



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

WELFARE REFORM COMMITTEE

Thursday 26 June 2014

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WELFARE REFORM COMMITTEE
11th Meeting 2014, 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)

*Alex Johnstone (North East Scotland) (Con)

*Ken Macintosh (Eastwood) (Lab)

*Kevin Stewart (Aberdeen Central) (SNP)

*attended

COMMITTEE SUBSTITUTES

Jackie Baillie (Dumbarton) (Lab)

THE FOLLOWING ALSO PARTICIPATED:

Rt Hon David Mundell MP (Parliamentary Under-Secretary of State for Scotland)

Iain Walsh (Department for Work and Pensions)

CLERK TO THE COMMITTEE

Simon Watkins

LOCATION

The Robert Burns Room (CR1)

Scottish Parliament

Welfare Reform Committee

Thursday 26 June 2014

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

Welfare Reform

The Convener (Michael McMahon): Welcome to the 11th meeting of the Welfare Reform Committee in 2014. I ask everyone to ensure that mobile phones and other electronic devices are switched off.

We have only one item of business today. It is not normal for us to meet on a Thursday morning, but we are doing it to have an evidence session on welfare reform. I welcome David Mundell MP, the Parliamentary Under-Secretary of State for Scotland, and Iain Walsh, head of working-age benefits at the Department for Work and Pensions.

I understand that the minister would like to make a brief introductory statement, so I hand over to him. He is not a stranger to this building or these rooms—he is more than welcome back and I look forward to our discussion with him.

Rt Hon David Mundell MP (Parliamentary Under-Secretary of State for Scotland): Thank you, convener. I am pleased to be here and to have the opportunity to give evidence, because it fits well with activities that I have been undertaking in the past few weeks and months. I have met the committee informally—[*Interruption.*]

The Convener: Can I stop you there, minister? Someone's phone is going off. I can hear it causing interference.

I am sorry about that, Mr Mundell.

David Mundell: No problem.

This session is consistent with a series of activities that I have undertaken recently, such as meeting all Scotland's local authorities twice in recent months to discuss the discretionary housing payment and the spare room subsidy. I have had informal discussions with the committee and met the Convention of Scottish Local Authorities, the Scottish Federation of Housing Associations and other stakeholders.

Today's discussion is timely because, yesterday, the Deputy First Minister and I signed off a letter to go to all local authorities in Scotland confirming that they can proceed with making discretionary housing payments beyond the current allocated limit. That is a so-called letter of comfort. I am sure that the committee will have questions about it and that process. I am happy to

discuss that and any other issues that you want to raise.

The Convener: Thank you, minister. I start by asking about the proposed order under section 63 of the Scotland Act 1998. The committee is keen to have that before Parliament as quickly as possible so that we can get everything on a statutory footing. You have given a letter of comfort to local authorities, but can you give us an idea of the official timescale for the provisions to be in place?

David Mundell: We have worked very well together. The transfer of powers in relation to the setting of the discretionary housing payment limit is a demonstration that the Scottish and United Kingdom Governments can work together. We cannot hide the fact that welfare issues are political and that this is a very politicised period in Scotland, and it has not always been straightforward to have the dialogue that might have been appropriate on some of the issues. However, once the decision was made—once I made the offer to the Scottish Government to transfer the powers to set the discretionary housing payment limit and the Deputy First Minister accepted it—we met shortly thereafter and we have been in regular communication since then.

We have both tasked our officials with meeting a demanding parliamentary timescale, which involves the order going to the November meeting of the Privy Council. The current environment makes that complicated because the Scottish Parliament has a different sitting arrangement this year and the cycle at Westminster means that the House of Lords is not sitting in September, although the House of Commons is. Officials have worked to cut down the timescales to a minimum to ensure that we can get the order to the Privy Council in November. I am confident that we can do that, but the Deputy First Minister and I agreed that we would speak again while this Parliament sits in August to ensure that we are on track.

The Convener: Thanks very much for that, minister. It is helpful to know that there is such a positive attitude to resolving the issue.

The committee has taken evidence on all aspects of the Welfare Reform Act 2012 for the best part of two years. We have concluded reports on the bedroom tax—or underoccupancy charge, as you would prefer it to be known—sanctions and the work capability assessment. We have commissioned our own research, which shows that £1.6 billion will be taken out of the Scottish economy. That is a round, Scotland-wide figure, but it impacts at a local level to the tune of £800 per adult in some communities. Those are horrendous figures for people who are already on the breadline to lose.

