



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

WELFARE REFORM COMMITTEE

Tuesday 8 January 2013

© Parliamentary copyright. Scottish Parliamentary Corporate Body

Information on the Scottish Parliament's copyright policy can be found on the website - www.scottish.parliament.uk or by contacting Public Information on 0131 348 5000

Tuesday 8 January 2013

CONTENTS

	Col.
SCOTTISH GOVERNMENT PASSPORTED BENEFITS CONSULTATION	425
SUBORDINATE LEGISLATION.....	440
Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012 (SSI 2012/319)	440
APPOINTMENT OF EUROPEAN UNION REPORTER.....	441
IMPLEMENTATION OF SCOTTISH LAW COMMISSION BILLS	442

WELFARE REFORM COMMITTEE

1st Meeting 2013, Session 4

CONVENER

*Michael McMahon (Uddingston and Bellshill) (Lab)

DEPUTY CONVENER

*Jamie Hepburn (Cumbernauld and Kilsyth) (SNP)

COMMITTEE MEMBERS

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

*Linda Fabiani (East Kilbride) (SNP)

*Iain Gray (East Lothian) (Lab)

*Alex Johnstone (North East Scotland) (Con)

*Kevin Stewart (Aberdeen Central) (SNP)

COMMITTEE SUBSTITUTES

Jackie Baillie (Dumbarton) (Lab)

Kenneth Gibson (Cunninghame North) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon)

CLERK TO THE COMMITTEE

Simon Watkins

LOCATION

Committee Room 4

Scottish Parliament

Welfare Reform Committee

Tuesday 8 January 2013

[The Convener *opened the meeting at 09:31*]

Scottish Government Passported Benefits Consultation

The Convener (Michael McMahon): Good morning and welcome to the first meeting of the Welfare Reform Committee in 2013. I wish everyone in the room a happy new year. I hope that you all had a good break.

We must go straight to business. I remind everyone to switch off their mobile phones and electronic devices, so that we do not have any unnecessary interruptions.

Agenda item 1 is on the passported benefits consultation. We will take evidence from the Cabinet Secretary for Infrastructure, Investment and Cities on the Scottish Government's proposals for passported benefits. I welcome the cabinet secretary to the committee and wish her a particularly happy new year. I ask her to make some introductory comments, after which the committee will ask questions.

The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon): Thank you for the invitation to be here today. I wish you and committee members a happy new year. I welcome the opportunity to update the committee on two things: first, the findings of our passported benefits consultation; and, secondly—as far as I am able—the progress that we are making on putting in place arrangements for passported benefits when the United Kingdom welfare reforms start to be implemented from April.

The committee is well aware that the Scottish Government's strong view is that the UK reforms are too deep and too fast. We disagree with some of the changes that the UK Government is making. The reforms are against the backdrop of some of the biggest cuts that we have seen to the welfare system in a generation. Yesterday, we saw child benefit start to be removed from many people. We estimate that that will affect almost 100,000 people across Scotland. Today, the UK Government is pressing ahead with plans to put a cap on increases to benefits, including benefits for many people who are working hard in low-paid jobs. We estimate that the cap on benefits, including tax credits, will affect around 700,000 working households across Scotland. Clearly, the changes have a big impact and they will cause more pain

for some of the most vulnerable people and families across our society who are already struggling to cope and working hard. The committee is aware that that is our view; it is also aware that the Government is committed to doing as much as it can to mitigate the impact of the changes.

I will talk initially about the responses to our consultation. We published the analysis of the consultation responses on 21 December 2012, and I understand that a copy was made available to the committee at the time. In summary, respondents want to see a system of passported benefits that is easy to administer, inclusive and flexible and which offers fairness and equity of access for all. That chimes very much with the findings of the consultation events that we held in October and it is what we want to achieve in the long term. Obviously, though, our immediate focus—and that of many of those who responded to the consultation—is on maintaining access to passported benefits for those who already access them. The consultation was very useful in that regard, as it showed overall support for continuing to use the benefits system as a means of passporting.

The consultation also gave us insights into issues that we might want to consider in the medium term, as we review how passported benefits are interacting with universal credit and personal independence payments. The analysis brought out a number of key things. A main concern of respondents was the protection of entitlement for individuals who currently receive passported benefits. I have already mentioned that, and it is an issue on which I have been very clear in previous appearances before the committee and in the consultation document. We emphatically do not see the need for new qualifying criteria for passported benefits as an opportunity to cut budgets or reduce the number of people who can claim passported benefits.

