, it is important that we get a clear picture of the witnesses' responses to the four issues that we are being

asked to consider by Westminster and the Scottish Government.

**John Dickie:** The LCM raises four key issues, one of which is the one about subordinate legislation. A key point that we are keen to make is that, as David Griffiths has suggested, the bill is skeletal at the moment, so we would support the Scottish Government pushing for an amendment that would allow Scottish ministers to be consulted on subordinate legislation that would have an impact on devolved areas. It is important that that happens.

An example of why that is the case relates to students. We do not yet know how students will be treated under the universal credit or whether full-time students who are parents will have access to the equivalent of child tax credit. That is a crucial area when it comes to the implications for Scottish student funding support.

The second issue is to do with kinship carers. We support the moves that are being made to ensure that kinship carers of looked-after children can access support under the new universal credit system.

The third issue that is picked up as part of the LCM process is the housing component of universal credit. We agree that there needs to be far greater flexibility in how that is paid. We have serious concerns about the limiting of what rents will be eligible and there are also issues around underoccupancy.

On the switch from the DLA to the PIP, although CPAG is a child poverty organisation and the DLA for children will not be affected, family incomes will be affected, because adults who are currently entitled to DLA will potentially lose significant amounts of that allowance as the movement to the PIP is made.

10:15

**Matt Lancashire:** CAS believes that there is a lack of detail on many aspects of the Welfare Reform Bill and that much of it is being left to regulation or secondary legislation, where scrutiny is not at the same level as it is for primary legislation. Therefore, it would be helpful if the Scottish Government had a role in giving its consent to the secondary legislation when it applies to devolved areas of policy.

Although the bill's provisions will impact on all kinship carers throughout the UK—I note that this element is included in the legislative consent memorandum—the context of kinship caring in Scotland is different to that in the rest of the UK. For a start, in Scotland, formal kinship carers are not assessed as foster carers, and so benefits and tax rules that make good sense for the English

and Welsh kinship foster carers could, in some cases, very much disadvantage Scottish kinship carers. We would welcome more scrutiny in that area.

CAS supports more flexibility in the payment of the universal credit's housing component to help people to budget appropriately and to ensure that rent arrears do not build up. We are also concerned about underoccupation proposals because of their impact on people and services, and because of the lack of suitable one-bedroomed properties. In short, if you are 50 or 60 years old and your family has moved out, you might be told that your rent will go up unless you move to another community, village or city: we are very much concerned about the effect of the loss of that community and family support.

Finally, we share David Griffiths's concern about the relationship and divergence between the personal independence payment and the Scottish Government's self-directed support policy.

**Maggie Kelly:** We absolutely agree that the current proposals cut across the Scottish Government's housing and homelessness policy. It is correct that those aspects have been highlighted in the LCM, and we need to talk to Westminster about them and study the regulations. As has been pointed out, giving people the choice to have payments made to them either directly or not is a critical issue, and we also need to address underoccupation and the fact that Scotland has a severe shortage of one-bedroomed properties.

We would also like the LCM to cover the proposal under universal credit to break the link between actual housing costs and what people might get in the future. The Government's white paper suggested that, in the short term, the link would be maintained; however, the implication is certainly that, in the long run, that link will be broken, which could have a potentially devastating impact on incomes across the board, not just for people who are out of work but for those who are in work on low incomes and need to claim benefits to support housing costs.

What can I say about PIP but that it cuts across our approach in Scotland to support people in living independently in the community? The fundamental problem is the cut in funding, which means that large numbers of people who are currently in receipt of DLA will no longer be entitled to that benefit. That raises quite a few issues that are not covered in the bill and might therefore be deemed to be extraneous to the discussion, but I suggest that we could examine them in the wider sense. For example, how are we in Scotland going to treat people who are no longer entitled to benefits in terms of their being passported on to benefits for additional services?

A key problem with PIP is that the new assessment focuses on essential needs. If you are seeking to encourage equality for all people, including disabled people, and to help them to lead independent lives, it cannot be right that in considering the additional costs that they might need to cover you look only at whether they can cook a meal or—to be blunt—get to the loo. The structure of the assessment is a major problem. Something is wrong if that is to be the basis for making payments, because it will not enable people to live independently. That cuts across our views about self-directed support and independent living, because it is not conducive to those objectives.

**David Griffiths:** I fully endorse what Maggie Kelly said about PIP, independent living and self-directed support, because they go in completely different directions. That is why, to an extent, I feel that we have to go further on subordinate legislation than saying only that we would wish this committee and this Parliament to have some form of scrutiny role—I think that it needs to be adaptable.

One-size-fits-all regulations resulting from the legislation will lead to differing policies affecting the same individual. The person will be trying to deal with one system that says that it is life and limb support—we are just interested in keeping you here—and another system that says, “We want you to be independent, to live independently and to support yourself.”

Some sort of adaptation of regulations to fit local or national circumstances is important. I do not know whether there can be some sort of enabling provision in the Welfare Reform Bill that would allow for adaptation across the devolved Administrations, but I do not see how else such adaptation can be achieved at this late stage. I believe that a one-size-fits-all approach to regulations of this nature, particularly when you are being asked to consent to the bill before you see the regulations, is very difficult.

**The Convener:** I will allow a supplementary question.

**Mary Scanlon:** I thank the convener for allowing me to attend another meeting. I will be back soon.

**The Convener:** We will see you later. Bob Doris has a supplementary.

**Bob Doris (Glasgow) (SNP):** I will be disciplined, because so much has been said. I will come back to my main question later, but my supplementary is on the fact that I believe that the bill will be fundamentally damaging to some of the most vulnerable groups in Scotland. We have heard from Mr Dickie that the bill is “skeletal” and

that the devil will be in the detail in subordinate legislation, which is as yet unseen.

I am sympathetic to the suggestion that we should consider

“whether there should be a requirement in the Bill for the UK Government to seek the consent of Scottish Ministers to the making of UK subordinate legislation applying in Scotland, which impacts on areas in which the Scottish Ministers exercise functions but does not fall within their executive competence”.

Should Scottish ministers have that power? Right now, if anything is approved, we are approving something when the detail is not known. Do you believe that Scottish ministers should have that ultimate power?

**David Griffiths:** Absolutely; it is essential. Disability is reserved, but health, social care, education and transport—four of the most crucial areas for disabled people—are devolved. That is the nub of the issue. I am not saying whether we should be independent or whether devolution should go backwards or forwards, so please do not take my comment in that context. I am saying only that such an arrangement does not work unless the policies at Westminster and Holyrood are going in the same direction. They are not currently going in the same direction, which can only make life exceedingly difficult for the disabled people whom the differing systems attempt to support.

Mr Doris is right that the devil is in the detail, but we do not have the detail so we do not know what the devil is. I therefore believe that the committee and the Parliament must have a system for having some level of approval of the detail and, preferably, the ability to adapt it, before it hits the streets.

**Matt Lancashire:** I am not sure whether it is up to the panel to suggest whether more powers should be given. I am also not sure that the LCM would be the best route to do that. I am sympathetic to the reasons for rejecting the LCM, which is what, in effect, we are considering. Rejection of the LCM may delay universal credit and passported benefits for people in Scotland. In 17 months the Scottish Government has to rewrite the legislation. Some vulnerable people could be plunged into further poverty if they do not get energy assistance and free school meals and so on. However, it is not for us to recommend whether those powers should be more concrete.

**John Dickie:** I understand the question to be whether there should be an amendment to the bill that would ensure that Scottish ministers are consulted and are able to comment on and to approve subordinate legislation, given that we do not have that detail at the moment. I think that there should be that level of detail in the bill as it is



too skeletal at the moment. We would support the Scottish Government's proposed amendment to the bill.

**Maggie Kelly:** As John Dickie said, the bill is too skeletal, which makes the committee's job extremely difficult because you are being asked to consider whether to vote for something when you cannot come to a considered opinion about its impact in Scotland. We therefore support the proposal that there be an amendment that would allow Scottish ministers to consider the regulations in detail before they are brought into force. It would help the current situation if ministers could look at how the regulations are drafted so that in Scotland they take account of the areas that we have been discussing, such as housing, health and social care.

**Dr Richard Simpson (Mid Scotland and Fife) (Lab):** Can I ask a supplementary?

**The Convener:** Only on that theme and only one question.

**Dr Simpson:** I just wanted to clarify that, if kinship carers were treated as foster carers in Scotland and were subject to full assessment and so on, you would be happy for the regulations to be applied throughout the United Kingdom.

There are three categories of benefit. The first is passported benefits—we are going to have to decide what we do with that category. The second is benefits in areas in which Scotland has a different approach. Then there is a third category, which is those benefits to which our approach is exactly the same as that in England. I want to be clear about this. If we were to make a recommendation relating to scrutiny—or even blocking—of secondary legislation, would that apply to all three categories or just to the second one? For example, it would not apply to passported benefits because we would decide what we were going to do with them. The benefits in the second category are the problem. Is that correct?

**John Dickie:** Yes. That is my understanding of the issue. The bill as it stands does not give us enough information to enable us to understand how kinship carers or student parents will be treated, for example. How those groups are treated could have a big knock-on effect on devolved policy on kinship care and student funding. Where there is a clear impact on devolved areas of competence, it seems reasonable to us that Scottish ministers should be consulted as the detail becomes apparent about how those groups will be treated under the new UK system.

**The Convener:** Does anyone else want to have a go at Richard Simpson's question?

**Maggie Kelly:** I agree with John Dickie. Obviously, where it is a matter for the Scottish Government, that will be dealt with by the Scottish Parliament. The issue about the bill being terribly skeletal is critical because it means that we have been asked to consider something when we do not know its implications.

I am thinking about this as I speak and I realise that I have not really considered the detail that Dr Simpson has asked about. However, I suppose that we might be clear about some things that are in the bill. The problem is not just about the bill being skeletal but about things in the bill that already seem to cut across policy, which is something that we need to think about. It is not that we do not know what the outcomes will be, because we know what some of them will be in Scotland and it is clear already that they will be problematic for the relationship between devolved and reserved matters.

10:30

**Matt Lancashire:** The issue is on-going. Once the Welfare Reform Bill is enacted, it will hit Scotland at some point, regardless of the LCM. That is why we have called for a welfare benefits committee to be set up, to look into these issues and the groups that are affected under devolved legislation. Those impacts need to be drawn out and focused on for the lifetime of this parliamentary session.

**Dennis Robertson (Aberdeenshire West) (SNP):** Ms Kelly started to talk about the DLA and PIP assessment processes, about which there are obviously some concerns. I ask the witnesses to expand on that. I have read the papers, and it appears to me that the approach is in direct opposition to the United Nations convention on the rights of persons with disabilities, so there certainly seems to be an equality question in that regard.

Mr Dickie said that the DLA change probably does not impact on young children, but there will obviously be a transitional period when children move into adulthood, and I ask the witnesses to comment on that, too.

Mr Lancashire mentioned the ESA process and said that the proportion of successful appeals goes from 40 to 70 per cent when citizens advice bureaux are involved. I ask the witnesses to expand on that—there must be a fundamental flaw in the questions that are being asked.

**David Griffiths:** The draft assessment procedure for the personal independence payment is very much driven by the medical model. I agree that there are issues relating to the UN convention that need to be examined. If we are driving down the route of a medical model that talks about

people being able to clean themselves above “a level of self-neglect”, that is an issue of concern to me and to many others who are involved in charities that work with disabled people.

It appears from the procedures in the draft PIP assessment that we are not looking at supporting people to participate in society; we are trying to keep them alive. That is a drastic shift. It is of little comfort that some of the initial trial assessments have been done by the same team that has done the ESA assessments; there is obviously a concern that the whole thing is going down a similar route.

