



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

FINANCE COMMITTEE

Wednesday 18 April 2012

Session 4

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FINANCE COMMITTEE

11th Meeting 2012, Session 4

CONVENER

*Kenneth Gibson (Cunninghame North) (SNP)

DEPUTY CONVENER

*John Mason (Glasgow Shettleston) (SNP)

COMMITTEE MEMBERS

*Gavin Brown (Lothian) (Con)

*Mark McDonald (North East Scotland) (SNP)

*Michael McMahon (Uddingston and Bellshill) (Lab)

*Elaine Murray (Dumfriesshire) (Lab)

*Paul Wheelhouse (South Scotland) (SNP)

COMMITTEE SUBSTITUTES

Jackson Carlaw (West Scotland) (Con)

Mary Fee (West Scotland) (Lab)

Dave Thompson (Skye, Lochaber and Badenoch) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Chris Boyland (Scottish Government)

Sally Egan (NHS Lothian)

Scott Mackay (Scottish Government)

Ann McVie (Scottish Government)

Gail Trotter (NHS Education for Scotland)

Joan Wilson (NHS Tayside)

CLERK TO THE COMMITTEE

James Johnston

LOCATION

Committee Room 5

Scottish Parliament

Finance Committee

Wednesday 18 April 2012

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

Decision on Taking Business in Private

The Convener (Kenneth Gibson): Good morning and welcome to the 11th meeting in 2012 of the Finance Committee. I remind members to turn off any mobile phones, pagers and so on.

Agenda item 1 is to decide whether to take item 4 in private. Are members content to take that item in private?

Members *indicated agreement.*

Family Nurse Partnership

10:00

The Convener: Item 2 is evidence on the family nurse partnership project from Gail Trotter, NHS Education for Scotland; Joan Wilson, NHS Tayside; and Sally Egan, NHS Lothian. I welcome the witnesses to the committee and invite one of them to make an opening statement.

Gail Trotter (NHS Education for Scotland): Thank you for inviting us and giving us the opportunity to talk about an exciting programme. The family nurse partnership programme—I will call it the FNP so that I can get more words into a limited time—is an early intervention programme that supports teenage first-time parents from very early on in pregnancy until the child is two, when the programme ceases. It is based on robust evidence from Professor David Olds in the States, forthcoming evidence from England and new evidence from Scotland.

The programme's ethos is to support young people to be the parents that they want to be and it is based on the principles of developing self-efficacy—helping people to find a way in life healthily, rather than doing things for them. It promotes the theory of attachment and helps young people to understand the importance of attachment to their babies and to recognise their own past attachment experiences and how they influence the future.

The FNP is also based on the principles of human ecology, which is about working with families to help them appreciate that they are part of a family, a street, a bigger community and a country that can support them, and that they can, in turn, contribute to the environment in which they live.

We have profound evidence from the States on the early intervention approach and the successes that it can bring, but the approach is new to Scotland. We have been testing it with Joan Wilson in NHS Tayside and Sally Egan in NHS Lothian, and we have a planned expansion. We have some very early shoots of signs of success with a predominantly very vulnerable set of young parents in Scotland.

The Convener: Thank you. In our meetings I usually ask some initial questions and then open out the session to my colleagues.

I am impressed by the evidence that you have presented on everything from an increase in academic achievement of 26 per cent higher scores, to 66 per cent fewer lifetime convictions for girls, 39 per cent fewer child abuse and maltreatment injuries, and an 83 per cent increase

in labour force participation by the mother by the child's fourth birthday. That evidence is from the United States.

The committee previously received evidence that the approach is working well in cities such as Manchester and Birmingham. We are still waiting for the evidence from Scotland, but it looks good at this stage. How many Scottish children could benefit from the approach annually? You talk about mothers under the age of 20, but could the programme be rolled out to vulnerable older mothers? If so, what is the programme's potential? If the programme is as successful in Scotland as it has been elsewhere, where could we be in five or 10 years?