That takes me neatly to the second issue that I wanted to update you on today, which is progress on revised criteria for passported benefits. The committee will recall that when I last appeared to discuss this issue, in October, there was considerable uncertainty regarding the information that will be available on universal credit award notifications. That has implications for how we set criteria for income-based passported benefits for the short term. We now have some more information from the Department for Work and Pensions on what information will be available and in what format it will be. Some further detail was also provided in the universal credit regulations, which were published on 10 December, and in the Chancellor of the Exchequer's autumn statement.

It is fair to say that that additional information gives me some more comfort that we could be in a position to set revised criteria in time for the launch of universal credit in October. I am keen and minded to do that if we can. However, we will keep that position under review, because we still require more information. The fallback position, which depends to some extent on not just the information we have but the number of people likely to be on universal credit in the period between October this year and April next year, will be to continue with the interim pathfinder arrangements and set revised criteria in time for April next year.

In summary, we intend to introduce legislation in February that will allow for universal credit to be used as a qualifying criterion for income-based passported benefits for the pathfinder period between April and October this year. It will include criteria for disability-related passported benefits to account for the introduction of personal independence payments and it will make other changes to non-passported benefit legislation that require consequential amendments due to UK Government welfare reforms.

Legislation governing the period from October onwards will be introduced around June or July, if we decide to set the revised criteria in time for October. Of course, the introduction of legislation will be later if we decide to keep the interim arrangements in place for a longer period. I will keep the committee fully advised of our thinking and our ultimate decision on that issue.

Before I conclude, I briefly turn to the issue of disability-related passported benefits. The timescale for the introduction of personal independence payments is different from that for universal credit, so we have in principle decided on our approach to student loan exemptions and on the personal independence payment passporting criteria for blue badge parking that we believe most closely match the current higher rate mobility component of the disability living allowance. The lack of final information from the DWP has hampered final confirmation of the passporting arrangement for blue badges, but we are fairly well advanced now in our deliberations on that.

We need to do some further modelling of the national concessionary travel scheme before we can finalise our approach to the new passporting criteria and we are pressing the DWP for information that will allow us to do that. I will be very happy to write to the committee with the confirmed positions on those issues when they are available. I am reasonably confident that we will be able to come to a settled position on these matters soon.

In summary, we are in a slightly stronger position with regard to the continuation of passporting arrangements as we move towards the introduction of PIP and universal credit, although some significant uncertainty remains and we are continuing to press DWP for as much information as possible. We cannot mitigate all the impacts of welfare reform; DWP's own impact assessment made it clear that a key aim of the introduction of PIP, for example, is to reduce expenditure and case load by about 20 per cent. Inevitably, with the new system, there will be winners and losers as changes to passporting criteria bed in. However, we are very focused on maintaining eligibility, particularly for the most vulnerable, to ensure that we are able to protect entitlement as far as possible.

I hope that that update has been useful to the committee. I appreciate that I have not been able to give members all the information—we are to a large extent dependent on the DWP's information flow—but, as previously, I will keep the committee updated as we progress.

The Convener: Thank you very much, cabinet secretary. It is good to see the shape of the forthcoming changes emerging through the fog of the reforms.

An issue that has been raised with me particularly by third sector groups is the shape of the changes with regard to the whole array of local authority passported benefits. We have never had any clarity about what is delivered or the criteria at local authority level. Have you discussed with the Convention of Scottish Local Authorities or individual local authorities the knock-on impact on passported benefits that are set by local authorities themselves?

Nicola Sturgeon: The first part of my answer is yes, we are working very closely with COSLA. On-going working arrangements are in place and we and COSLA are having a very close and productive dialogue. Indeed, we very much see ourselves as partners in this work. After all, these reforms are neither of the Scottish Government's nor of COSLA's making, and we have to work together as much as possible to understand their impact.

You are right. At the moment, for example, DLA is a passporting benefit for blue badges, and we are going to map that on to personal independence payments. However, local authorities have other arrangements governing entitlement to the blue badge scheme. We want to ensure that as many people as possible who are currently passported through DLA will be passported through PIP but, given that the DWP is trying to make a 20 per cent cut, some people will inevitably fall out of that benefit regime and we will therefore have to keep a very close eye on the

impact on people trying to access that particular benefit through other arrangements. That is one very concrete example.