I have a number of clients who are wheelchair users who can manually propel themselves, and who have been shouting from the rooftops, so to speak, “I’m not disabled any more. I’ve read the PIP assessment.” Because they can move themselves around, they apparently do not have a mobility problem. That is how they see things—despite the humour in their comment, they are very worried, because of course they have mobility issues. The thought that they may lose their DLA mobility, their Motability car and so on really worries them. Many of us have asked for clarity about where the 20 per cent budget reduction will come from, but there appears to be no clarity on that. We do not know whether 20 per cent will be taken off everybody or whether some people will just get taken off benefits completely. We are back to the point about the devil being in the detail, which Mr Doris mentioned.

**John Dickie:** I did not mean to suggest that the switch from DLA to PIP for adults would not have an impact on children. It will have a huge impact on children because these benefits are clearly a vital source of financial support for disabled adults with children. I suppose that I was just pointing out that my understanding is that DLA for children will not be specifically affected by the changes.

The other issue relates to the concerns about the way in which people will be assessed under the new scheme. The assessment appears to be similar to the one that is used for ESA; there have been huge problems with that system, and many assessments are found to be wrong and are overturned on appeal.

That will throw up big challenges for advice and information services in Scotland with regard to their ability to support people who are currently entitled to DLA and will soon be assessed under the new PIP scheme. There must be a support infrastructure in place to ensure that those people can challenge assessments and decisions that appear to be wrong—as we know from experience they very often are—if we are going to minimise the damage from that change.

**Maggie Kelly:** David Griffiths said more or less what I wanted to say about the UN convention. Dennis Robertson is right that the situation throws up the question of equalities, which needs to be considered not only in relation to this issue for disabled people, but more widely. I am sure that we will hear about that from the next panel—with regard to the impact on children’s rights, for example.

We need much better scrutiny across the board of the equality impacts of welfare reform on disabled people and others. I am very concerned that there has not been enough scrutiny in that regard, and I hope that the Parliament will consider how compatible the proposals are with the UN convention. We must also consider the bill’s impact on, and compatibility with, UK legislation.

With regard to the impact on disabled people, to go back to the question, we are very concerned about the cumulative impact of the introduction of PIP and the on-going programme to move people off incapacity benefit and on to ESA. We are particularly concerned about how that interacts with the ratcheting up of sanctions. That is a major concern, because a lot of people who were previously unfit for work and getting DLA now find themselves subject to these new and very draconian—I think that that is the only word for them—sanctions. That is an additional element that will impact on people’s human rights, although the effect is wider in terms of the cumulative impact on the right to live an independent life.

**Matt Lancashire:** The first thing to remember is that DLA is a non-means tested benefit. Anyone in this room can claim DLA; it is there to recognise that people have a disability and to support them no matter their income or background. A 20 per cent cut to DLA will alter the way in which people choose their care or how much money they spend on local authority care or private social care—money that goes back into the Scottish economy. The Fraser of Allander institute estimated that the cumulative effect of all the welfare changes—the big one being the DLA change—would be to take £2 billion out of the Scottish economy.

In response to the question about ESA, Citizens Advice Scotland has spoken out strongly since that system’s inception about our real concerns with it. I will give you a case study. A client who has been working for 25 years as a teacher or in another good profession goes to an occupational therapist who says that he can no longer work. He then reports to his local CAB that he has been told that he cannot claim employment and support allowance, even though his occupational therapist has said he cannot work. We see people who have paid into the national insurance system and

think that it will support them at a time of need, but it does not. The system is not working.

The assessments are conducted by Atos Healthcare's professionals in accordance with a questionnaire that the DWP has produced. How Atos asks the questions on the questionnaire has been discussed. Issues have been raised about that and about how medical professionals treat individuals in the questions that they ask and in the material that they send to the DWP decision maker, who is at the end of the process.

There is a variety of issues that relate to employment and support allowance but, as I keep saying, the key issue is that we win more than 70 per cent of the appeals that we take to tribunal. It is not just us who say that such people are not fit for work—appeals tribunals in Scotland say that, too. The danger is that if a similar assessment was conducted for DLA—an assessment that would not be based on whether a person can work—people who have severe disabilities and who are extremely vulnerable would not receive the money that they want to spend on local authority care or private social care. That is the concern about ESA and DLA.

**Fiona McLeod (Strathkelvin and Bearsden) (SNP):** I was going to ask about the effectiveness of a bill's impact assessment when most of the provisions will be in secondary legislation and regulations, but the witnesses have covered a lot of that.

In the move from DLA, ESA, IB or whatever it is to jobseekers allowance, the proposed sanctions are draconian, as Ms Kelly said. Will the panel enlighten us on the support services that are out there for disabled members of society who are moved to JSA and then have sanctions slapped on them? Who will help them in the three months, one year or three years for which they could lose all benefits as the sanctions process is followed?

**Maggie Kelly:** The periods ratchet up from three months to six months to three years. The sanctions do not apply to all failures to engage; they are for not taking up a reasonable offer of a job and other matters that I do not remember off the top of my head. Members can imagine some of the reasons: for example, one is not managing to go to an interview at which attendance was mandatory.

In our community engagement work with people who live in poverty, they say that they find it increasingly difficult to engage with requirements in the ESA programme to participate in work-focused or work-related activities. We also find that, as you say, people might have failed ESA applications and be on JSA but still have significant support and accessibility needs. For people in remote areas, getting to interviews is

becoming a problem, because sufficient accessible transport is not available. I mentioned in my submission that people are particularly concerned about that as the impact might be disproportionate in Scotland, because of the rural areas here.

The general issue is accessibility across the board—that is about not just transport but accessible buildings and people having support to engage with various activities. The situation is really worrying. My concern is that, if people are given sanctions for up to three years, where will they go? The bottom line is that they will go to local authorities for payments under community care legislation. We still have a duty not to leave people on the street. From the claimant's point of view, the situation is desperate. From the panel's point of view, we must consider the impacts on local authorities and on charities and the voluntary sector, which might be called on to support such people. However, given the potential for somebody to be left without benefit for three years, that is not something that can be picked up just by the charitable sector; it is something much more fundamental and serious. We are very concerned about that—that also applies across the board to any sanctions.

10:45

**The Convener:** We have more questions to ask. In the interests of time, I must press the witnesses for briefer answers.

**Matt Lancashire:** I will try to be as succinct as possible. We have already seen the DWP taking action over the past 12 months. In the past eight months, the number of sanctions taken against JSA claimants has gone up by 459 per cent, even without the Welfare Reform Bill coming into play.

In the cases that come to the 81 citizens advice bureaux in Scotland, we have noticed a heightening in the number of cases involving sanctions being applied to people. In one case, someone who had been to 15 job interviews but who had to pick his kid up from school that morning because they were ill faced sanctions. That is unacceptable, and he is challenging the action. We are already seeing the way that the DWP is going, even without the bill coming into effect.

Of course, the sanctions process has an impact on the individual in terms of the money that they receive, but there is also an impact on the child and the family, an impact on the economy from the money not being spent back into the economy and an impact on advice services, whether CAB services or local authority services. We are the ones to whom people turn when they have a problem or an issue—they turn to the citizens

advice service, the local authority service or another charitable advice service to pick up the slack and advise them at a time when they are vulnerable and do not know what to do. We try to steer them in a direction that supports them.

**John Dickie:** I will pick up on Matt Lancashire's last comment. The important point is what we can do to prevent crises for individual claimants. A big part of that is ensuring that the advice and information infrastructure is in place to support people who want to challenge decisions. We must get things right quickly and ensure that they do not end up with no financial support week in, week out, over a period of time, which would create longer-term costs for support services, local authorities and others. We try to prevent that by ensuring that, from the beginning, people are aware of what they are entitled to and how they can challenge decisions that go against them.

**Richard Lyle (Central Scotland) (SNP):** Good morning. I compliment all your organisations on the excellent work that you do.

Just as people go to citizens advice bureaux, they also come to politicians. Every morning, we open e-mails from people who are getting absolutely hammered by the DWP. I welcome your concerns. In response to Mr Griffiths's earlier comment, I say that I know what independence would do for this country—it would make it better. However, I will not stray there.

The 10 per cent reduction in spending on council tax benefit will reduce household incomes for more than 500,000 people on the lowest incomes. I could go on and on about how people from all parts of society are being affected, how people are being treated down at the local office and how many forms they have to fill in. However, I return to John Dickie's comment that 100,000 more children will be put into poverty. He said that he could give us a formula for how to fight what is going to happen to those 100,000 kids. I ask him to expand on that.

**John Dickie:** Sure. I am under no illusions about the pressure that budgets are under in Scotland or the powers that we have to counter that pressure, given the fact that the main levers in terms of tax and benefits are at the UK level. I am not suggesting that we can counteract entirely the massive negative impact of UK policies on the level of child poverty in Scotland. Nevertheless, we need to identify areas in which we can do something at least to mitigate that impact and ensure that, where the responsibilities and powers lie in Scotland, we are using them to maximise the support that is available to families so that the level of child poverty is contained, as far as possible.

You raised the issue of council tax benefit. The 10 per cent cut that is coming from the UK Government needs to be challenged. There is no question about it—we need to maximise the resources that are coming from the UK Government to the Scottish Government to support the replacement scheme for council tax benefit. However, it is also important that we do not just assume that that 10 per cent cut will be passed on to our poorest households in Scotland. There are important budget decisions to be made here in Scotland. Even though there are huge pressures on budgets in Scotland, we could decide to invest more in that system of financial support to families and others to ensure that the full cut is not passed on to our poorest households. I would like to see more discussion and scrutiny and more thinking about what kind of replacement scheme would work in the best interests of our poorest households and what kind of resource we need to put into it to ensure that it works effectively.

**Maggie Kelly:** I echo everything that John Dickie said about the need for us to consider within the wider discussions about budgets and spending as a whole the council tax benefit spending that we will have within our powers in due course. We really need to prioritise our consideration of people in poverty.

As John Dickie said, we are in no doubt about the fact that the Scottish Government is equally cash strapped and under severe financial pressure as a result of reductions in the block grant across the board. In that circumstance, it becomes even more imperative that we consider the impact on people in poverty in Scotland as a central concern when we are setting budgets at the highest level. When Mr Swinney sits down and draws up his budget, I would like him to have that consideration in his mind and conduct his budgeting in a positive way that focuses on the question, "Could what I am spending in this department be better spent elsewhere in terms of its impact on people in poverty?"

There is a need to revisit and reinvigorate the "Achieving our potential" framework and go back to some of its key principles, which are about reducing poverty among the lowest deciles and reducing inequality. I emphasise the point about inequality. There is a shrinking cake for all of us, but that does not stop us making decisions that highlight the need to reduce inequalities. You can always do that, regardless of the size of the cake, if you make decisions in a poverty-sensitive way.

**Matt Lancashire:** If there is an opportunity to argue with Westminster that there should not be a 10 per cent cut in council tax benefit, we should take it. That is fair enough. I can understand that—we all can. However, the concern then moves on

to how the Scottish Government delivers council tax benefit. Does it go through local authorities and will it be ring fenced? Those things are coming on to the map, as they say. The concern for us is that if council tax benefit is not ring fenced, there will be a postcode lottery, in a similar way to what has happened with kinship care, whereby people receive more kinship care money in one local authority area than in another. Will council tax benefit go down the same route?

**Richard Lyle:** I have just one more question for you. We do not have many people in Scotland who pay £2,000 a week for houses. Are you getting more inquiries from people regarding their concerns about the severe cuts that are going to be made in housing benefit? I have ringing in my ears Maggie Kelly's comment about people being taken off the benefits system for three years. That is atrocious, and made me think back to soup kitchens and the poor house. I would welcome a comment about your concerns.