Whatever the motivation or the ideology that drives the Welfare Reform Act 2012, do you concede that there are problems and that the act is not achieving the outcomes that you seek? That is the conclusion that our reports have arrived at.

David Mundell: I am obviously not going to make that concession. As I said in my initial remarks and in my dealings with local authorities and other bodies throughout Scotland, I accept that there are political differences on welfare reform and that we will not necessarily agree on certain aspects of policy. Those policies have been debated at length in the Westminster Parliament and this Parliament, and your committee has engaged in the activities that you set out.

There are specific issues on a number of matters. We have demonstrated that we have listened on issues that the committee has raised. In some of the informal discussions, for example, digital access to benefit claims was raised. The Government took the view that it would not require everybody to access the system digitally, as those people who do not have access to broadband do not have the services.

Concerns were raised that, if direct payments were made to the most vulnerable people in society, people would not pay their landlords, and the landlords and tenants would run into difficulties. We then announced that the most vulnerable people—those who have drug and alcohol issues, for example—will not be part of the direct payments system.

We also considered rurality, which a number of housing associations and local authorities raised with the committee, and introduced measures under the direct housing payments system to deal with that issue, accepting that, in large rural areas, people could not move as easily as in other areas. We put in place a bid-funding mechanism for additional DHP, to which a number of councils applied.

Those were positive responses to issues that were raised. I do not dispute that there are legitimate issues to be raised and that it is appropriate to have a dialogue about them, but we will not agree on the fundamental policy positions.

The Convener: When the committee was established, I asked everyone for their perspectives on welfare reform and there was a unanimous view in the committee that welfare badly needed to be reformed, but there was also a view that it did not need to be reformed badly.

Tens of thousands of people have been forced to go to food banks. Tens of thousands of children have become dependent on handouts in order to be fed. According to the evidence that we have received and the reports that we have concluded,

that is a direct result of your welfare changes. Do you concede that there is a direct link between your reform legislation and the increase in the use of food banks?

David Mundell: As I understand it, the committee's report on the food bank issue was not unanimous. Not all members of the committee agreed to that conclusion. I do not accept the assertions that are made. The use of food banks is a complicated issue and we need to do more research to understand what underpins it. I do not subscribe to a simplistic view that it is entirely due to welfare reforms.

The Convener: If I could just correct you, minister, I did not say that it is entirely due to welfare reforms. I said that there is a link between the increase of use and the Welfare Reform Act 2012. I did not say that it is entirely down to that act, but a direct link between the increase in food bank use and the act has been proven in evidence that we have received from academics and those who are involved in the delivery of those services.

David Mundell: I note the evidence that the committee has received, but it is a much more complicated issue. We need to fully understand why there is an increase. Some of the increase in the use of food banks might come down to more reporting of it. Some is obviously down to the greater availability and visibility of food banks, and the committee will welcome the fact that the Government has ensured that the availability of food banks is advertised in jobcentres and elsewhere. As the committee's report concludes, there is an increase in the use of food banks in other affluent western countries and there was a tenfold increase in their use under the previous Government at a time that people would associate with relative economic growth, so there are some complicated issues there.

There is no doubt that some people have gone to food banks because they have been subject to sanctions or a delay in receiving benefits. On the latter point, there is some good news, however, because the turnaround in the payment of benefits has increased quite significantly to about 92 per cent of benefits being paid within the timescale to which we would aspire.

Linda Fabiani (East Kilbride) (SNP): I have just two questions, because I am aware of the time constraints.

Minister, you will be aware that the committee has had great difficulty in convincing the appropriate Westminster ministers and cabinet secretaries to come to speak to us. Although it is always nice to see you here and I am glad to welcome you, we were expecting the Secretary of State for Scotland. I completely understand the important business that he is attending this

morning in London, but it is so important that I do not think that it was just arranged yesterday, so I do not know why we had such short notice that he was not able to come along. Is it another case of a cabinet secretary not wishing to come to this committee?

David Mundell: The Secretary of State is engaged in activities around the commemoration of the first world war and armed forces day, which is taking place in Stirling on Saturday. Unfortunately those requirements have conflicted with this committee but, as you know, I have been heavily involved directly with this issue and engaged with the Scottish Government, so I am happy to be here to answer your concerns.

Linda Fabiani: As I said, it is nice to have you here, but I still contend that less a day's notice is not an acceptable level of respect for our convener or committee.

Leading on from what you have just said, I am glad that you have been very much involved because I think that I am right in saying that the Secretary of State is not a member of the Cabinet social justice committee. How often does he meet that committee? What reforms have the Secretary of State for Scotland and you, of course, influenced in development?