As was encapsulated in the consultation, our focus is twofold. First, we are working through the transition to protect the entitlement to passported benefits of people who currently have access to them, which is really important at a time of uncertainty and often damaging change. Our second—and longer-term—focus is on whether there might be an opportunity to examine the passported benefits system, simplify it and make it easier for people to understand, administer and use, and the consultation gave us some pointers on how we might want to do that in the medium to longer term.

Jamie Hepburn (Cumbernauld and Kilsyth) (SNP): Cabinet secretary, you have once again mentioned the problem of the lack of information from the DWP and the fact that it has hampered the finalising of some of the criteria for passported benefits. My first observation is that this is a very common theme; indeed, I believe that you have reported it every time you have attended one of our meetings and it is doubtless a source of frustration to you as well as the committee. What sort of information does the Scottish Government require from the DWP and do you have any idea why the DWP is still unable to provide it?

Nicola Sturgeon: I am not trying to defend the DWP, but my first observation is that we are talking about a massive change both to the system and for those who are working to implement it. Obviously, the change is not of our making but, nevertheless, the DWP is undergoing it.

My strong feeling is that, at times, there has not been enough of an appreciation that the change that the DWP is introducing will have a massive knock-on effect not just directly on benefit recipients but on services provided by devolved Administrations and—to return to the convener's point—some of the passported benefits that local authorities administer. We still need an on-going appreciation of the fact that there will be such an impact and that, in order to deal with it, we need a flow of information.

Compared with the last time I was here, we now have a better idea of the kind of information that is likely to be on the universal credit award notice: information about people's income and earnings, and how their universal credit amount is calculated. That is the kind of information that we need in order to start what is, in effect, a mapping exercise for the eligibility criteria for current passported benefits. For example, if receipt of jobseekers allowance gets someone on to a particular benefit, what would be the threshold for entitlement to that benefit in terms of income and universal credit?

09:45

Although this has not been confirmed, we are also beginning to get a better idea of the numbers of people who might migrate on to universal credit between October and April next year, which as I said earlier will inform our thinking about our approach in that period. However, there is still a lot of information required about how the new rules will operate—for example, how many of the people currently on disability living allowance will transfer to PIP, given that the background to all of this is a 20 per cent cut? We do not yet have all the information that we need about how the rules will be applied and the underlying assumptions to be able to model the impact effectively, and we do not have some of the finer detail about the operation of the scheme that we need to be able to make final decisions about passported benefits.

It would therefore be fair to say that we are in receipt of more information than we were the last time I came here but there continues to be a need to get the information flowing as effectively and as quickly as possible.

Jamie Hepburn: I found interesting your point that there are big changes that are not of the Scottish Government's choosing but are of the DWP's choosing. If the DWP is making the changes, you would think that people there would be able to get their heads around them a bit better. When you raise the point with the DWP that the changes have an impact on services that are administered by the Scottish Government, other devolved Governments and local authorities, do you get any sense that the DWP takes that point on board?

Nicola Sturgeon: Yes, to an extent. I wrote to Lord Freud, the Minister for Welfare Reform, before Christmas and I had an opportunity to raise some of the issues with Iain Duncan Smith. It would be fair to say that there is at that level an appreciation that there will be a big impact here for us and that we need information from the DWP in order to deal with that. The speed at which and the effectiveness with which that translates into a flow of information is not always what we would want.

Clearly, the DWP is working to timescales, but it is in control of them. I will not say that this will happen, but in certain respects timescales have already been changed—for example, the timeframe for migration to PIP being completely operational has already slipped by a couple of years, I think. The DWP is in control of that, so if it runs into problems, it can choose to extend a deadline. We do not have that ability; we have to meet the deadlines that the DWP sets. In a sense, therefore, the need for us to be sure that we have that information is all the greater, because we are not in control of the overall process. We will continue to work as constructively as we can with

the DWP because it is better to do that and get the information that way. I will ensure that the committee is made aware if we feel at any point a degree of frustration that we are not getting the information that we need.

Jamie Hepburn: What has the response been to your pressing for the additional information? Has the DWP given a commitment to get the information to you in time?

Nicola Sturgeon: I last communicated with Lord Freud just before Christmas. I cannot remember the date of the letter, but it was in the period just before Christmas. We have not had a response to that letter yet. I am happy to furnish the committee with that letter and with the response as soon as we have got it.

Jamie Hepburn: Thank you.