**Matt Lancashire:** I think that we are getting more inquiries. Indeed, you, too, might be finding that people are beginning to drift into your surgeries to discuss housing benefit changes such as the underoccupancy rules or the increase in the age threshold to 35, as a result of which people will have to move in with others until they are 35, when they can claim benefit for a one-bedroom property. People are concerned about whether they will be made homeless, whether they will receive the same housing benefit or indeed whether they will be able to stay in the same community if they have to move from a three-bedroom property to a one-bedroom property. Similarly, others are asking whether they will lose their disability living allowance and, if so, how they will pay for their care. We are already seeing the effects on people of the changes in the bill.

Moreover, people are concerned about whom they can turn to for support in these times. Given that local authorities are cutting their budgets, the question is whether there will be any knock-on effects and whether citizens advice bureaux themselves will have their funding reduced.

**David Griffiths:** A number of my disabled clients are very worried about the housing benefit changes. Their houses have been adapted; they receive community support from friends, neighbours and local third sector organisations; and although technically they might be underoccupying, their son or daughter might often stay over to help them, for example when their condition intensifies. They do not see how they can lift and shift that support network somewhere else just because their son or daughter has grown up, left the home and only comes back to look after them from time to time. It is not clear to me or to those people how their wet-floor bathroom and

various other adaptations will be transferred to their new home. Are they or the local authority going to pick up the bill for that?

Local authorities will actually have to pick up quite a few bills as a result of this legislation. For example, Edinburgh has estimated that, with the closure of the independent living fund to new applicants, those bills will amount to more than £2 million a year. We are not quite clear who is going to pick up all these tabs but you are absolutely right to suggest that the housing benefit proposals are causing a lot of concern.

**Matt Lancashire:** It has been estimated that, as a result of the housing benefit cuts, just under £50 million a year will be taken from Scottish local authorities.

**The Convener:** We can sit here very comfortably and indulge in warm words—after all, no one at this table is in the UK Government. We do not need to address the questions that it is asking as to whether the current welfare budget is sustainable and what the consequences of any negative decision will be.

Are there any mitigating circumstances in this situation? After all, it will be a matter of degrees; no matter whether we in Scotland do very well in mitigating the effects or do well with our Westminster colleagues with regard to the bill's provisions, there will still be an impact. The situation will not stand still. In his written evidence, John Dickie identified certain mitigation opportunities, including advocacy, which is paying dividends, getting results and helping to support people. Opportunities might not be the right word, but we might also be able to do something with council tax benefit.

There are other, harder suggestions that need to be addressed. Edward Gorman, who is a social worker, suggested in his written evidence that Scotland could consider alternatives such as using its tax-raising powers to deal with the worst consequences of benefit cuts, using revenues from increasing the cost of alcohol and tobacco; ensuring that housing associations absorb some of the impact of the housing benefit changes; unfreezing council tax; and increasing corporation tax instead of promising to cut it. Those suggestions are challenging. Given that something difficult is going to come along, I would like to hear your ideas about mitigation and about accepting our responsibilities here when the worst happens.

11:00

**David Griffiths:** With the cuts coming down, this Parliament—this country—must decide what it wants. The Scottish Parliament has already shown that it can go its own way—free prescriptions, concessionary travel cards, the list goes on. As I

said earlier, I am not saying whether it is right and proper that you should have greater flexibility, because I represent an organisation that does not take a view on that. You already have some powers, however, and it is for you to decide, advised by your constituents, obviously, what Scotland wants. If Scotland wishes to support disadvantaged and disabled people, children and all the other groups we have been talking about, it has the ability to alter some things in order to enable it to do that.

We have been asking the question the wrong way round. We ask what powers we need, but the questions are, what sort of society do we want? What sort of welfare state do we want? How do we achieve that? If that is a rather vague answer, convener, I apologise. I am not sure whether that should come through corporation tax or by increasing income tax or council tax, but the basic question is, what do we want; then, how do we get it.

**John Dickie:** The two areas where we can focus our minds on the supports that we want in place are around passported benefits. First, Scotland has taken a lead in extending the free school meal entitlement to reach more children than in other parts of the UK. How do we link free school meals to the new UK welfare system in a way that ensures that that benefit reaches all the children in families that are at risk of poverty? Similarly with the energy assistance package and healthy start vouchers. We should start by asking who we think should have access to passported benefits: who needs them here in Scotland, which families need that support? Then we should design a system that links support in a way that ensures that those people get it. The starting point should be that any universal credit passports you on to entitlements such as free school meals, in part because that keeps the system simple.

The second thing is to keep the system simple and not to introduce any new cliff edges or work disincentives where people suddenly lose a lot of valuable passported benefits as they increase their earnings. Ensuring that anyone who is entitled to universal credit is also entitled to free school meals, for example, would be an important way of doing that.

The opportunity to create a social fund is important. A social fund would be a source of financial support to families at particularly important times in their lives, such as when they are having children, transitions as children start school, and so on. Such times pose financial challenges to families, as do crises when things break down. A social fund that ensures that families have access to the support that they need at those points would go a long way to mitigating some of the worst impacts.

When we think about designing a system that genuinely supports those families, we need to look at the costs involved right through the budget process and the spending review. That needs to take into account both how we spend in a way that prevents poverty and prevents the huge costs that poverty imposes on this country, and how tax powers and other revenue-raising powers could be used in order to ensure that we have the resources to create those devolved bits of infrastructure that I think most people in the Parliament agree are needed.

**The Convener:** Mr Gorman, who is a front-line social worker, says that we have those powers. We have tax-raising powers that could mitigate this area. I appreciate the answer about mitigation and making the best of those opportunities that are devolved to Scotland in this process and, I hope, dealing with it more effectively than has been done.

Somebody else has decided that the welfare bill is not sustainable and that they will not pay for it any longer. Should we pay for it? Should we use our tax system, as Mr Gorman suggested, to mitigate the worst of the cuts by increasing tax in Scotland and paying for some of the things that we think are of value? Should we end the council tax freeze or the business rate provisions to focus on poverty? Those are not notional ideas, they are already within our powers, Mr Gorman says, and he has helpfully suggested a list of things we should be doing. They might be controversial but, in three or four pages, Mr Gorman the social worker has taken us to some of the issues that volumes of other evidence have not.

**Maggie Kelly:** I cannot, I think, comment in detail on some of your suggestions simply because we have not ourselves taken a position on some of the detailed aspects of some of the tax proposals you have suggested. We certainly agree that taxation in general ought to be constructed in such a way that the burden of taxation falls on those who are best able to bear it and that it should be constructed in such a way that we do not end up with people in poverty paying disproportionate amounts, when all things are considered in the round, in comparison with others. At the moment, there is lots to criticise within the taxation systems across the UK and it has been suggested that people in poverty pay more in many ways. Although I could not comment on your specific suggestions, we would definitely agree that in the round the burden of taxation should fall on those who can afford to pay, and not on the poorest. Beyond that, I endorse what John Dickie said. It is not just about taxation but about our budgets and how we allocate the money within our budget heads. We must look very carefully at that in the context of the current situation.

I have one final point on the broader economics. The Finance Committee has recently taken the view that it wants to focus on preventative spend and that is the right decision. We would certainly support it. We could say that preventative spend cuts across many of the approaches that we are discussing today, but we also need to consider the issues together. If you want to support families in crisis, for example, you have to think about preventative spend, which must include money to support people in their very basic needs. There must be food on the table, money to pay for school uniforms and so on and all those things must be considered within that approach. I am just pitching for the fact that we must consider these issues in the round.

**Matt Lancashire:** I will try to pull this together a little. We have heard from various people that the UK Welfare Reform Bill will have an impact on people, on advice and public services, on the economy and on devolved issues. Those are the four main themes on which we have concentrated in giving our evidence today and at other times. Funding is a part of mitigating those impacts. Maggie Kelly has mentioned the preventative spend budget as a potential way of doing that and other suggestions have been made by Mr McNeil, too.

I cannot advocate any of those positions, but I can advocate a welfare and benefits committee that looks across all the themes and exists for the lifetime of this parliamentary session. That would consider how to mitigate whatever issues might arise, such as funding issues, a lack of support by local authorities, cuts to local authority budgets or issues with funding for advice. That committee would examine the impacts of the bill on people and on cross-cutting devolved areas. A Welfare Reform Bill committee must be set up to mitigate the impact of that UK bill.

**Bob Doris:** The convener's comments reminded me that we need to be careful not to take merely a make-do-and-mitigate approach to the devastating UK benefit cuts and focus only on devolved powers, because we could paint ourselves into the corner of being apologists for savage UK cuts. I agree that we must mitigate where we can, but we must not pretend that we can mitigate all the cuts that are coming to Scotland.

I want to return to the numbers: £2 billion less will come to the Scottish economy in the current session of Parliament, with £1 billion less going to disabled people. When I see such figures, I wonder what impact there will be in Scotland on, for example, social housing policy, childcare policy and self-directed support and care for the elderly. Sometimes, it is better to use individual case studies. I will put on record a case study that

Citizens Advice Scotland has provided. A 40-year-old in Glasgow who lives on his own and claims incapacity benefit, disability living allowance at the lower rate and housing benefit for a social tenancy could be up to £120 a week worse off. The reason for putting that on the record is to return to Mr Lancashire's point that the effects of the damaging reforms go beyond purely the legislative consent memorandum process—they will reverberate across Scottish society for years.

We have heard from Mr Lancashire that the Parliament should set up a welfare and benefits committee to carry out on-going scrutiny of the impact of UK benefit reforms, to see the damage that they do and to consider how the Scottish Government can mitigate the worst effects. I seek the other witnesses' opinions on that. If we view the LCM only on a mechanistic level and do not carry out on-going scrutiny, that will be a betrayal of the most vulnerable people in our society. Do you support setting up such a committee?

**Maggie Kelly:** We support the setting up of such a committee, as there is definitely a need for it. Bob Doris is absolutely right that the LCM is not the be-all and end-all of the discussions. The process will continue throughout the lifetime of this parliamentary session and beyond. As Matt Lancashire said, the impacts are not short-term in any way, so we would welcome having a committee to consider them.

Bob Doris was absolutely right to mention the difference between mitigation and considering the wider impacts in Scotland. While the bill is still in the House of Lords, it is important that we do both those things. We need to consider what we can do in Scotland to mitigate the effects of the bill, but we must continue to have as strong a voice as possible in Westminster to challenge the aspects of the bill that we consider will have negative impacts on people who are in poverty in Scotland. I stress that it is not a done deal. Although we need to consider what we can do in Scotland with the powers that we have, we must continue to have a strong voice in Westminster about the impacts on people in Scotland.

**David Griffiths:** The answer to Mr Doris's question is yes. Scrutiny is needed, particularly because the cumulative impact can be seen only at a Scottish level. When council tax benefit and elements of the social fund are devolved, it is not clear who will pick up the tab for the closure of the independent living fund to new claimants. Some of those things will impact on the same person; it may be just £10 here and there, but that adds up. That cumulative impact on individuals must be monitored here, because some of the elements are being devolved.

11:15

**John Dickie:** It is not an either/or situation. Clearly, we need to work together across Scotland and with partners at UK level to challenge the fundamental terms of the reforms. The CPAG will continue to work with others to do that, but we would miss a trick if we did not identify what we can do in Scotland that will go some way to mitigate the worst damage, such as making important budget decisions and choices and starting to put in place the welfare elements for which we will have responsibility in a way that provides the kinds of support that we all agree that families and others need in Scotland.

I agree that the Scottish Parliament needs to undertake on-going scrutiny of the implications and impacts of the bill's provisions, particularly as subordinate legislation is introduced and the bill is implemented. We have not taken a view on how that will happen, but we are sympathetic to the approaches that have been advocated. The important point is that the Scottish Parliament continues to take seriously the impact in Scotland of UK welfare reforms on individuals and families and on devolved responsibilities.