10:15

David Mundell: The most significant proposal is the offer that I made to the Scottish Parliament for it to take on responsibility for setting the cap on discretionary housing payments. That is a significant development within the devolved settlement. It shows that we can work together within the devolved settlement to meet Scotland's specific needs and requirements.

Of course, I would contend—and I have previously done so—that there are significant powers in the legislation that the Scottish Government could have deployed to alleviate issues that it believed had arisen, but that it chose not to do so.

Because we took forward the devolution of the cap on discretionary housing payments, the issues that local authorities raised were resolved, which would not have happened if they had had to sit out an on-going discussion between the two Governments. That was the right way to proceed, and the way in which we are implementing that shows that we can work together.

The Secretary of State and I were heavily involved in ensuring that rurality was recognised in the discretionary housing payment. I specifically took on board the digital issue, which was raised by this committee—by Mr Stewart, in fact—and which affects a range of welfare policies. I have

made it clear that people would not be required to have digital access. Issues that have been fed back to me from stakeholders in Scotland have influenced policy.

Linda Fabiani: Can I suggest to you that those are consequences of the development of policy? What I am really interested in is the level of engagement that the Scotland Office has had with the policy development of welfare reform, in that it has a responsibility, to some degree, to protect the people of Scotland from the consequences of any welfare reform that is set at Westminster.

David Mundell: We have been closely involved. I am in regular contact with Iain Duncan Smith and Lord Freud and I meet them regularly. I have accompanied Lord Freud to a number of events that we have held with stakeholders here in Scotland to get a distinct Scottish perspective. As you are aware, the Scottish Affairs Select Committee at Westminster has had a significant involvement in the issue, although your colleague Dr Whiteford chooses not to attend those meetings.

Linda Fabiani: Perhaps the minister could accompany Lord Freud along to this committee at some point in the future.

The Convener: That invitation is still extended to them all.

Jamie Hepburn (Cumbernauld and Kilsyth) (SNP): Neil Couling, a senior DWP official, told the committee that jobcentres often receive thank you cards from people whose claims have been sanctioned. As a minister in the Government responsible for this policy, can you tell us how many thank you cards you have received? Are you aware of any of your constituents sending thank you cards to jobcentres?

David Mundell: What I would say in relation to sanctions and individuals who have been sanctioned—and this is an offer that I have made to all 32 local authorities in Scotland and all MPs in Scotland, and which I certainly make to all members of this committee and the Scottish Parliament—is that if you are aware of individuals who you think have been unfairly sanctioned, you should bring the details of the claims to our attention, and we will look at those sanctions and whether they have been—

The Convener: I think that your mailbag is going to be very busy.

David Mundell: I am not being flippant about this. I have to say that, having made that offer to all local authorities, we have not been overwhelmed with claims. I think that there is a degree of mythology out there. You might well have, but we have not found anyone who has

been sanctioned because they were at a job interview or because a lift broke down.

We want a fair and reasonable sanctions system. I apologise for perhaps not being totally on top of Scottish National Party policy, but I do not think that any of the parties whose representatives are present are arguing that there should be no form of sanctions regime in relation to welfare payments. We have to ensure that such a regime is fair, reasonable and proportionate, and that is what we are trying to achieve.

We have instigated the Oakley review, and I am sure that the committee will, as far as its deliberations are concerned, be very interested in the review's outcome and in finding out how we can improve communications. I accept that some people who have signed up to certain commitments have not fully understood what they have signed up to or what the implications of sanctions might be, and we must improve communications, have greater consistency and be able to review things quite quickly. However, I am not aware that anyone is suggesting that we can have an effective regime without there being some form of sanction.

Jamie Hepburn: The convener might be right: the minister's postbag might well be busy after this. However, given the omission of an affirmative to my question, it does not sound from that answer as though it has been busy with thank you cards.

There is something that the minister is quite correct about; indeed, the committee has published a report in which we accept the need for conditionality in the welfare system. However, our point is that the specific sanctions regime that has been put in place is neither proportionate nor fair. We have found a direct link between that element of the welfare system and the rest of the welfare reforms that the Government has put in place, and the increased use of food banks. I know that the convener has explored that issue with you, but I, too, want to explore it.

Oxfam Scotland told us:

"there is a link between welfare reform and the surge in the use of food banks."—[*Official Report, Welfare Reform Committee*, 29 April 2014; c 1429.]