Kevin Stewart (Aberdeen Central) (SNP): While the lack of information continues and you are in stasis in that regard, fear is growing out there about the consequences of the reforms. I think that all the committee members and probably every parliamentarian in this place has come across that in recent times. Jamie Hepburn asked about information. Is there any indication that the lack of information from the DWP is because it is having major difficulties with computer systems, as has been reported quite widely in the press?

Nicola Sturgeon: I do not have the information that I would need to answer that question. It is a matter for the DWP. Suffice it to say that it is introducing a massive change to the welfare system. Again, this is just my opinion, but I am not sure that, when it embarked on this, it fully appreciated the scale of the change that it was introducing against a background of cuts and economic difficulty. It would therefore not surprise me if it was running into some logistical challenges, including around the information technology that is needed to support that. However, you would probably need to get somebody from the DWP here and interrogate them about some of the finer details of that.

Kevin Stewart: If only we could, cabinet secretary.

Nicola Sturgeon: Indeed.

Kevin Stewart: It seems that the Secretary of State for Work and Pensions and Lord Freud never want to meet the committee formally.

Nicola Sturgeon: I would hope that ministers in the UK Government would agree to meet the committee if it requested that they do so. The change has huge implications for Scotland and the committee is a really important part of the arrangements that Scotland, collectively, has put in place to try to deal with the matter. I do not think

that it is acceptable for ministers not to engage with a parliamentary committee.

Kevin Stewart: I would like to expand on the lack of information and the possible problems that the DWP is having with computer systems. If this kind of thing continues—you have already said that there is going to be a delay in the implementation of personal independence payments—might the interim arrangements that you are going to put in place have to stay for much longer than originally anticipated?

Nicola Sturgeon: It is important that I separate out the arrangements for PIP and the arrangements for universal credit. As things stand, there is no delay to the start of the introduction of personal independence payments. The timeframe for the complete migration to personal independence payments has been extended from 2014-15 to 2017-18, but they will start in April as scheduled, so our planning for that needs to continue at the pace that it has always had.

There is a phased introduction of universal credit. The period from April to October this year is the pathfinder part of the process, which will involve only a certain number of claimants in the greater Manchester area, but we need to have plans in place in case anybody from that area who is on universal credit moves to Scotland and seeks passported benefits here. That is likely to involve very small numbers of people, if anybody, but we need to have arrangements in place.

The next phase of the introduction will be from October to April next year. My best estimate based on the information that we have, although it is not confirmed, is that relatively small numbers of people in Scotland will be on universal credit at that stage, but again we need to have plans in place for those who are, to ensure that they can access universal credit. Post-April, the implementation will pick up pace.

I cannot sit here and say to the committee absolutely that all of that will proceed according to the timescale that the DWP has set out, because it is in charge of that. What I need to do, and my responsibility, is to ensure that we have the plans in place to deliver our side should that timescale continue on the path that has been set out for it.

Kevin Stewart: The convener and others have mentioned the passported benefits that are dealt with by local authorities. Do we know whether they are getting any information at all from the DWP?

Nicola Sturgeon: We are sharing all information with the local authorities and vice versa, so to my knowledge local authorities do not have any information that we do not have. As I said to the convener earlier, we are—and have been since day 1—working in a collaborative way with local authorities.

Alex Johnstone (North East Scotland) (Con):

In looking at the responses to the Scottish Government's consultation on passported benefits, I noted that a majority of the respondents agreed with the principles set out by the Social Security Advisory Committee that underpin the reform of passported benefits, which are simplification, auto-entitlement, information transfer and making work pay. I want to look at those and, in the first instance, at the issue of simplification.

The minister gave a commitment to simplifying the process in her opening remarks, yet if we look through the consultation, although there are a lot of good ideas in it, they are exactly the opposite of simplification. Do you see the principle of simplification as one that will be easily achieved within the process? Is it achievable within the process?

Nicola Sturgeon: I hesitate to say that anything within a complicated welfare system will ever be easily achieved. We should aspire to simplification in the medium to longer term. I should say that our focus is on the transition period. I would not necessarily have chosen to be in that position but that is where I am. As people migrate from one benefit to another, often having to go through a complicated transition process, we must make sure that we put in place arrangements that will ensure that, if they are getting a particular passported benefit at the moment, they will still have access to it under the new arrangements. That is a labour-intensive exercise. The scope for further and more strategic change to the system of passported benefits will come later, once we are sure that we have that transition under control.