**Bob Doris:** I will go on to another issue, unless someone has another question on this theme.

**The Convener:** Richard Lyle has a question.

**Richard Lyle:** I want to point out recommendations in Mr Gorman's written evidence further to those that the convener mentioned. In the "Alternatives" column Mr Gorman has:

"Increase Corporation Tax (specifically Banks) to reduce the scale of benefits cuts. ... Tax Utilities Companies' profits, to subsidise fuel bills."

Both of those involve powers reserved to Westminster. On earnings disregards levels, he suggests:

"Raise Lower Level ... payable by Employers with no cost to Exchequer."

He further suggests:

"Future Working Tax Credits eligibility based on minimum 16 hrs worked ... Replace 'hours worked' with 'income earned'."

Those are all Westminster powers.

An issue that has not been raised yet but that I am always concerned about, having had to do it, is the filling in of forms. If we designed a system whereby we did not need to run from one department to another to fill in forms that are sometimes several inches thick and that cross-reference all the information, and did away with some of the assessment interviews with doctors that people are sent to when they are basically

walking with sticks—a point that was made earlier—could we not save millions?

**John Dickie:** I absolutely agree. There are at least some opportunities to do that. If we create a replacement social fund in Scotland and look at new ways of passporting people on to devolved benefits, we should ensure—it could be part of this committee's scrutiny work—that UK Government departments share data to ensure that it is simple, straightforward and clear-cut that people in receipt of universal credit or whatever are passed on to the appropriate passported benefits and can access the devolved social fund. There will be an opportunity to make it much simpler for people to access, for example, free school meals or social funds, without having to fill in multiple forms. However, that will rely on the good sharing of information across Governments. We need to ensure that we get that right as part of the process.

**Dennis Robertson:** I have a supplementary question that I hope will require only a short response from the witnesses. Would you support the passporting of people with long-term conditions and irreversible conditions from DLA to PIP, which would mean that they would not have to undergo further assessments?

**Maggie Kelly:** That is an interesting question. As Richard Lyle said, the benefits system is far too complex. The current DLA situation could be improved by increasing the categories of people who are automatically entitled to certain rates because of severe long-term conditions. I agree with Mr Lyle that it is an absolute nonsense and a complete and utter waste of public money for people with severe mobility problems to be continually hauled in for repeat reviews and assessments when the evidence provided by their general practitioners and consultants is on record for anyone to see. The only explanation that I can find is that it is an attempt to cut the benefits bill—it certainly does not make sense any other way.

I suppose that this raises the general question of means testing. We would certainly support moves to simplify the system, which, as I suggested, might include increasing the groups of people deemed as being automatically entitled to certain types of DLA—or PIP, as it will become.

**Matt Lancashire:** I echo Maggie Kelly's point. We in citizens advice bureaux have evidence that, in assessments for employment and support allowance, people with serious illnesses such as long-term cancer and late-stage multiple sclerosis have sometimes been found fit for work. I do not have the information in front of me and so I cannot say for certain, but I am fairly sure that the Harrington review recommended that people with such illnesses be sent a GP form or whatever to



claim ESA. I see no issue with advocating a similar approach for DLA.

**Bob Doris:** I realise that time is getting on, but I believe that Dennis Robertson's question and comments by John Dickie and others have reinforced the need for on-going scrutiny at devolved level of the impact of reserved matters. Given the fact that although time is catching up with us we have barely started to shine a light on this matter and that three committees are scrutinising it, we should probably consolidate things into one committee to focus on and drill down into the various issues.

Before they go away, the four witnesses will have to give us their opinion on whether we should support a legislative consent motion. I know that what is in the legislative consent memorandum is a rather mechanistic and procedural way of managing passported benefits and changes to the social fund and council tax benefit but, when the Parliament reaches the point at which it must decide, would you want us to agree to a motion or would you prefer it if we did not do so and if the Scottish Government introduced its own legislation—which it can do—to deal with all these issues?

**John Dickie:** We should use this period of scrutiny to seek the amendments that we think are needed to the UK bill and to begin to consider the huge implications of what we have been discussing. We have not yet taken a view on the LCM—indeed, at the moment there is no motion to consider—but we believe that at this time we need to focus on the process, scrutinise the issue and ensure that we are leveraging as much information out of the UK Government as we need to analyse impacts on Scotland and develop the areas of welfare for which we are responsible. We need to see how far we can get with that approach before we take any view.

**Matt Lancashire:** As I said, CAS is sympathetic to the arguments in favour of opposing the Welfare Reform Bill through the LCM, once it is published and voted on, but we are concerned about what will happen if the LCM is not passed. Given that we expect the bill to be passed at Westminster, albeit with a few amendments, we are concerned about what not agreeing to an LCM will mean for other areas that we have already discussed, particularly the passporting of benefits, which needs the LCM. That is why we believe that further scrutiny is needed in that respect.

**David Griffiths:** The bill as it stands should not be supported. I believe that, like me, Mr Doris was present two weeks ago when, at a roundtable discussion in this very room, 63 third sector organisations expressed their concerns to the committee. Indeed, we had so many concerns to raise that we ran out of time. Given those

circumstances, I cannot see how it would be appropriate to let the bill through.

**Maggie Kelly:** Before I comment, I want to say something that I should have said at the start of the meeting. Although this morning I am representing the Poverty Alliance, I can, as co-ordinator of the Scottish campaign on welfare reform, tell the committee that we have been pressing the Parliament to consider this matter and that the campaign will look at it when the Parliament has had an opportunity to examine the evidence taken by committees and so on.

The Poverty Alliance's view is that we support the position taken by the Parliament on 5 October. However, although we agree with David Griffiths that the Parliament should be minded not to support the bill as it stands, we think that in the meantime the Parliament can take the opportunity to consider the evidence. Our view is that until the legislative consent motion is published we do not know what will be in it and I think that, between now and then, the Scottish Parliament can press Westminster as hard as possible on a number of issues. This is a technical issue, but we hope that the Parliament can raise its legitimate concerns about how the bill as it stands cuts across devolved matters and competences and in those discussions press for some amendments. In short, we cannot support the bill as it stands, but we support the Parliament in using the debate to press for some really good amendments that will help people in Scotland.

**Matt Lancashire:** I just want to put on record that at no time in the roundtable discussion that Mr Griffiths referred to and at which Mr Doris was present did the 63 organisations represented mention the LCM or express a view on whether it should be agreed to or disagreed to. Moreover, no decision on that was taken that evening either.

**The Convener:** I thank the witnesses for attending the first of our evidence sessions and for their evidence. We are trying very hard to get an appropriate Government minister to come before us—without success, I might add, but we will continue to press the point.

11:29

*Meeting suspended.*

11:35

*On resuming—*

**The Convener:** Before we hear from our second panel, I should put on record the fact that, when I referred to the appropriate minister, I was talking about a United Kingdom minister, as the Welfare Reform Bill is a piece of UK legislation. I

hope that that clears up any misunderstandings, intentional or otherwise.

With us on our second panel, we have Robert McGeachy, the policy and public affairs manager at Action for Children Scotland; Kate Higgins, the policy manager at Children 1st; Mark Ballard, the head of policy at Barnardo's Scotland; Marion Macleod, the senior policy and parliamentary officer at Children in Scotland; Marion Davis, the senior manager of policy and development at One Parent Families Scotland; and Douglas Hamilton, the head of Save the Children in Scotland.

We are also joined by Drew Smith, whom I welcome to the committee.

**Dr Simpson:** I have a fairly general question about the interaction between what is proposed in the bill and the general child poverty strategy. What changes could we seek to make through amendments that are tabled by our UK colleagues, or in whatever way we can, to achieve a level of mitigation that will ensure that child poverty does not increase?

I have another question on the changes to maintenance payments. From my reading of the papers, I understand that the minute of agreement system is Scottish, and works moderately well, at least in some cases. However, given that we are moving from a system that has been heavily criticised and has certainly caused a lot of material to come into my postbag as well as those of my MP colleagues over the years, what beneficial changes do you think should be made to the system, if you think that the current proposals for changes that affect Scotland would not help?

**The Convener:** I hope that the answers will not be as long as the question. I am only teasing. I do this all the time—fall out with people.

**Douglas Hamilton (Save the Children):** I will pick up on the issue of the child poverty strategy, as that is an important point, which sets the context for this session of evidence.

As has been mentioned previously, the Institute for Fiscal Studies has predicted that the Welfare Reform Bill and the changes that have already been announced will bring about a massive increase in the number of children who live in poverty. Clearly, that will affect the impact of the child poverty strategy in Scotland. It is interesting to note that the IFS says that universal credit will, by itself, reduce the number of children living in poverty. However, that is more than offset by the other changes that are coming in, such as the move from using the retail prices index to using the consumer prices index.

The issue is complex. The Welfare Reform Bill—and the introduction of universal credit in particular—has to be seen in the context of other

changes that are happening, which are affecting levels of income and will affect the poorest children and families.

It is important to focus on the child poverty strategy—a Scottish child poverty strategy is required as part of the Child Poverty Act 2010. We argued for that quite strongly and the Scottish Government signed up to it in the previous session of Parliament. It is part of a UK act, which recognises that tackling child poverty involves a mix of devolved and reserved responsibilities. If that is to be done effectively, people need to work together effectively towards that common goal.

To mitigate the impact of the Welfare Reform Bill, particularly in Scotland and in the context of the LCM, the key thing that I would push for is to get people working together so that there is dialogue and so that people can consider the impact of particular decisions being made in one place that affect others, where there is a different context. The memorandum refers to the child poverty commission, which was to be established under the Child Poverty Act 2010 and has a role in relation to the child poverty strategy. It is important to consider that as well, because it could provide a forum where the devolved and the reserved could be discussed together within a UK context. If used properly, that could be of benefit to the Scottish Government as an entry point into some of the issues for which the UK Government has responsibility. It is important that we look at the Welfare Reform Bill in the context of the child poverty strategy in Scotland and that we have child poverty at the back of our minds, so that we say, "If this happens, what will be the impact on child poverty? If it's going to reduce child poverty, let's support it. If it's going to increase child poverty, let's look at ways that we can change it."

**Mark Ballard (Barnardo's Scotland):** Barnardo's Scotland supports many of the principles that underlie the UK welfare reform proposals, particularly the simplification of the welfare system through the introduction of universal credit and the improvement in incentives to move into employment. Our concerns are about the speed with which this huge package of reforms is going through and, in particular, the lack of consideration that is being given to specifically Scottish issues in that process.

The child maintenance system is a good example of that. Barnardo's Scotland recognises entirely Dr Simpson's comments about the problems with the Child Support Agency. The UK bill will replace the CSA, as detailed in four fairly short clauses at the end of a massive bill. It is clear from looking at clauses 131 to 134 that there has been no consideration of how the new proposed system will relate to the minute of agreement model in Scottish family law. Ministers

at Westminster have given commitments that victims of domestic abuse will be able to access the statutory system directly, but it is unclear—particularly in Scotland—how those victims will be identified, on whom the burden of proof will fall and how that will relate to Scottish definitions in law. There is an emphasis on family support and mediation systems, but in Scotland those systems are on a very different statutory footing.

Although we can all agree that the benefits system should be made simpler, that work should always pay and that the Child Support Agency needs to be reformed or replaced, the bill is going through at such speed, and often with such little attention to the Scottish situation, that it is likely to have major unintended consequences.

11:45

**Marion Macleod (Children in Scotland):** The evidence that Children in Scotland has submitted has highlighted the potential impact not just on the child poverty strategy but on other key policies, including some of the valued flagship policies of the present Government, such as the early years framework, equally well and achieving our potential, which will all be adversely affected if the bill goes through unamended.