Is Oxfam Scotland wrong?

David Mundell: As I said in my previous answer, the use of food banks is a complicated issue. According to the Trussell Trust's figures, 17 per cent of food bank users said that they had attended food banks partly because of sanctions. It is therefore clear that people who have been subject to sanctions are attending food banks. The DWP has a hardship fund that supports people who are subject to sanctions, but we come back to the principal question: do we or do we not accept

that there should be some form of sanctions regime or not?

Jamie Hepburn: Citizens Advice Scotland told us in relation to food banks:

"the national evidence and our on-the-ground coalface evidence point towards welfare reform as the cause of the increase in demand."—[*Official Report, Welfare Reform Committee*, 29 April 2014; c 1427.]

Is it wrong?

David Mundell: Again, we come back to the fundamental point. You are probably going to ask the same question again, and I will give you the same answer. I believe that the use of food banks is a complicated issue with many factors, and that we need more research on them. We cannot be simplistic about this and say that their use is entirely down to welfare reform. I simply do not accept that.

Jamie Hepburn: I hope that that is a commitment from the United Kingdom Government to instigate research, and I hope that you will speak to Oxfam Scotland, Citizens Advice Scotland and the Scottish Council for Voluntary Organisations, which said:

"welfare reforms and cuts have definitely contributed to the rise in the number of food banks."—[*Official Report, Welfare Reform Committee*, 1 April 2014; c 1397.]

Is it wrong?

David Mundell: The SCVO has certainly said a number of things in recent months with which I do not agree. However, I agree with your point that we need more research and understanding of what is going on in relation to food banks. As I said earlier, a number of wealthy developed countries are seeing the use of food banks. We need to understand why that is the case.

Jamie Hepburn: I hope that, in commissioning research, you will take on board our own considerable report on food banks.

On the BBC's "Good Morning Scotland" on 24 April, the secretary of state said of the welfare system:

"This is a fantastic system".

We know that in 2013-14 alone more than 22,000 children used Trussell Trust food banks. You contend that that is not all down to welfare reform, but Oxfam Scotland, Citizens Advice Scotland, the SCVO and the British Medical Association, which I did not cite earlier, contend otherwise.

Sheffield Hallam University has told us that people in Calton in Glasgow will be £880 worse off as a result of benefit cuts and that £460 will be lost per working-age adult in Scotland. Those figures would have been higher if the Scottish Parliament and the Scottish Government had not mitigated some of the effects of welfare reform. Save the

Children estimates that one in three children in Scotland could be living in poverty by 2020 because of welfare cuts. Does that speak of a “fantastic system” to you?

David Mundell: I do not accept a number of those figures; I can write in detail to explain that. It is important to place the Sheffield Hallam University report in context. The most recent report is relatively new and I would be happy to provide a detailed response to it.

One way in which the report is lacking is that it does not take into account the fact that people might move into work. It proceeds on the pessimistic outlook that everybody who is on benefits will remain on benefits, which is clearly not the case. I am sure that the committee welcomes the fact that 48,000 fewer people in Scotland are unemployed now than were unemployed in 2012. A record number of women are in work and the number of jobseekers allowance claimants has decreased.

On an initial look, I think that the Sheffield Hallam University report does not factor in the possibility that people might and will move into work. My position—the UK Government's position—is that work is the way out of poverty for all but the most vulnerable, who cannot work.

Jamie Hepburn: We all accept that, but Professor Fothergill has dealt with your point. His report is not pessimistic; his opinion, on the basis of his expertise, is that the UK Government is rather optimistic in thinking that the welfare reforms will of themselves bring people into work.

Alex Johnstone (North East Scotland) (Con): Perhaps the reason for some of the problems that we are experiencing and discussing is that we are involved in a transition to the flagship universal credit scheme. A delegation from the committee visited the DWP in Glasgow to talk to staff about the experience of implementing universal credit, and we spoke not only to senior people who are involved in the process but to staff who work on the front line and deal with people directly.

Although we got a positive message, the timescale for implementation is a serious issue. Successive targets for implementing universal credit have moved back. What timescale for introduction is currently expected? Are further delays likely?

David Mundell: Obviously it is important to get a major change such as introducing universal credit right, because it is significant. The incremental approach and timetable that were originally set out have changed. The aspiration remains to move to full implementation in 2016-17, but staging posts will not be set along the way, for exactly the reason that you mentioned. Introduction must be driven by getting it right and

not by meeting timescales that people have set for themselves.