As I have said to the committee before—and I do not know whether I am putting a silver lining on the cloud of welfare reform that many of us are worried about—we will at that stage have the opportunity to reconsider a system of passported benefits that has grown up in a sporadic, ad hoc way, and that is very complicated for claimants at times. It can be difficult to understand. When I look at figures for those who are eligible for a particular passported benefit, I am often struck by the number of people who will not take it up, either because they do not know about it or because the process is too complicated. We will have an opportunity to look at that, but we will have to proceed with care. As Kevin Stewart said, a lot of people are under a lot of pressure and are very anxious about things that are important to their ability to live independent lives. We do not want to put further reform of passported benefits into the middle of that, because it would increase anxiety. The opportunity that I am talking about is more for the medium term and I am sure that, when we get to it, this committee will be part of the discussion about how we take a more strategic look at

passported benefits and make them work better than they do at the moment.

Alex Johnstone: Under the heading of information transfer, the two previous questions have touched on information flow from the DWP. In one of your answers, you made some suggestions about the type of information that might be available relating to individual claimants when the process is up and running. Are you confident that the system is in place or that a system will be in place that will allow the appropriate flow of information to take place on individual claimants, or is there a requirement to address the system of information flow early on to ensure that we do not get a blockage in the system when information is required?

Nicola Sturgeon: I will have to answer that in different stages. The information flow between the DWP, the Scottish Government and COSLA that allows us to put in place our consequential changes is in place. It does not take any great—

Alex Johnstone: I am talking about when we get to the stage at which we are looking for information to use to assess individuals.

Nicola Sturgeon: That is effectively what we need. We are reliant on the DWP and we have some more of that information, which gives us a clear sense of the information that is going to be in the award notice of every individual claimant. That will allow us to know the kind of information that we will have about that claimant's circumstances that will allow us to make the decisions that we need to make about how the current system of criteria for access to passported benefits will map on to the new system. We have some more of that information just now, but we do not have all that we need, and we need to continue to press the DWP for it.

I cannot sit here right now and say that all those systems are in place because, apart from anything else, putting such systems in place will take secondary legislation, which the committee will have the opportunity to scrutinise as it goes through Parliament. I am determined that those systems will be in place to ensure that people have continued access to passported benefits. However, getting to that point still requires the DWP to put in place some pieces of the jigsaw.

Alex Johnstone: Are we sure that, when the day comes and you require specific information about an individual, and the request for that information is made, the response will not be that no system exists or that no agreement exists to transfer that information?

Nicola Sturgeon: I am not entirely sure that I understand your question. No finalised system is in place for the operation of universal credit, and I am not designing that system. The Scottish

Government will design the follow-on from the DWP's new system, to ensure access to passported benefits, but the system is not in place in its final form, at either level, and we cannot be sure that it will meet our requirements. We are working hard with the DWP to ensure that it understands our requirements, so that we will be able to give certainty at the point when individuals require to access or continue to access passported benefits.

10:00

Alex Johnstone: Regardless of some of the other principles behind welfare reform, I am sure that everyone agrees that work should pay and that if someone wants to become involved in work and reduce their benefit claim, that is a desirable situation. Might the approach to passported benefits in Scotland work against that principle? Are you able to ensure that passported benefits do not block the trend of encouraging people into work?

Nicola Sturgeon: I think that we all want a system in which work pays. Let me answer your questions in two parts. First, a big concern of mine about much of the change that the UK Government is implementing is that although the UK Government says that it is about making work pay, the reforms work against that. There is a myth that the changes will be felt only by people who are feckless and workshy and who languish in their beds all day, but the impact of a significant chunk of the Government's welfare changes will fall on people who are in work and strive hard to provide a decent standard of living for their kids. They will find it a lot harder to do that as a result of, for example, changes to child tax credits, the working tax credit and benefit uprating. It is not about distinguishing between strivers and so-called scroungers, as the UK Government seems to want to think; many of the UK Government's changes will make life harder for people who are working very hard already.

Secondly, we want to ensure that the system of passported benefits contributes to people having the ability to get into work and get the rewards of working. Many people who receive passported benefits are working. For someone in a low-paid job, access to free school meals is an important factor in their ability to provide for their child. It would be wrong to assume—I am not saying that you assume—that passported benefits go only to people who are out of work and make it more likely that people get stuck in a benefits trap and cannot get into work. That is not the case. To a large extent, passported benefits go to people who work hard in low-paid jobs.