Another of our concerns, on which we and some of my colleagues who are sitting round the table have sought amendment of the bill in the House of Lords, relates to the sanctions that are likely to be applied to lone parents in relation to childcare. The issue is particularly important. It is clear that child poverty has adverse long-term impacts on outcomes for children. It affects not just their current experience but their life chances and their future contribution to society. However, there are measures to mitigate the worst impact of child poverty and to try to ensure that children do not suffer long-term consequences from living in poverty.

Poverty in itself is not necessarily a determinant of adverse outcomes, although it is highly correlated with lots of other factors that generate adverse outcomes for children. One way of mitigating poverty is providing appropriate help and support for children and their parents at the earliest stages in children's lives, when they are likely to be in the poorest category. The youngest children are the poorest children, as UK figures have pretty consistently demonstrated.

Childcare is decreasing in availability and increasing in cost. The choice of appropriate provision that not only facilitates parental entry to the labour market but gives the child a good early experience is likely to contract rather than expand as a consequence of the bill.

Children are receiving a double whammy. Their family income is being reduced and the public services that support them through direct provision in local authorities and through the charitable and voluntary sector are being restricted. In the short, medium and long terms, the consequences for children are likely to be bad.

We would like the Scottish Parliament to analyse in a sophisticated way the bill's likely cumulative and consequential impact on children and do what it can to mitigate the worst impacts. One positive step forward would be the provision of good childcare that is available to all, which would not only support children's wellbeing but facilitate parents' entry to the workforce.

I will not dispense constitutional advice, but I think that the Scottish Parliament and the Scottish Government have levers to use. There should be continued scrutiny to monitor the impact of the bill as we know about it in more detail.

**Kate Higgins (Children 1st):** Children 1st always approaches questions such as Dr Simpson's from the perspective of what is in the best interests of all children in Scotland, but we are most concerned with the most vulnerable children—not only those whom we work with and support through our services but all vulnerable children.

Dr Simpson's first question was about the interaction between the bill and Scotland's approach to child poverty as expressed in the child poverty strategy and about what changes we would like to the bill. We would welcome the Scottish Parliament and the Scottish Government taking a number of points back to Westminster. We would like you to advocate the removal of the proposed benefit cap, because it has implications for larger families and kinship care families, in whom we have a particular interest as providers of the national kinship care service. I have no doubt that we will return to those families' circumstances.

We have submitted a tiny snapshot about young parents who have very young children, with whom we will do more work to model impacts of the changes that are coming through. We will submit that work to the committee before its scrutiny ends.

One thing that immediately struck us was the impact of both the limit on the amount of housing benefit that can be paid for social rented housing and the new market limitations for private sector housing. If those were removed, that would not have a detrimental impact on child poverty.

We would like you to ask the UK Government to reconsider its proposal to reduce the amount of support available for new claimants of universal credit who care for disabled children. That would mitigate the impact on child poverty.

We would like you to ask the UK Government to reinstate the 80 per cent limit on childcare costs for the child tax credit, as that would mitigate the impact on poverty. You could ask the UK Government to think again on almost every aspect of the Welfare Reform Bill, because all the measures that I and others have mentioned will ensure that more children in Scotland grow up in poverty.

On Dr Simpson's second question, about what changes should be made to child maintenance payments, we agree that the current system, under the Child Support Agency, is broken. However, the proposals in the bill are not the way to fix it. One problem is that the UK Government carried out a consultation in June but, before it even published its response to its own white paper, it had included these enabling clauses in the bill.

Frankly, we are surprised by the omission of child maintenance from the legislative consent memorandum, because it cuts across Scots family law and, as Mark Ballard said, it cuts across the family support and mediation provisions. We know that ministers have given assurances that they do not foresee any problems in meeting the requirements that the UK bill will put on Scotland, but we are not convinced. We would like more time to be spent considering the implications of the changes to child maintenance provision. Children 1st supports the idea that the best way for families to support children is to empower families to do that themselves.

The current system has created as many problems as it has fixed, because of its mandatory nature. We know how many of the calls to our helpline, parentline Scotland, are about contact, residence and breakdown in family relationships. Money often lies behind those issues.

The proposals, in particular the proposal mandatorily to charge people who have no choice but to use the state system of support, will put more children in some of the most vulnerable families into poverty. We urge the committee, the Parliament and the Government to do everything that they can to have those clauses removed from the bill. A wide range of children's organisations and other third sector organisations have pushed for that step to be taken at Westminster.

**The Convener:** Would Robert McGeachy and Marion Davis like to comment? There is no compulsion, but I do not want to leave you out.

**Robert McGeachy (Action for Children Scotland):** Dr Simpson asked about the child poverty strategy. It is important that the strategy should take into account developments on welfare reform. Given that the Welfare Reform Bill is enabling legislation and it is likely that a raft of

regulations will come in after the bill receives royal assent, it will have an on-going impact on the child poverty strategy and the framing of that strategy.

It may be worth pointing out the significant amendments that were made to the child poverty commission at the committee stage in the House of Commons. It is important that we get a sense of the extent to which the changes will make it easier or more difficult for the UK and Scottish Governments to achieve the child poverty targets.

One of the key issues with an impact on the child poverty strategy is childcare, to which Marion Macleod referred. Interestingly, when the House of Lords was debating the amendments on childcare that many of the organisations around this table had signed up to, there seemed to be a misconception on the Government benches that the Childcare Act 2006, which imposes duties on local authorities in England and Wales, is relevant in Scotland as well. The Earl of Listowel, who tabled the amendments on behalf of our alliance of organisations, corrected their lordships about that, but it will be important for the Scottish Government to pick that up with the UK Government in order to get a sense of how far the UK Government's thinking on welfare reform has been informed by the misconception that it will not impact on childcare in Scotland because, somehow, our local authorities have a duty in that regard under the 2006 act. That needs teasing out.

Our organisations have sought amendments to the bill in the Commons and now in the Lords to make sure that claimants with a dependent child or children will not face sanctions if they are unable to work, to sustain work or to access work-related activity because they lack appropriate childcare. We secured a similar amendment to a previous welfare reform bill, tabled by Lord Kirkwood on behalf of the Scottish campaign on welfare reform, so there would be parity with the previous legislation. Although the Government has recognised many of the principles, including the principle that childcare should be appropriate for the parent and the child, it is not willing to put them in the bill. Our organisations are concerned that, if the bill is not amended, claimants with dependent children will face sanctions. Marion Davis will be able to give some anecdotal evidence suggesting that sanctions are already being imposed against vulnerable claimants with children.

**Marion Davis (One Parent Families Scotland):** Thanks very much for inviting One Parent Families Scotland today. Lone parents have been the focus of welfare reform for many years, under both the previous Government and this one. It has very much been about trying to move lone parents off benefit and into work, as I have highlighted in our briefing. In fact, the percentage of lone parents in work has increased

dramatically—it is up at 57 per cent, and the employment rate for lone parents of children who are 11 and above is over 70 per cent.

We want to highlight issues to do with sanctions. My colleagues and I are very concerned about proposals in the bill to sanction parents if they do not take up jobseekers allowance requirements, particularly in relation to childcare, as Robert McGeachy mentioned. Lone parents are one of the groups that are most affected by welfare reform. The Institute for Fiscal Studies has shown that lone parents will suffer an 8.5 per cent cut in their income over the next five years, so that is a key concern of ours in relation to child poverty.

In terms of the Scottish Government and the legislative consent memorandum, we have highlighted three areas in our briefing in which we think there should be increased focus. There are serious proposals going through on conditionality but, as Robert McGeachy said, the impact on the ground is happening now. In our briefing, I have detailed some case studies that have come through our advice line. There has been an increase in the number of phone calls from parents who are stressed and worried about what is happening with welfare reform.

Projects that we run on the ground across Scotland feed back to us the worries of parents, particularly those who have been informed that, on moving across to jobseekers allowance, they will be required to take up work. Some may have wrong information about age; some parents with children under five have been told that they have to take up work and some parents with children over five have been told that they have to take up work of more than 16 hours. We are very concerned about that and, along with Robert McGeachy, we have pushed the House of Lords to put something in the bill to take account of issues to do with childcare infrastructure. We feel strongly that the bill has not taken into account some of the key areas for which the Scottish Government has responsibility, such as childcare, which links into conditionality.

We touched on child maintenance earlier and people have commented on that. The bill's implications for lone parents and their partners are extremely serious. We are concerned about how voluntary arrangements can deal with issues relating to lone parents who have been in abusive relationships in particular, and we are very concerned that the family support infrastructure in Scotland, which is quite different, has not been taken account of in the Westminster debate.

12:00

On charges, the Government is proposing that, on an on-going basis, 32 per cent of maintenance

will go back to the Government rather than to the child. We are very concerned about that. Countries around the world have found child maintenance to be a big challenge, and the UK has a pretty deplorable track record on the amount of maintenance that has gone to children. OPFS has argued for more than 20 years that child maintenance should be dealt with through the taxation system. Obviously, that is not within the Scottish Government's remit; it is a wider issue, and it is very thorny. The countries around the world that have risen to the challenge and maximised the amount of money that has gone to children—that is the aim—are the ones that have dealt with matters through the taxation system.

**Dr Simpson:** The final issue that you raised was the deductions of up to 32 per cent in the new system. There will even be an up-front charge for some people. It will be extremely difficult for people to find £100 at that point if they are not on benefits. If they are on benefits, the amount will be less and will be topped up from benefits. There is also the further deduction of 15 to 20 per cent for non-resident parents, and 7 to 12 per cent for parents with care. Taking off 30 per cent to pay for the system seems to me to be imposing an additional tax in an area of distress. I understand the desire to save money, but imposing a 30 per cent penalty as a method of getting more people into voluntary agreements seems to me to be draconian.

I am sorry. That was a comment rather than a supplementary question.

**The Convener:** Pay no attention to me.

**Mary Fee (West Scotland) (Lab):** I want to follow up on kinship carers, whom Kate Higgins mentioned. I will take off my MSP hat and put on my councillor hat. I have dealt with a couple of kinship care cases and know how difficult it can be for people to get recognition that they are a kinship carer and to get financial support from local authorities.

Should kinship carers have more of a standing? That is not going down as far as foster carers. Should kinship carers be given more formal recognition, and should they be paid more? I know how much they are paid, and it does not go anywhere near meeting childcare costs.

I am also interested in people who are already out of work and who may be interested in becoming a kinship carer but who may not be able to do so because, under the new reforms, if kinship carers are not formally recognised, they will not receive any benefits. There is a double whammy for them. They will be penalised because they cannot get a job, but they will want to do a really valuable job in looking after a child.

**Kate Higgins:** The short answer to your questions about formal recognition and whether kinship carers should be paid more is yes. I am not entirely sure that this is the right forum for a wider debate on that, but it would be timely for the committee to revisit our kinship care strategy if it had time to do so in its work plan. Perhaps the Education and Culture Committee could be included, so that the focus is squarely on the outcomes and benefits for children and how well what we have put in place in recent years is working.

It is important to acknowledge just how far Scotland has travelled. We have a unique approach to providing and supporting kinship care, although whether that is working in practice is a question that deserves further scrutiny. Given Children 1st's long experience of engagement and support for kinship care families—particularly through our family group conferencing service and now through the new national service—we welcome the fact that the Scottish Government sees an opportunity to address through this process some of the anomalies in the financial arrangements for kinship care.

It is horrendously complex, although I may finally have got my head around it. The Scottish Government's proposed measures will go some way towards ensuring that more kinship carers, particularly in cases in which the children are formally looked after, are not penalised by the loss of benefits because they are in receipt of a kinship care allowance or some other payment from the local authority.

The situation is different in England, in that all kinship carers have parity with foster carers, although I do not think that we want to have that debate here today. The Scottish Government's proposed measures would take nearly all kinship care families into what the UK Government proposes for foster carers and kinship carers in England, but that is only half the battle.