10:30

Alex Johnstone: When we visited Glasgow, we heard that the proportion of people who are going back to having their housing benefit paid directly to landlords is smaller than was initially expected and that the number of people who are able to engage online is higher than the initial expectation. As we go through the pilots and initial introductions, is there a prospect that the operation might come back on schedule and perhaps be speeded up?

David Mundell: I would stick to the timescale that we set out initially. The pilots are about learning as we go and understanding specific issues. It is well recognised that, in the initial pilots, universal credit has worked pretty well, but that has involved relatively straightforward claimants. As we move to dealing with people who have a number of benefits, we will have to build on that. I would not want to set unrealistic timescales or encourage the idea that the process could be brought forward. However, I remain convinced that universal credit is the right way forward and that, when it is fully introduced, 300,000 people in Scotland will be in receipt of additional benefit. They will not, as is sometimes characterised, be subject to benefit cuts. They will have additional benefit and will be able to move much more easily and seamlessly between part-time work and the benefits system.

Alex Johnstone: I agree with the minister's position on that, which is one reason why I am keen for universal credit to be fully implemented at the earliest possible opportunity.

As for other benefits that will be introduced, we have received evidence that those who are waiting to be assessed for personal independence payments are having a particularly long wait. Is there an explanation for that? I should add that we have had evidence on a couple of occasions from Salus, the organisation that is tasked with doing PIP assessments on behalf of Atos for a significant part of Scotland. It is finding that it could do more than it is being asked to. Could the assessment process for the PIP be accelerated in any way?

David Mundell: I might ask Iain Walsh to comment on that. Yesterday, in the House of Lords, Lord McAvoy asked Lord Freud a question on the personal independence payment, so the committee might want to have a look at what was said in that exchange.

The delays are unacceptable—I will not in any way suggest that they are not. We have to do better. However, we are making a major change. The previous Government contemplated changing

the disability living allowance, but because it was difficult, it did not do so. This is a significant change.

Iain Walsh might be able to say more on this but, as I understand it, the issues are with the contractors delivering, according to the contract, the requisite number of medical and qualified personnel to carry out the assessments. However, just because it has proved difficult does not mean that we should not press ahead with doing what is the right thing. As the member will be aware, with the disability living allowance, people perhaps had one assessment and were then in effect left on the benefit for a long time perhaps without ever being reassessed. The move to personal independence payments is the right thing to do, but it is a significant change and challenge and we have to do better.

Iain Walsh (Department for Work and Pensions): As the minister has said, the main reason for the delay was not having enough fully qualified assessors in place; after all, they need to be trained up to do the role. Moreover, some of the assessments have perhaps taken slightly longer than was assumed although, obviously, they have to take as long as they take. I should also point out that more cases have been dealt with in person rather than on paper. There is a variety of reasons as to why output has been a bit less than expected.

As for carrying out additional work, the Government's priority is to reduce the length of time that the process takes for those who are waiting. We have dialled back on some of the natural reassessment cases to focus on new claims and to get processing times down. As soon as we are confident that Atos and Capita, our contractors, are on top of their case load and can take on more, we will want them to do so. However, we have to be very careful that we do not turn the tap on a bit more until they deal with the current cases as quickly as we want them to.

Alex Johnstone: What we have discovered is that the subcontractor responsible for assessments across most of central Scotland seems to have or believes that it has unused capacity, because it is offering appointments that are not being filled—or, at least, not being filled in a timely way.

David Mundell: We will most certainly take that comment back with us. As the committee will be aware, the payment is backdated to the point of application. Moreover, people who are on disability living allowance will continue to receive that during the process.

I am not going to pretend that the situation is acceptable. It is not, and we must do better.

Kevin Stewart (Aberdeen Central) (SNP): My colleague, Jamie Hepburn pointed out that, in 2013-14, 22,387 children used Trussell Trust food banks, which is an increase of 1,103 per cent on the previous year. Has the UK Government made any estimate of the impact on child poverty of the introduction of the spending cap?

David Mundell: Can you clarify what you mean by "spending cap"?

Kevin Stewart: Obviously, I mean the welfare spending cap that your Government has put in place. Has any analysis been done on its impact on child poverty?

David Mundell: Today, the UK Government will announce its child poverty strategy; indeed, it may have already done so. That dovetails with the Scottish Government's strategy, which the Deputy First Minister has announced. You would expect me not to agree with a number of her comments on that.

I suggest respectfully that it might be useful for the committee to look at the UK strategy in relation to Scotland. I undertake to ensure that a ministerial colleague will come to discuss the strategy with the committee.