Alex Johnstone: If you think that some of the UK Government's welfare reforms are

counterproductive given the objectives that the UK Government set out to achieve, do you think that you and the Scottish Government are in a better position to achieve those objectives in Scotland?

Nicola Sturgeon: If we were independent, we would be in a far stronger position. Even if we just had power over the welfare system, we would be able to design a welfare system that was likely to meet our objectives, albeit that the system would no doubt still have its critics and its anomalies and aspects that people wanted to improve.

Let me summarise our objectives: in my view they are, first, to ensure that people have the ability to get into work, earn a good living and get the benefits of working hard and, secondly, to protect the vulnerable.

Disabled people are the other big group that will be affected by the UK Government's changes—and, frankly, disabled people often have enough to cope with in their lives without the added anxiety of having their benefits taken away. If we in Scotland had the powers that we need, we would use them to design a welfare system that is much more fit for purpose than the current one and the one that we are likely to have as a result of the changes.

Alex Johnstone: Although you disagree with the methods, you agree with the objectives.

Nicola Sturgeon: The UK Government has said that it wants to simplify the welfare system and to make work pay, and I have never disagreed with those objectives. I am on record saying many times that I agree with those objectives. My big fight with the UK Government is that many of the changes that it is introducing run completely counter to its stated objectives. It was the Institute for Fiscal Studies, I think, that talked last week about the incoherence that the changes to child benefit, added to the introduction of universal credit, will inject into the welfare system—a system that many people say already lacks coherence—so I am not sure that the Government is succeeding in making the system more simple.

It is certainly not succeeding in making work pay because, by taking benefits away from people who are in work, it is making life a lot harder for some people who are in work and trying to get on. For example, the 1 per cent cap on tax credits for people in work has been estimated to be the equivalent of about a 4 per cent real-terms reduction. That is not helping people in work—it is doing the exact opposite.

Linda Fabiani (East Kilbride) (SNP): Let us return to information and data. We have talked about collecting and transferring it but, once that happens, the data must be managed. The responses to the consultation show that there are still big concerns about data protection. Are

discussions going on about protecting workers in various places who, for ease of administration, should be sharing information but who may not be at all clear about their position and about the potential effect on claimants?

Nicola Sturgeon: Data protection is an important aspect of this, although it has perhaps not been discussed too much by the committee before. We are discussing with the DWP how we protect people's information. The DWP is alert to the issue and we will continue to discuss the matter with it. If it would help the committee, I would be happy to provide a briefing on the data protection issues. I appreciate that they are not the issues on which we usually focus when we have these discussions.

Linda Fabiani: The section in the executive summary about who is entitled to passported benefits alerted me to what we talked about earlier, about those who are not on benefits being able to access some of the passported benefits. There is a feeling that there must be a strong information campaign on that.

To go back to the data protection issue, people have suggested that general practitioner and hospital medical records should be used, which flagged up to me issues about people's right to privacy.

Other suggestions have included using social work assessments and identifying people via the pension service. Bearing all of that in mind, along with the care that must be taken, can you say whether there have been discussions with Government and local government about how we can properly get the information out there so that people can be assured of what they are entitled to, whether that is free school meals for their children or a blue badge?

Nicola Sturgeon: I am happy to provide written detail of the nature and extent of those discussions. We are discussing all aspects of this with COSLA, and we have already touched on our discussions with the DWP. It is important that we raise awareness of passported benefits. Although many of us do not agree with the changes that are being made, they nevertheless give us the opportunity to raise awareness of, explain to people and give people information about the range and nature of the passported benefits that are available. For example, I would like the universal credit award notice to signal that access to universal credit may trigger access to other benefits. That is a possibility.

The Government and local government have an obligation to ensure that we are doing what we can to make people aware of the range of benefits that are available. I keep mentioning the blue badge scheme because it relates to PIP, so our

thinking about the changes that we have to make is at an earlier stage. Many people who are entitled to a blue badge through DLA never access it. Some of them may not want it or need it, but a lot of people probably do not access it because they do not know about it. It is important that people understand what they are entitled to.

There will also be a knock-on effect. If some people drop out of disability benefit as a result of the changes and lose the entitlement that is passported through their benefit, in what other ways will they be able to access, for example, the blue badge scheme? We need to ensure that people are aware of that. There is an obligation on us to raise awareness, and there is an opportunity for us to do that as we go through the changes.