Gail Trotter: You raise some helpful points. We work on the evidence that we have. We know that the highest chances of success in affecting people's lives occur when they are young. Everybody around this table knows that parenting is hard, but it is really hard when you are young. There are other vulnerability factors, and it is predominantly teenagers who are affected by a lot of those vulnerability factors. Therefore, we are focusing on people who are 19 and under, living in a specific geographical area and not planning to relinquish their child, given that it is an attachment programme. It is also an opt-in programme. We are currently focusing on specific eligibility or entitlement criteria.

The approach has been tested in England in an older age group, and in the two test sites we saw that the success factors were not as high. We think that there is almost a cut-off—the approach that we use works with younger people. However, in Tayside and Lothian, we are finding that the principles of the learning in the approach are certainly applicable to work with vulnerable families. The specific model or programme that we are using is for first-time pregnant teenagers—those who are 19 and under—which is where we are predicting the best chance of success.

The Convener: Potentially, how many young people in Scotland could benefit from the programme each year?

Gail Trotter: The number of first-time pregnant teenagers in Scotland is estimated to be about 3,500. It is a challenge to get the statistics because there are so many second-time parents who are teenagers. In NHS Lothian we are working with 148 first-time pregnant teenagers; in NHS Tayside we are working with 295. The proposal is to support one third of all parents who meet the entitlement criteria by 2013.

The Convener: So there could be about 1,000 to 1,200 first-time pregnant teenagers.

Gail Trotter: Yes.

The Convener: Given that it costs about £3,000 a year for each person, the whole programme will cost around £4 million or £5 million a year.

Gail Trotter: Yes.

Sally Egan (NHS Lothian): I will put that into perspective. In Lothian, there are around 10,000 births each year. Edinburgh accounts for roughly 6,000 of those births and we have somewhere between 250 and 300 pregnant teenagers. Therefore, out of the 6,000 births each year in Edinburgh, the number of teenagers who give birth is very small, but all are vulnerable.

If there are 10,000 births each year in Lothian, over a five-year period there will be around 50,000 children aged nought to five in the system. At least 2,000 of those children are very vulnerable, but we have other intervention programmes to meet those children's needs. That is one way that you can perhaps conceptualise the issue at a population level.

The Convener: I am asking about costs because the Finance Committee is looking at the cost effectiveness of the programme in terms of the preventive spend agenda. The evidence from America shows that for every dollar spent, \$3 to \$5 is saved later on in terms of cost to the public purse.

I note that each family nurse has a case load of 25. Is that figure the optimum or could family nurses have more or fewer cases? Why was the figure of 25 selected?

Gail Trotter: The figure of 25 is based on the experience across Northern Ireland, England and the States. That may sound like a small number—there are three health visitors on the panel who had case loads of 350 at one time—but the work is very different. The client group that family nurses work with is, in the main, very vulnerable. The minimum that the programme requires is between 50 and 60 home visits over the two-and-a-half-year period. We have looked at the vulnerabilities of some of the young people and, in Scotland, although the numbers are small, at least three quarters of them have three or four vulnerabilities, as well as being very young, so the intensity of the work and the therapeutic relationship brings with it a requirement to cap the case load. We are finding that nurses' experience across our health boards is that 25 is extremely challenging for a whole-time equivalent. There is currently no thought of increasing the case load.

The Convener: That is why I asked whether 25 cases was the optimum. Perhaps you think that 20 is the optimum, but 25 is effectively what people have been allocated. The question relates to how you can get the best possible impact with the resources that you have.

Gail Trotter: It is early days. We are working only with two sites, and the first cohort of families is about to graduate. We are looking at that learning. There is an external evaluation through ScotCen Social Research, and we have asked it to look at the optimum case load. Should the model that is being transferred to Scotland be 25 or fewer? We know that 25 is a challenge for Tayside and Lothian nurses.