The strategy is being rolled out today. I could read out the headlines or all of it, but I do not think that that would necessarily be helpful. However, as I said, it would be helpful for the committee to look at the UK Government's child poverty strategy and to analyse it constructively in the context of the Scottish Government's child poverty strategy.

Kevin Stewart: That was not an answer to the question that I asked. I asked whether the spending cap was informed by research and whether the UK Government has analysed or estimated its impact. A simple yes or no would probably suffice. Was any analysis done before you decided to implement the policy?

David Mundell: The cap is informed by the affordability of welfare.

Kevin Stewart: It is informed by affordability. In that case, I will move on.

The Child Poverty Action Group has estimated that child poverty in Scotland could increase by up to 100,000 by 2020 as a consequence of the cap and other welfare reforms. Save the Children has estimated that, as a result of the welfare cap, that figure could be even higher and that by 2020, one in three children could be living in poverty. It has also said that the commitment of Westminster parties to eradicating child poverty by 2020 is no longer credible. Is the policy not credible, minister?

David Mundell: I do not agree with those statements. The UK Government is publishing its

child poverty strategy and responsibilities today. The Scottish Government has a number of responsibilities in that regard, and that is how you should assess what the child poverty figures are going to be in 2020. We are looking to achieve zero child poverty by 2020. We want to work with the Scottish Government to achieve that. The Scottish Government and Scottish Parliament and all of us should be proud of the fact that, in relative and real terms, child poverty is at its lowest since the mid-1990s. We should be positive about that.

Of course we can do more. In the strategy that is being launched today, we have set out how we think the UK Government could do more, within its responsibilities. I am absolutely clear, however, that it is one area in which the Scottish Government and UK Government have to work more closely together. We should not get bogged down in politicking in this area, because it is too important.

Kevin Stewart: From the minister's responses, it seems that the UK Government has done no analysis. It also seems that the analyses that have been carried out by CPAG and Save the Children are being disregarded by the minister here today.

The further welfare cuts that George Osborne envisages to the social security budget might be as high as £12 billion. What will that mean for child poverty here in Scotland?

David Mundell: I am certainly not dismissing what other organisations are saying, but—with respect, Mr Stewart—you are not listening to what I am saying. I am saying that the UK Government has set out its strategy for further reductions in child poverty.

The core of our philosophy is not payment of benefits; we do not believe that payment of benefits is the best way out of poverty. We believe that work and ensuring that children are part of a working family is the best way out of poverty. That is what our approach is aimed at achieving. It is not about how much we need to spend on welfare to reduce child poverty; it is about what we need to do to make sure that as many children as possible in Scotland are living in working households.

Of course there will be some households in which people will never be able to work, and that is why the other part of our approach is to target resources at the most vulnerable people. I understand that you are coming at the matter from a different perspective, but I ask you to read our UK child poverty strategy that is being published today, and I undertake that I or a ministerial colleague will come back to the committee and submit to your scrutiny of that strategy. Our approach is clearly different from yours.

Kevin Stewart: We all agree that it is best if folk get back to work, but your austerity measures are not helping with job creation.

On the further £12 billion of cuts to welfare that have been proposed by the Chancellor of the Exchequer, how involved are you and the Secretary of State for Scotland in the discussions about where the axe will fall?

David Mundell: As I said in answer to Linda Fabiani's question, the secretary of state and I are actively involved in welfare issues and policies in relation to Scotland. I think that I demonstrated that in my previous answer. The Conservative part of the UK Government is committed to further welfare reform, and people in Scotland, should there be a no vote in the referendum, will have the opportunity to express their views in that regard.

10:45

The Convener: I look forward to that.

Annabelle Ewing (Mid Scotland and Fife) (SNP): A minute ago, you mentioned that children should be part of working families. I do not think that anyone would disagree with that objective. However, I presume that the overriding objective is for children to be part of a family that has the means to put food on the table.

David Mundell: Of course I agree with that. The suggestion that anyone would be happy with the number of people who use food banks is not correct. As I have said in previous answers, it is important that we get more data so that we can understand why that amount of people are using food banks. However, inevitably, situations will arise—even in an independent Scotland, I am sure—in which people are in crisis and need immediate help and support. We should commend the charitable bodies and others that seek to support people in those moments of crisis. However, I do not want people to have to go to food banks.

Annabelle Ewing: Of course, in an independent Scotland, we will not preside over the dismantling of the welfare system and the safety net that it provides.