Annabelle Ewing (Mid Scotland and Fife) (SNP): Good morning, cabinet secretary. I agree with Kevin Stewart when he says that the refusal thus far of UK Government ministers to engage formally with this committee shows discourtesy to the committee. It does not bode well for the so-called respect agenda that the UK Government seems keen to talk about but not act upon.

I ask the cabinet secretary to provide some information about the anticipated role of the Scottish Government's expert working group on welfare, which was announced recently. As the cabinet secretary has said, it will have a key role in respect of the independence debate, which will be to design a welfare system that is fit for purpose and suits our objectives in Scotland—a welfare system that is made in Scotland for Scotland. Will the cabinet secretary indicate whether the group will also look at the kind of issues that we have been discussing this morning?

Nicola Sturgeon: The group, which I announced on Sunday, has an important role to play. To some extent, its remit is separate from what we are talking about here and would be important notwithstanding the welfare reform agenda. Another part of its remit is very relevant to the reform agenda. I will come to both of those in a second.

I announced yesterday an additional member of the group, Lynn Williams, who will serve on the group in a personal capacity, although she works for the Scottish Council for Voluntary Organisations. She brings to the group strong third-sector expertise and a strong record on carers issues. The initial group was selected to capture a range of experience rather than to represent any particular interest group. The fair point was made that the group should include a woman, someone to represent the third sector and someone to represent carers. I was happy to listen to that and respond accordingly.

The first aspect of the group's remit, which, to a large extent, is separate from what we are talking about, involves the Scottish Government's preparation for the eventuality of a yes vote in the referendum next year. We need to ensure that we have done the work and the modelling and made the right assumptions about the transition to an independent welfare system. The first part of the group's work will be to look at the assumptions in the work that we are doing on the cost of delivering a welfare system in an independent Scotland and either assure us that that work is properly grounded or advise us on how we might improve it. That is an important part of the Government's preparations for the referendum and beyond.

I should say that this is initially a short-term remit for the group but, as a second part of its remit, I have asked the group to give me initial recommendations on the areas for priority change to the UK system in order to fulfil our objectives of having a system that is fairer and that makes work pay. That is a difficult thing to ask any group to do because we are dealing with a welfare system that is in a period of transition. We do not yet have the final blueprint for how the scheme will work, which is why I have deliberately asked the group at this stage to give me some initial recommendations, which will inform our further thinking about what we would want to do differently when we design a welfare system for Scotland that fulfils our objectives.

The Convener: There are no further questions. Thank you for your contribution, cabinet secretary. I am sure that you will keep us informed on developments. The fact that you have managed to do that for us so far is appreciated.

10:13

Meeting suspended.

10:15

On resuming—

Subordinate Legislation

Council Tax Reduction (State Pension Credit) (Scotland) Regulations 2012 (SSI 2012/319)

The Convener: The second item of business today is consideration of a Scottish statutory instrument. The regulations relate to the establishment of a scheme for reduction of council tax liability and will apply to people who have reached the qualifying age for state pension credit. Members have before them the regulations and an extract from the Subordinate Legislation Committee's report, which draws attention to matters of clarity in the drafting of the instrument, and to a number of minor drafting errors. Members may wish to note that the Scottish Government has undertaken to make amending regulations that will correct some of the points that have been identified by the Subordinate Legislation Committee.

No member has indicated a desire to comment. Are members content to note the regulations?

Members *indicated agreement.*

Appointment of European Union Reporter

10:17

The Convener: The next item on our agenda concerns the appointment of a committee member to act as our European reporter, as is required by rule 12.2 of the standing orders. Does any member volunteer for the role?

Linda Fabiani: Why is everyone looking at me?

Alex Johnstone: I certainly do not want to volunteer for the role. Could you or one of the clerks tell us what the role of a European reporter to this committee might be?

The Convener: We have had some discussion about that. We are required to have a European Union reporter, but there would probably be very little for the reporter to do with regard to social security and so on. However, the reporter might have viable input to offer on issues around disabilities rights, for example. I think that there is merit in our having a European Union reporter.

Annabelle Ewing: At European Union level, there might be arrangements in place for mutual recognition of the rights of citizens in all the EU countries with regard to social security issues; that cannot be ruled out. Although, at the moment, social security is a reserved matter, there has been limited movement of powers to Scotland in that general area, so we would, if there were an impact at EU level in that context, need an EU reporter.

Alex Johnstone: I assume that the description of a European Union reporter would specifically exclude issues around the European convention on human rights.

The Convener: I do not think that we would want to exclude anything. Technically, you are probably right, but that does not mean that if a discussion came up in that regard, a European reporter could not contribute.