At the same time as simplifying the treatment of foster carers through universal credit, the changes will make foster carers subject to conditionality. All the things that others have talked about with regard to conditionality, such as foster carers or kinship care couples having to seek work and take up work-focused interviews, come into play.

We are saying two hurrahs for the Scottish Government for using this opportunity to address some of the anomalies and to ensure that kinship carers are not penalised financially. However, we would like the Parliament, and indeed the Government, to go further and support measures that have been pushed by third sector organisations—and most recently debated by the Lords—to ensure that kinship carers are exempt

from all the conditionality rules of universal credit for at least one year.

That would take account of the fact that when kinship care families take on a child, there is very often no preparation—it can happen quite suddenly. Children very often arrive with various support needs, and it can take a bit of time for everyone to adjust. It would be grossly unfair for kinship carers, who experience all that upheaval and change and who must ensure that the children are made to feel safe and secure, to be pushed back out of the door to work, particularly when some of them will have made an active decision to give up work in order to provide full-time care for the children whom they are taking into their families.

**Mark Ballard:** At Barnardo's Scotland, we would concur with much of what Kate Higgins has said on behalf of Children 1st about this issue. The long-running issue has been Westminster's failure to recognise the distinct additional care setting for looked-after children in Scotland in the form of kinship care, both in the current set-up for child benefit and tax credits and in the proposed future set-up of universal credit. That needs to be addressed, and it is very welcome that the legislative consent memorandum highlights it.

However, it is another example of a wider area in which the potential impacts have not been thought about. In particular, Barnardo's highlights the changes to the housing benefit system in relation to underoccupancy and the impact that they will have on foster carers who receive housing benefit. Under the proposed rules, households that were deemed to be underoccupying the home by one bedroom would lose 13 per cent of their housing benefit and those underoccupying by two or more bedrooms would lose 23 per cent.

Barnardo's Scotland works with a range of foster carers, some of whom receive housing benefit, and we need them to be on call, particularly those with particular specialisms. For example, there are short-term carers who deal with the most vulnerable children, such as children who have been abused. We need enough capacity in the system so that a social worker can make an emergency placement with a foster carer. If a foster carer is penalised through their housing benefit because of underoccupancy of their home during periods when they do not have a child placed with them, that will be a major disincentive to their remaining as a foster carer and they might move out of foster care.

Given that the system already has undercapacity of at least 1,700 foster families, anything that moves people out of foster care or creates uncertainty for those people will be a problem. A family might not receive housing

benefit, but when they are weighing up whether to continue providing foster care in a time of uncertainty about employment, the proposals might be a disincentive for them to continue. That is another example of the range of unintended consequences of the bill. It is speeding through Westminster, and problems will be created for local authority social workers downstream.

**Marion Macleod:** Following on from what Mark Ballard and Kate Higgins said, I note that, as well as impacting on people who look after children within their extended family and children who are placed in the public care system by local authorities, the bill is likely to mean that more families will require such support and services at a time when their availability is restricted because of local authority budget reductions. The bill will impact not only on the services that local authorities provide directly, but on those that they purchase from the voluntary and community sector, and demand will escalate.

As poverty, unemployment and stress on families increase, the demand for support services at the acute end will rise at a time when, for a variety of reasons, services are contracting. In that context, we must think not only about how we can deal with the immediate and serious impact of that—for example, it might be that a child who has been abused cannot be placed because no places are available—but about how we can avoid and reduce the risk of such situations arising in the first place and about what things the Scottish Government has at its disposal to address that.

We need to be clear that employment is not a passport out of poverty per se. Employment that provides an effective level of remuneration is, but much of the employment that parents and others in the community are being encouraged towards is not particularly remunerative. We should also take into account the impact of the proposed reduction in tax credits, which will have a serious deleterious effect on families' incomes. The average cost of 25 hours of childcare is £84, which represents more than half of average part-time earnings. If 20 per cent of the subsidy is taken away, it will mean that even families in which somebody is in employment are likely to experience much more serious poverty.

We have encouraged consideration of how to encourage and support families through good quality childcare services. The local authority settlement has been reduced, but there are other moneys. The convener raised interesting points about the potential for tax raising. One lot of money that is not restricted and does not require an increase in the tax burden is the European structural funds. There has been repeated urging at European Union level for member states to support childcare. Targets have been set that

should be aspired to but on which we fall woefully short in Scotland. Using the new tranche of structural funds to support childcare would have a beneficial impact on children and families and would increase the likelihood of people being able to participate in the labour market without that adding stress to their lives rather than reducing it.

12:15

**Robert McGeachy:** Colleagues have referred to the unintended consequences of the bill for two vulnerable groups: kinship carers and foster carers. It is worth pointing out that there are few remaining opportunities to amend the bill. The bill started in the House of Commons and went through all the stages there—including committee stage, report stage and third reading—and then went into the House of Lords, but the changes amount to a couple of lines. After the second reading in the House of Lords, the Government put the bill into a grand committee. As colleagues will be aware, the convention is that there cannot be a vote in a grand committee. Amendments can be accepted by acclaim, but they cannot be voted on. Therefore, the report stage, if it happens before Christmas, will be the first opportunity that peers have had to take a view and to vote on the important provisions in the bill. The opportunities are limited, so it is important that we try to influence as much as possible the remaining stages in the Lords.

**Marion Davis:** I reinforce what Marion Macleod said about in-work poverty. Many children who are in poverty have a parent who is working. Under the bill, conditionality will not only be tied in to signing on and looking for work, but it will affect parents who are in work. Our submission details how parents, as their child gets older, must increase the number of hours that they work. Someone who has a child over 12 is expected to work full time in a job that is within 90 minutes' travel of their home. That has serious implications, not only for some of the issues that we have talked about, but for the childcare infrastructure. Some people might feel that they can leave their child of 12 at home during the summer holidays or on in-service days—that might be fine for some children—but we do not want other children of 12, 13 or 14 to be left at home for long periods, perhaps because of issues that have affected their life. Out-of-school care does not deal with the issue, because children of that age do not fit into the out-of-school care system. We lack services for that age group.

Until now, Jobcentre Plus has not been restrained in issuing cuts to benefits. In researching for the meeting, I discovered that more than 75,000 sanctions have been imposed on lone parents this year, which means that 20 per

cent of income support personal allowance has been sanctioned. That is to do with people who are on income support not turning up for interviews with Jobcentre Plus. However, research shows that people have good reasons for that, such as ill health, caring responsibilities or chaotic things going on in their family. Research has shown that, in a sense, conditionality does not work. Extrapolating from those figures, we find that almost 4,000 parents in Scotland who are already on a low income have had a cut to their benefit. That is a concern, and it is bound to have implications for child poverty and the Scottish Government's strategy on it. I reinforce Marion Macleod's point that the issue is not just about moving into work.

Our briefing describes the situation in other countries, including Scandinavian countries. Why is it that in some countries such as Sweden, the percentage of lone parents is as high as it is in the UK but the levels of child poverty are among the lowest? Along with the US, the UK has one of the highest levels of child poverty. The answer is that the welfare system in those countries takes into account the fact that, aside from their needs as workers, parents who work also have certain needs as parents. In the UK, people are treated as workers and are assessed as being available for work or moving into work, and there is not the same focus on their role as parents. It does not have to be like that; there are other options and systems to consider.

**Robert McGeachy:** Taking up a point that Marion Davis raised, I note that, in the previous welfare reform legislation, the UK Government at the time gave a commitment that it would ensure through regulations that vulnerable claimants with dependent children would not face sanctions in these kinds of situations. However, as Marion Davis has made clear, those sanctions are already happening. We are simply seeking parity with the approach in the previous legislation. If the previous Government could give that kind of commitment, surely, in recognising the principles with regard to childcare, the current Government must realise that it is important to take a similar position in this bill and that it should either put such a provision in the bill or agree to address the situation in regulations.

**Bob Doris:** I want to highlight a few points that have already been made this morning and ask a couple of questions. First of all, Mr McGeachy mentioned regulations on childcare and certain safeguards that he would like to be put into the system. In the previous evidence session, Mr Dickie described much of the bill's detail as skeletal and said that it was too top-heavy in its reliance on subordinate legislation. I asked the previous panel whether the bill should contain a requirement for the UK Government to seek

Scottish ministers' consent to the making of UK subordinate legislation that will apply in Scotland and will impact on areas in which the Scottish ministers exercise functions but that do not fall within executive competence. Do you think that with much of the bill the devil is in the detail and that too much of it remains unseen?

Secondly, I echo many of the concerns that people have raised about kinship carers; indeed, in the previous parliamentary session, the convener, Duncan McNeil, and I looked at that very issue when we were members of the then Local Government and Communities Committee. We have heard a lot about how the benefit reforms will impact on kinship care; indeed, Mr Ballard made some excellent points about how the housing benefits reforms will impact on foster carers. Given that so many of these changes are going to reverberate in the years ahead, do we need not only on-going scrutiny by parliamentary committees of the consequences and impacts of these UK reforms but, as Ms Macleod suggested, to find ways of mitigating those impacts where possible?

**Robert McGeachy:** On the first question, John Dickie made a very good point when he called the bill skeletal. It might surprise the committee to learn that some organisations think that certain sanctions might need to be addressed through regulations.

Unfortunately, our approach has been sort of forced on us because of how the bill has been considered at Westminster. At the start, we promoted amendments that were tabled by Anas Sarwar MP and which sought to put something on the face of the bill. When the standing committee did not accept that approach, we turned to Dr Eilidh Whiteford MP, who was prepared to table an amendment seeking to put a regulation-making power into the bill. That solution is not ideal, but it is a product of the political environment and atmosphere around the legislation.

During the committee stage in the House of Lords, there was a very detailed debate on childcare—it runs to about 16 pages in *Hansard* and is well worth looking at. Although the House of Lords is very supportive, the question is whether it is prepared at report stage to put something on the face of the bill. The fallback position is to address the issue through regulations, which at least would have the benefit of ensuring parity and consistency of approach with the previous legislation.

Mr Doris is right that a huge raft of regulations will be introduced after royal assent. Action for Children Scotland supports the call by Children 1st, Barnardo's and all the organisations that my colleagues here represent to set up a scrutiny committee. Citizens Advice Scotland has also



considered that means of ensuring scrutiny. Whether or not that is the best way forward, it would at least ensure that the Scottish Parliament had an on-going scrutiny role in respect of the legislation and the regulations, which will have a significant impact on Scotland.

**Douglas Hamilton:** I will try to be brief. It seems sensible to me that the UK Government takes account of Scottish ministers. I think that the LCM says that the UK Government would have to seek the consent of Scottish ministers. I do not know whether that is going too far, but there should certainly be a process in which there is dialogue and the UK Government takes account of and has due regard to the views of Scottish ministers in making decisions. So, we completely agree with you on that point.

On the question of on-going scrutiny, I do not have strong views either way on whether there needs to be a separate committee for that or whether it should be done through existing Parliament committees. However, there are issues in areas such as childcare that require further, on-going scrutiny on behalf of children and families in Scotland to ensure that the impact of the Welfare Reform Bill, combined with other changes that will or could happen, is to the benefit of children. The childcare example is worth reflecting on in relation to that.

Yes, we are seeking amendments in the House of Lords to take account of the current Scottish situation on childcare, but that is only one way of looking at it. We should also consider what the current Scottish childcare situation is. Childcare should be available. We should not require an amendment to the Welfare Reform Bill that takes account of the fact that childcare is not available; we should try to ensure that childcare is available, flexible and affordable for families who need it, so that they can get back to work.