I want to consider an appalling statistic. Of all the alarming developments that this committee has considered, the most shocking has to be the fact that, in the past year, 22,387 children—young lives—had to rely on food banks in order to be able to eat. Does that appalling statistic ever cause the minister to lose sleep at night over the impact of his Government's policies?

David Mundell: My approach to such matters is that I want to help and support people. I do not see vulnerable people as being an opportunity to politick or score political points.

Nobody wants to see children and families attending food banks, but we need to understand why that is happening, and to get some more detailed statistics that everybody can subscribe to and rely on. For example, I could point to the fact that 65 per cent of people who have attended Trussell Trust food banks have done so on only one occasion, which rather diminishes the suggestion that everyone is relying on food banks on a weekly basis. Maybe some people are, but not the vast majority of people who attend the Trussell Trust food banks.

Let us take an approach to the issue of attendance at food banks that is about resolving the issues and understanding the crisis that people are facing and the specific reasons why they are there, so that we can move forward. I think that the best way to achieve that is for us to work together, rather than to place this issue at the centre of every political discussion.

Annabelle Ewing: This issue has to be at the centre of our discussions, because it is truly appalling. I do not agree with the idea that, because a child attends a food bank only once, that is somehow acceptable. It is simply not acceptable.

David Mundell: I did not say that, did I?

Annabelle Ewing: I will move on, because I do not think that we will make any headway. Thank you for clarifying that you do not lose any sleep over it—

David Mundell: Miss Ewing, I am not going to be misrepresented. I did not say that—

Annabelle Ewing: That was the logical follow-on from what you said.

The Convener: I do not think that the discussion is best served by people talking over one another. One at a time, please.

Annabelle Ewing: I know that time is short, and I want to ask about how people with long-term conditions, including mental health problems, are dealt with under the benefits system, particularly with regard to the work capability assessment. Does the minister feel comfortable with how such people are dealt with?

David Mundell: We certainly have to continue to improve the way in which we support people with mental health issues. There is widespread agreement on that, and the issue is raised regularly by Scottish MPs in the Westminster Parliament. It has been part of our approach in trying to take forward the work capability assessments. The key to those assessments remains the fact that we need to get all the available information to ensure that an assessment can be made.

I take on board that we must do better for people with mental health problems, with regard not only to benefit issues but to virtually every aspect of the way in which government functions in our society.

Annabelle Ewing: I will read out a question from one of the witnesses who bravely came to the committee to give evidence a while back. The witnesses were asked what they would like to ask the UK Secretary of State for Work and Pensions. He has refused to come to our committee, so we have you here today.

I put to you a comment from Lesley McMurchie about her husband, who has a number of mental health and physical problems but was found to be fit to work. *Inter alia*, she said:

“I am a history graduate and I thought that, when we set up the welfare state, it was to be there for people such as my husband who worked hard and did his best so that, in times of need, something would be there for him, but it is not there. That would be my question for Iain Duncan Smith. There should be something there for those hard-working men and women who have contributed to society; they are being left with nothing.”—[*Official Report, Welfare Reform Committee*, 5 February 2013; c 533.]

What would you say in response to that, minister?

David Mundell: I would obviously be happy to look into Mr McMurchie’s specific case. As a constituency MP, I deal with a large number of constituents who have encountered issues in relation to assessments, and I look to support them and assist them through the process. I would be happy to look at the specific circumstances, because a system that is not delivering is most certainly not our aspiration.

Annabelle Ewing: There are no words. Thank you, convener.

Ken Macintosh (Eastwood) (Lab): Thank you for coming along, minister—you will be delighted to hear that I will return to the issue of food banks. You said that you are concerned about the rise in use of food banks. Are you concerned that they might become institutionalised in our country?

David Mundell: I make it clear that there is no intention that they should become institutionalised. We should applaud people who are voluntarily helping those who are in crisis. That is a long-standing thing in Scotland. A lot of food banks have emerged from the existing arrangements that have been operated by churches and other voluntary groups. As I said in previous answers, we need a much greater understanding of what is going on in relation to the use of food banks, but I would not want to see them become part of the welfare state.

Ken Macintosh: I am glad to hear that. We heard some very disturbing evidence from Mr Neil Couling, who is work services director at the DWP.

He said that the rise in food banks was due to “supply-led growth” and to poor people maximising “their economic choices”. Do you agree with that analysis, minister?

David Mundell: One thing that is clear is that, because the Government has chosen to make the availability of food banks more well-known in job centres and through other channels, more people are aware of them. There is clearly also more local media coverage of food banks. It needs to be accepted that there is a greater awareness of the availability of food banks.