Jamie Hepburn: We should not worry about it. As the convener said, we are required to have a reporter. Should we not just get on with it?

Linda Fabiani: I am very happy to volunteer.

The Convener: Thank you, Linda. Do members agree to Linda Fabiani's appointment as our European Union reporter?

Members indicated agreement.

The Convener: I hope that it is not too onerous a task.

Implementation of Scottish Law Commission Bills

10:19

The Convener: We have all seen the letter from the Standards, Procedures and Public Appointments Committee regarding the speed of implementation of bills arising from Scottish Law Commission reports. That committee has indicated that it would welcome written comments on the four questions that are set out in paragraph 9.

Do members have comments on the letter? If so, we can formulate those into a letter of response, and if not, we can write to say that we have no comment to make. No member has indicated before this morning that there are any issues, although I think that Annabelle Ewing wants to say something.

Annabelle Ewing: I am sorry, convener. I will bear that in mind for future meetings. I have two points to make. First, the Standards, Procedures and Public Appointments Committee seeks input on a series of options on how, under the new system, determinations are made on whether a matter should go to the Subordinate Legislation Committee. One option is to have such matters go to the Parliamentary Bureau, as at present. Of the three options that are presented, that one makes the most sense. If such matters were to go to committee to be discussed, quite a bit of time would be lost. The objective is to find a way to implement more quickly the Scottish Law Commission bills that are not controversial, but the committee route would mean losing weeks, if not months. The bureau route seems to be the more speedy option.

Secondly—I am not trying to be difficult—that option would be quite a change to the Subordinate Legislation Committee's remit, which might beg the question whether the committee's title would still be pertinent if it assumed jurisdiction for that work.

Jamie Hepburn: It is handy having a lawyer on the committee.

The Convener: Members do not have to inform me of issues in advance; sometimes the clerks are made aware that members have issues to raise, but the meeting is also an opportunity to raise them. Do members agree with the points that Annabelle Ewing has raised?

Kevin Stewart: I agree.

Jamie Hepburn: I agree absolutely.

Linda Fabiani: Yes. I ask Annabelle Ewing to correct me if I am completely wrong—I may well

be—but given that the Subordinate Legislation Committee is a standing committee under the Scotland Act 1998, would the process be as simple as just to give the committee an extra remit, as she suggested?

Annabelle Ewing: I do not have an answer to that.

Jamie Hepburn: That could be done by changing standing orders, which would be carried out through the Standards, Procedures and Public Appointments Committee.

Linda Fabiani: Is that the case even though the Subordinate Legislation Committee is a statutory committee?

Jamie Hepburn: I think that it can be done, but I do not know too much about it either, so I think that we should just agree with Annabelle Ewing.

Linda Fabiani: I just wanted to throw that into the pot.

The Convener: I am reliably informed that that can be done.

Linda Fabiani: Oh, well.

The Convener: We can flag up Annabelle Ewing's comments.

Annabelle Ewing: Yes.

The Convener: If members are content, we will note the comments in our response to the Standards, Procedures and Public Appointments Committee.

Annabelle Ewing: It will be a worthwhile exercise, because it is hugely frustrating that we cannot deal more expeditiously with Scottish Law Commission bills. The suggestion is innovative and flexible, and makes sense, but—as I said—the title “Subordinate Legislation Committee” would become somewhat questionable.

The Convener: The Standards, Procedures and Public Appointments Committee would certainly have to consider the matter if we flag it up. It will be up to that committee to decide what to do, but the point is well made and we can note it in our letter.

Jamie Hepburn: Agreed.

The Convener: That ends today's meeting. I thank everyone for their attendance.

Meeting closed at 10:23.

Members who would like a printed copy of the *Official Report* to be forwarded to them should give notice to SPICe.

Available in e-format only. Printed Scottish Parliament documentation is published in Edinburgh by APS Group Scotland.

All documents are available on
the Scottish Parliament website at:

www.scottish.parliament.uk

For details of documents available to
order in hard copy format, please contact:
APS Scottish Parliament Publications on 0131 629 9941.

For information on the Scottish Parliament contact
Public Information on:

Telephone: 0131 348 5000
Textphone: 0800 092 7100
Email: sp.info@scottish.parliament.uk

e-format first available
ISBN 978-1-78307-090-9

Revised e-format available
ISBN 978-1-78307-102-9

Printed in Scotland by APS Group Scotland