So, yes, on-going scrutiny will be required in whatever forum or format, as long as there is time to do it and that it can take account of some of the other factors that are currently in the devolved set-up and consider how the needs of children and families, particularly the poorest, can be met.

**Mark Ballard:** In a previous career, I had the privilege of being a member of the Scottish Parliament's Procedures Committee when it conducted an inquiry into the workings of the Sewel convention. One of the issues that we discussed was how the Sewel convention could relate to matters that were dealt with through regulation at Westminster. It was an incredibly complex area and we did not come up with an answer. However, I think that that highlights the need to come up with a mechanism that works.

When our committee considered the issue, we found that the timetables at Westminster did not naturally synchronise with any model that we could think of for Scottish ministerial involvement or Scottish Parliament consultation. However, we must find a system that works, particularly for an area such as this.

Bob Doris thanked me for my example of foster carers. I want to share another example with the committee. Currently, people aged 16 to 17 are entitled to claim jobseekers allowance if they would otherwise face severe hardship. The UK Welfare Reform Bill does not include provisions that would continue that entitlement, because the basic conditions for claiming universal credit include being over 18 years and not receiving education. Clause 4(2) of the bill provides a regulation-making power to specify exceptions to both those conditions. However, our concern at Barnardo's is that previous legislation had specific clauses that covered that circumstance. So, there will clearly be a big issue for us when the regulations come out about whether 16 and 17-year-olds facing hardship will be covered.

A large proportion of 16 and 17-year-olds in Scotland are young people who have left care. The availability of JSA under the hardship criteria is a key part of throughcare and aftercare planning. Were JSA to be removed for at least some of the young people leaving care for whom it would not be appropriate to be in education, employment or training, it is not clear what would happen.

12:30

That is a key example of an area in which there is an interaction between the Scottish Parliament's responsibilities around care and a UK system, in this case the transformation of the JSA into universal credit. For those kinds of issues, we need scrutiny of what is happening and assessment of its impact and of the preparedness of the relevant parts of the devolved structures in Scotland, whether they be in central Government or local government.

Together with Action for Children and Children 1st, we have been calling for coherence in the structures that discuss these issues. There needs to be one committee that considers them. The example that I gave falls within the remit of the Local Government and Regeneration Committee; this committee, because of the issue of child poverty; and the Enterprise and Culture Committee, because it is concerned with young people and the getting it right for every child agenda.

**The Convener:** Mark Ballard raises many serious points. The whole process is a challenge

for the Scottish Parliament as is how we provide that scrutiny and, more importantly, ensure that such scrutiny leads to an influence on what happens—we can scrutinise it to death, but if we do not have the mechanisms to ensure that we have an influence, there is little point in doing so.

I will abuse my position as convener again and say that I think that the Welfare Reform Bill presents us with a clear challenge, because of the way in which the committees of the Scottish Parliament are set up. We are dealing with a lot of cross-cutting issues and we are demanding that others get out of their silos, but we are still in ours. We might want to make some comment about that in our report. It might not be appropriate to do so, but I will give it a try.

**Marion Macleod:** We agree that it would be preferable if scrutiny of the bill's impact were happening in one place so that a holistic and overarching view could be gained rather than a fragmented and inconsistent one.

The Scottish Government is consulting on legislation to embed the rights of children in Scottish law. We should not lose sight of that when considering the impact of the legislation.

The performance framework that this Government seeks to operate to defines one of its key performance objectives as being to give every child the best start in life so that it is ready to succeed. In this legislation, there is the potential to undermine in a fundamental way the value of enacting child rights legislation and the intentions of the performance framework.

The "Growing up in Scotland" longitudinal study that the University of Edinburgh is carrying out with funding from the Scottish Government demonstrates that the children in the poorest quintile are identifiably behind in cognitive ability at age 3 compared with those in the most well-off quintile. However, even more worryingly, they are also further behind at 5, which means that the universal provision that they are receiving is not mitigating the effects of poverty and adverse early life but compounding it. Children who are better advantaged and readier to learn are achieving more in an educational setting than those who have lesser ability, lower vocabulary and so on.

We need a clear and single point of scrutiny because there needs to be consideration of the impact of the reforms and how the budget is divided up in advance of what we predict will happen when the reforms kick in. Despite the huge figure of £2 billion that the Fraser of Allander Institute has identified as possibly being removed from the Scottish budget, there is no requirement on anyone to make any contingency plans or have any ideas about how they would address the consequential impact of that through, for example,

local authority performance targets and so on. Unless there is some mechanism that does that in a consistent way, it will be a case of divide and rule—there will not be a consistent and coherent financial approach or strategy. That is a very important point, on which I would concur with my colleagues around the table.

**The Convener:** I cannot resist saying this—I always do it. I have admitted that we as a Parliament can do better. We have six organisations here—we could have doubled the number—all of which purport to represent this interest. There is a challenge for us all in how we undertake scrutiny and work together to ensure that we make the arguments for the most vulnerable. It is maybe not just the Parliament that cannot get it together.

**Marion Davis:** The Westminster Government and the Scottish Government have both said that they have the goal of eradicating child poverty by 2020. One of the aims of the Welfare Reform Bill is to contribute to achieving that goal and the Scottish Government has its policies in place, which it says will contribute to achieving that goal. One Parent Families Scotland thinks that it is important that Scottish ministers have a chance to look at the subordinate legislation that follows from the bill and the impact that it will have on devolved areas. Any success that the bill has will be affected by employability, childcare infrastructure and Scotland's skills and education structure. All those things will be crucial in determining whether we achieve the child poverty targets.

I agree with what colleagues said about the idea of a single committee, which would be beneficial and allow us to take a holistic approach, and about having on-going scrutiny of the bill. The bill could impact on a lot of areas that we have not even touched on, as it is so wide ranging. The Parliament needs continually to get feedback from organisations that are in touch with families who are affected by the bill and are giving them information and advice, so that it can find out the impact that it is having on families in poverty. I know that that information will come through surgeries as well, but, given the contact that all the organisations here have with families, we can help inform the debate if there is a continued focus on it.

**Kate Higgins:** Given that I, along with colleagues at the table, was one of the original proponents of setting up a standalone committee, you will not be surprised to hear me say that, for all the reasons that other people have outlined, we think that there should be such a committee, which should operate until the end of this session of Parliament. That does not mean that it should work to a timetable—it should meet as and when it is required to do so.

The convener set us all a challenge. We do not want to scrutinise things to death. We all need to work together to address this issue.

It is important simply to state that one in four children is growing up in poverty in Scotland. The modelling by the IFS, to which Douglas Hamilton has alluded, suggests that at least another 50,000 children could be placed into poverty. I do not think that any of the organisations here, including Children 1st, is in doubt that the bill has the potential to make poverty worse for families and children and young people and to increase the numbers who are growing up in poverty.

We have to place the potential impacts of the bill in the context of other cuts to budgets and services, of which we are all aware; the bill's proposals will also impact on the economy, money in people's pocket and people's ability to contribute to our wider economy. I want also to place the bill in a cross-party context within this Parliament, as well as in the context of the Scottish Government's aspiration and intent to invest in children's early years and to shift to a way of preventing spending further down the line. We all know that the evidence shows that that is what we should be doing.

Taking all those things into account, there is absolutely no doubt that we should all be doing all we can to prevent some of the worst aspects of the bill going through in the short timescale that is available. We should then work together to ensure that we do what we can to address the adverse impacts of measures that are then passed into law, including ensuring that our ministers have the power to consent or otherwise to regulations. We would caveat that by saying that there is a role to be played by the Parliament, all MSPs and all our organisations in that process.

My final point is that we want to work with you over the next few years. Welfare reform was not in Children 1st's policy strategy six months ago, but there is not a single family among the several thousand whom we work with day in, day out who will not struggle to cope with the impacts on their lives of what the bill will produce. We will end up by picking up some of the pieces, so we must ensure that as an organisation we are prepared and that we are also prepared to work with everybody to ensure that we are all doing all that we can to mitigate the impact on some of the most vulnerable children in Scotland.

**Robert McGeachy:** I want to pick up on a point that Mark Ballard made earlier about 16 to 19-year-olds. It is important that the on-going scrutiny of the legislation should also focus on the 16 to 19-year-old vulnerable claimants, particularly on young people who might be involved in offending or who might have drug and alcohol misuse issues, young people from the black and minority

ethnic communities, young people with mental health issues and care leavers.

One amendment that Action for Children Scotland has been progressing in the House of Commons and now in the Lords is intended to ensure that claimants who are in receipt of universal credit and jobseekers allowance have the necessary personalised support and access to localised services that will enable them to access work-related activity and to sustain work. We know from our Youthbuild services across eight local authority areas in Scotland that a lot of the young people with whom we are working by promoting to them opportunities to work in the construction industry require high levels of intensive personalised support. We need to get a sense from the UK Government of what support will be available for vulnerable claimants.

The Government, in its response to our amendments, has referred to the work programme and to how this support will be adjusted through that programme. It is important, however, that the Parliament and the Government consider that very clearly in their scrutiny. The House of Commons Work and Pensions Committee has previously expressed concern that the work programme has involved instances of creaming and parking, where providers concentrate on the claimants who are nearer to the job market in their experience, background and skills, to the exclusion of vulnerable claimants.

**Dennis Robertson:** Dr Simpson mentioned the draconian aspects of the sanctions. Is enough consideration given to families who live in rural Scotland, given that they have less access to transport and less choice in employment? Should there be any exemptions to the underoccupancy measures, say for foster carers and families with children with disabilities and long-term conditions?

12:45

**Mark Ballard:** On the first point about draconian sanctions, Barnardo's runs a series of Barnardo's work services that focus on employment support for those who have difficulty accessing the labour market. We have a successful service in the Highlands and one in the Cairngorms region.

The staff of those services have told me that young people coming into Barnardo's works are starting to get letters about the sanctions that they will face for certain things, such as missing an interview, that were indicated in the previous evidence session. Given that those young people do not own or have access to a car and rely on public transport, if, for any reason, the public transport were to fail, they would face a sanction of having their payments stopped for an increasing period of time. That is completely inappropriate

and fails to take account of very real transport issues, especially for young people in Badenoch and Strathspey who are told to attend interviews in Inverness. Not only does that come at a cost to them, it means that they have to rely on public transport that can, at times, be unreliable. That is a major issue for those young people, who often require advocacy support to help them in their interactions with some of the agencies. We are worried that there will be a rash of sanctions for minor infringements that are not the claimants' fault and that that will have a massive negative impact on them.

I have already highlighted our major concerns about the inflexibility of the current occupancy rules and I should have mentioned that, with disabled children, a second bedroom is often required to store materials and allow for sleepovers. Treating that situation as underoccupancy will have a major impact on families with disabled children.

**Marion Davis:** The issue of Scotland's rural areas is a big worry, because the bill has simply not taken it into account. For example, in a project that we are running with young parents in South Lanarkshire, the people involved are struggling to get to various health-related meetings because they simply do not have the money for fares. A major issue is being able to afford to go and sign on. For a lot of those young parents, who had their children when they were 15 or 16, the bill's proposals will hit really hard, because they will have just over four years to prepare for signing on and to improve their skills and education so that they can move into better paid employment. Lone parents find that, when their children turn five and they have to sign on, their access to skills, education and training closes down.

The proposals on housing and occupancy levels will affect not just the groups that have been mentioned; for example, a two-parent family might break up and one of the parents might move out. The children of that family will go to the local school, be part of an infrastructure of family support and so on and it is crucial that they stay in the same house and stay linked to that support. Again, that ties in with Scottish Government policy, which is based on the child's best interests.

**Kate Higgins:** In response to the second question, we support exemptions to the underoccupancy proposals but we think that any exemptions should include kinship carers to ensure that they are not punished. Moreover, as the benefit cap might affect disproportionately foster carers and families with disabled children or a disabled family member, we want it to be removed and we would like such a move to be extended to kinship carers.