We have to get to a point at which we have agreed research and evidence that is not subject to politicking and rowing, which will allow us to understand why there is that degree of use of food banks. At that point, we can make a practical response to the issue.

Ken Macintosh: I agree with that, as I think most of the committee’s members would, but we took a lot of evidence, and there was an interesting point in that respect. You said earlier that the committee was not unanimous; leaving aside Alex Johnstone—the one Conservative member of the committee—the committee is unanimous. The interesting fact is that the witnesses were overwhelmingly clear in their evidence. We had evidence from Oxfam, the Salvation Army, Citizens Advice Scotland and others that made it overwhelmingly clear that there is a link, although it is not a simple link, between welfare reform and the rise in use of food banks. Do you accept that there is a link?

David Mundell: In the light of comments from you and some other members, I am happy to meet those witnesses and have an exchange with them. I do not dismiss what those organisations say, but I do not agree with the simplistic analysis—to which you alluded—that welfare reform equals food banks. I do not accept that.

Ken Macintosh: The committee did not say that either; it suggested that there is a complex link.

The committee also heard evidence from Dr Filip Sosenko, who pointed out that if we look at the growth of food banks, we see that there is an elbow shape in the graph that coincides with the introduction of a tougher sanctions regime in October 2012 followed by the welfare reforms of April 2013, which included reforms to disability allowance and limiting benefits rises to 1 per cent rather than increasing them in line with inflation. Dr Sosenko made a very clear statistical link. What do you make of such evidence? It is not anecdotal evidence—it is statistical evidence.

David Mundell: The DWP does not accept that statistical link. I go back to the point that it is important that we have more evidence in relation to the situation. As the committee’s report notes, it

is not happening only in Scotland. We need better understanding in that regard.

On sanctions, which we have not covered as much as I thought we might, given the committee’s report, it would be helpful if I sent you the Oakley report, which I mentioned in my earlier remarks. However, we can respond to some of the points in the committee’s report if that would be helpful.

Ken Macintosh: Can you clarify something for me, minister? I was trying to make the point that we have collected a lot of evidence, and that the evidence is quite clear. It is not that we are blinded by political prejudice. The evidence—both the anecdotal evidence and the statistical, empirical, solid and scientific research—that has been presented to the Scottish Parliament makes that link. You are suggesting that you need to look for more data. Are you currently producing a report or looking for more data to establish the reasons behind the rise in the use of food banks?

David Mundell: We are considering how that can be best achieved.

Ken Macintosh: You are just considering how it might be done.

David Mundell: No. It is important, for the reasons that we have discussed, that if work is done, it is done in a way that commands widespread support and that it is not the subject of politicking to and fro.

I read quite a lot of cut-and-paste press releases that say the same things in relation to welfare reform. I want analysis, to which everybody can subscribe, of the use of food banks in terms of the range of complex reasons—which Ken Macintosh accepts—for the rise in their use, so that we can take the situation forward.

Ken Macintosh: Can you just clarify, then—

The Convener: You will have to be quick, given the time. Please make the question very brief.

Ken Macintosh: Can you clarify, minister, that the official DWP position is therefore not as Mr Couling described? Mr Couling suggested that the rise is due to “supply-led growth”. You are suggesting that that is not quite true—that it is just part of a bigger picture.

David Mundell: Mr Couling gave his evidence, and I have set out my—

Ken Macintosh: I am sorry, but is the DWP’s position that the rise is due to supply-led growth?

David Mundell: The DWP’s position, and my position, is that it is a complex issue.

Ken Macintosh: Thank you.

The Convener: I thank all the committee members for sticking as best they could to time.

We are just slightly over time, minister, and I thank you very much for your evidence.

Just for information, our report on sanctions has been sent to Esther McVey, the Minister of State for Employment, and we are awaiting a response to the points that it raises. Our report on food banks has been sent to Iain Duncan Smith, and we also await a response from him.

We have invited them both to come and speak to us about our reports, but they keep running away from us. Perhaps the next time you meet them, Mr Mundell, you can tell them that we are here and would welcome their attendance.

I would say, minister, that I look forward to having you back, possibly in a year's time when things move on, but I hope that in a year's time we will have a Labour Government and that it will not be you sitting at the end of the table.

David Mundell: The one matter on which you and I agree, convener, is that policy issues are a matter to be debated in an election.

The Convener: I thank you for your time, minister, and I appreciate your coming before the committee.

Meeting closed at 11:01.

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