**Dennis Robertson:** What really concerns me is that people in rural areas have a limited choice of employment anyway and that sanctions could be imposed even though there are no jobs in the areas where they live.

**Mary Scanlon:** I do not want to start answering questions, but I say to Kate Higgins that both the present committee and its predecessor should be very proud of their work on investing in early years. It is fair to say that we are having extremely positive discussions with the health secretary on that issue.

Secondly—I am being very nice to the Scottish National Party today—I want to thank Bob Doris for the focus of his points and, given that this is my final meeting as a member of the committee, I think that it is worth commending the Scottish Government, which supports the presumption that welfare issues

“will be resolved by mature inter-governmental negotiation based on openness and mutual respect.”

That comment, which the Government makes in paragraph 71 of its paper on the legislative consent memorandum, is a fair one.

My questions follow on from Bob Doris's. First, I will ask the question that I asked this morning. Professor Harrington—who spent his career as an occupational therapist helping people to get back to work—has made significant changes. His review is a work in progress. Much has still to be implemented and much is still under review. What are your thoughts on the changes that have been made and those that will be made?

I have one other, small question that deals with an area that has not been covered, but which comes under the legislative consent memorandum. We are being asked what can be done to ensure that the replacement of DLA by the personal independence payment

“will not impact negatively on established Scottish social care policy such as our National Strategy for Self-Directed Support.”

That point has not been covered.

**The Convener:** It has now. Does anyone want to lead off on that?

**Kate Higgins:** The difficulty that some of us are finding is that those questions are targeted more at organisations that support disabled people or which have a wider welfare reform or poverty remit, so they are less relevant to our organisations.

You asked about Professor Harrington's review and the changes that it has resulted in. This will probably not answer your question, but it will serve to make a general point. Children 1st has looked at some of the impacts of welfare reform on the

lives of a tiny cohort of young parents with very young children. One of the things that we have picked up is that there has been so much change in recent years—the previous Labour UK Government also instituted welfare reform—that they could not tell us which benefits they received and how much they received because they were no longer sure what the benefits were called.

That pointed up the fact that the additional change that is coming hurriedly down the track will be very difficult for vulnerable young parents who have quite demanding caring responsibilities and challenging life circumstances to cope with. We need to take into consideration the education and awareness raising that will require to be done and the information that such families will need to ensure that they do not lose out. If they do not know what benefits they are supposed to be receiving now, how can they know what they will be entitled to receive once we get to the end of the process?

Children 1st supports those parents in addressing their parenting skills and family relationships. We work with them on soft skills and ensure that they are in a good place to parent their young children successfully. There is no tie-up between the work that we do and what the UK Government has commissioned in terms of work programmes, and we feel that such a tie-up is necessary.

The stated intention behind simplifying the welfare reform system and moving to a single benefit is to enable more people to move into work, hold down a job and progress so that the work becomes well paid and they can sustain themselves and their families. That is hugely welcome, but there must be a tie-up between the work of Children 1st and other organisations and the move to get people off benefit and into work.

**Douglas Hamilton:** I am not going to answer the question, either—sorry, but I do not know the answer.

**Mary Scanlon:** I am getting used to that.

**The Convener:** As Kate Higgins said, the point might have been more relevant for another panel. I am happy to give Mary Scanlon the chance to ask a follow-up question that is more relevant to this panel.

**Mary Scanlon:** It is an important point for all the panels. My follow-up question is to ask for responses to my questions on the Harrington review. Significant changes have already been made that impact on everything and particularly the legislative consent memorandum, which is why we are here today.

**Douglas Hamilton:** I do not know the details of Professor Harrington's review but, on the changes,

I will pick up on the points that Kate Higgins made. The committee has been meeting since 10 o'clock this morning, so for nearly three hours, but I am not sure how much clearer everybody is about the changes that are happening and what the implications are. We have heard bits. A lot is going on and there is a lot of confusion and uncertainty. We have read lots of papers and listened to everybody who has spoken in the meeting. I am concerned about the parents who are at home and who are frightened about what will happen next. They are confused and worried about where their benefits will come from and how they will afford their housing and heating in the years to come. They are making changes now because some welfare reforms have already come in, but more will be introduced in the next couple of years.

Whatever comes out of the LCM process, the Scottish Parliament can assist by ensuring that information, advice and support is available for parents and children in Scotland so that they can make the best of the situation. We hope that the Scottish Parliament and Government will consider what else they can do to support those children and parents in the future. Given the multitude of changes, my concern is about ensuring that people get the information, advice and support that they need so that they get everything that they are entitled to and their children have the best possible standard of living.

**Bob Doris:** Time is getting on, but it is incumbent on us to ask the obvious question. We are discussing not only what will be in the legislative consent motion, but the wider context of the welfare and benefits reforms, which the Parliament has been asked to scrutinise. The motion, which we have still to see, might focus on passported benefits, such as the social fund and council tax benefits, and not on the wider reforms. When the Parliament takes a view on the matter, should we look only at the narrow provisions in the motion, or should we take a view on the wider reforms? To give a steer to the witnesses, I mean that, as things stand, would it be appropriate for the Parliament to pass the legislative consent motion? I realise that there is a difficulty because the motion is as yet unseen, but I feel that it is a reasonable question.

**The Convener:** We would not want to lead the witnesses. You are all free to answer as you want.

**Mark Ballard:** The key issue for Barnardo's Scotland, which links to the point that Douglas Hamilton just made, is about ensuring that the impact on vulnerable children and families is at the centre of any decisions that are taken. We must start planning for what will inevitably happen as a result of the UK legislation. Most of the issues that Barnardo's and colleagues have raised today will

not be affected by the decision on the legislative consent motion.

The biggest issue, which I have not yet had a chance to mention, is the speed of and timetable for the reforms. From October 2013,

“All new claims for out-of-work support are treated as claims to Universal Credit. No new Jobseeker’s Allowance, Employment and Support Allowance, Income Support and Housing Benefit claims will be accepted. Customers transitioning from out-of-work benefits ... will move onto Universal Credit”.

If families or individuals have a significant change of circumstances, start a new job or, in particular, have a child, they will transition to universal credit.

13:00

That is not a long time away. Our particular concern is that families with children and new entrants, particularly young people, will be the guinea pigs for the new system. The housing benefit parts of the system will kick in in April 2013 and other parts, such as universal credit, will do so from October 2013. Scotland needs to be prepared for that, and devolved services will need to have made the adjustments to come to terms with the new reality that will come awfully quickly. I ask committee members to bear that in mind in making decisions on the LCM and the wider issues.

There is also the issue of the timetable and the fear factor that Douglas Hamilton talked about. There will be glitches, but we must ensure that no family turning up in April 2013 looking to get a payment from the social fund is told, “The computer system won’t work for the next few months. Can you come back next year for your emergency payment?” We must ensure that the processes that are in place have been tested and are ready and working when the new systems come in. That is what we would like the committee to focus on.

**The Convener:** Mary Scanlon has a question, but we will hear all the responses first.

**Marion Davis:** Douglas Hamilton referred to all the evidence this morning. In general, the feedback from the organisations on the second panel is that the bill as it stands is not appropriate. There are many criticisms of the bill, but it is still under scrutiny and going through Westminster. One Parent Families Scotland’s view is that the bill will have a major impact on devolved matters. We do not really think that we would suggest it not being passed, though; we would like to wait and see what the consent motion looks like.

We have not covered the issue of information technology. The Government wants most of the claims that come through to be made online. As part of that, it has said that claimants will be

upskilled in IT and that there will be a financial capability element, so that claimants can deal with getting one payment and then redistributing it to the appropriate people who are due to be paid money. We have not even touched on that, although it impacts on devolved matters in a way.

There is the issue of people having the skills to submit their claim and, regarding finances, of their being able to deal with their benefit, who they pay and when, and how they deal with it if they do not have the money to do that. There is also the issue of the impact on the infrastructure. As I said, we will wait and see what the LCM looks like.

**Dennis Robertson:** There is a third issue, convener—connectivity.

**Kate Higgins:** To follow up on Marion Davis’s point, another issue is that there is increasing evidence that Scottish people, particularly in deprived areas or areas of multiple deprivation, have a very low take-up of or access to online facilities. The question, therefore, is how those people can be expected to submit and manage online claims when they do not have online access in the first place.

On the LCM, Children 1st would welcome clarification of the consequences of such an action before it was taken. If, for example, refusing consent allowed the Scottish Parliament and the Scottish Government, given what Mark Ballard has just said about timescales, to fashion their own response to aspects such as council tax benefit, that would be welcome. CPAG Scotland raised the point earlier that as well as a challenge there is an opportunity, with the devolution of some benefits, to do better with them than can be done with the current set-up.

I am a bit concerned to hear people assume that we should take council tax benefit as currently provided for at Westminster, minus the 10 per cent, and hand it straight over to local authorities to deliver the same sort of system that we have at the moment. Instead of that, we have an opportunity to think about how we can use that money, and any other resources that might be saved—such as the huge costs that go into administering 32 different council tax benefit systems, which could be pulled into the centre as well—to create a better benefit that addresses some of the anomalies and problems that are inherent in council tax benefit at the moment and can be used to ameliorate poverty.

If refusing consent enabled us to do that kind of job, that is what we should do. However, like Barnardo’s, we would want to ensure that the decisions are reached for the right reasons and that, when it is deciding whether to withhold consent, the Parliament puts the needs of vulnerable children and families first. However, if

not passing the LCM has no impact on our ability to influence what is going on at Westminster with regard to that legislation and also jeopardises the ability of Scotland to prepare for those measures coming into effect, our view would be that MSPs must provide the necessary consent. You must ensure that Scotland is in a position to protect and provide for Scotland's most vulnerable families.

**Marion Macleod:** I agree with my colleagues. We have to be clear about the implications of passing or not passing the LCM and about what conditions or riders we can impose if we do so. We would need to understand that better than I and possibly others in the room do at the moment before we make that decision.

Kate Higgins talked about the ability of people to engage with the system of claiming and to be aware and clear of their entitlements. Earlier, you heard about how many people receive incorrect calculations and consequently have to go to voluntary agencies and community-based and local authority advice services to try to get what they are clearly entitled to. One of the things that we would want the Scottish Government to take a lead on is ensuring, in its negotiations with the DWP, that people in Scotland get what they are entitled to not because they have developed some capacity to fill in an online form but because the people who are providing it have the capacity and the will to get it right first time. That, in itself, would mean that families would avoid some of the stress and difficulty that they currently have to go through and it would also reduce the burden on hard-pressed services at a time when they are facing restrictions on the availability of their funds.

Whether it is intentional or not, there are a lot of people who, at the end of the day, will not get what they should be getting. The complications and obstacles that are being placed in people's way will compound that unless clear action is taken to work against it.

**The Convener:** Mary Scanlon has a brief question.

**Mary Scanlon:** My understanding was that the migration of the six benefits into universal credit was to take place over four years from 2013 to 2017. That is what I read previously. I do not know whether there has been a change, but I know that that was the UK Government's initial intention.

**The Convener:** I think that Mark Ballard addressed that point. Would you like to respond, Mark?

**Mark Ballard:** Mary Scanlon is entirely correct. However, it is expected that, in the first six-month period, half a million new people making new claims for universal credit and half a million existing claimants who face significant changes will make that transition early. Although Mary

Scanlon is correct that there is a movement over time, people whose circumstances change will be the ones who, in effect, have to test out the system. That is the point that I was trying to make. Families will account for a disproportionately large amount of those early adopters and will therefore have to cope with any issues that arise with the computer system that, we have been promised, will deliver such sparkling results.

**The Convener:** I thank everyone for their attendance.

*Meeting closed at 13:09.*





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