Joan Wilson (NHS Tayside): To pick up on that point, I note that Tayside spans urban, rural and, as our border is in north-west Perthshire, remote areas. We are finding that quite a challenge because although we have a set 25 families for each family nurse, that does not take account of the travel that is involved.

Some of the girls live in very rural and remote locations, and it can take a family nurse as long as five hours to get to such locations, spend time there and get back. As the programme rolls out to more remote and rural areas we will have to think about the travel issue because it has come to the fore in our area. Part of testing the model is to find out about such things.

The Convener: A number of members, including me, represent rural and semi-rural constituencies, so we understand the importance of that level of flexibility.

We have all received information from the Royal College of Nursing. I do not want to put to the witnesses all the points that it raised because my colleagues may wish to do that, but I have a question about one point. The RCN asked:

“Is there a risk that an emphasis on FNP expansion—and the possible relocation of current health visitors to the FNP programme—will adversely affect the quality and safety of early years’ support services available for other families?”

What do you feel about that?

Gail Trotter: It is not just public health nurses—health visitors—who can undertake a family nurse role. A family nurse can be a midwife, a community nurse with a paediatric background or a mental health nurse. However, it is fair to say that it is predominantly a career option for health visitors. There is depletion in some areas because it is an attractive career option. A lot of health visitors describe it as the type of work that they came into the profession to do.

What we have started to do alongside the boards that are testing the FNP is to look at how we can support universal services and workforce development by sharing the learning from the FNP programme because we recognise that implementing any new model of home visiting has an impact on the workforce.

Sally Egan: In Lothian, we are working closely with our staff-side colleagues, local authority

partners and other partners. We recognise the risk that the RCN outlined and over the past two years we have increased the number of secondees. We fully fund our health visitor students at Queen Margaret University, so as part of our wider public health nursing workforce plan we have taken that risk into account. Melanie Hornett, our nurse director, has certainly raised it with Ros Moore, the chief nursing officer in Scotland. The workforce plan for the FNP will not sit in isolation—it will sit within the wider public health nursing workforce plan. It is a real opportunity to show how pay modernisation might actually work to modernise our workforce.

In Lothian, we are hopeful of an expansion bid and we are not expanding in isolation—we are looking at the wider public health and midwifery workforce, because challenges and new roles for midwives and public health nurses are emerging as part of the refreshed maternity framework and also as a result of modernising community nursing. The FNP programme does not stand alone at health board level—it is part of a wider integrated workforce plan. We also have to ensure that we are feeding into the national agenda.

Elaine Murray (Dumfriesshire) (Lab): My question has just been partially answered, because clearly there are workforce capacity issues if, as Gail Trotter mentioned, health visitors previously had case loads of 350. If somebody is coming down to a case load of 25, additional staff will be needed to support other people, irrespective of whether the programme is rolled out to a larger number of people.

How confident are you, at a time of Government cutbacks, that expanding the workforce is actually possible? The number of nurses and midwives in the national health service has been falling over the past couple of years. Obviously there are people who could be trained and would enjoy doing the work, but what are the chances of that happening? Financially, you are not going to get the savings over the piece. The list of achievements for this sort of programme as it has been evidenced elsewhere is impressive, but will you get the money up front to pay people to work now?

Gail Trotter: That is an important point about sustainability. In my work with health boards, I have found excitement about an evidence-based programme. People are keen to underpin what they do with facts—when the facts are out there. People quote Lord Laming’s comments post-Victoria Climbié. People have a right to expect that home-visiting programmes are based on substantial evidence. Health boards and local authorities are focusing on what they know works, because it is more likely to be value for money. That is what I am picking up.

I am also picking up that people are mindful of the intense and therapeutic work that these young clients require. It needs the same skilled practitioner for a two and a half-year period. We know from David Hall's work in England that, on the whole, our clients tend to require 10 times the amount of home visiting or 10 times the amount of support in comparison with a client who is receiving a core health-visiting programme. We hope that, in time, the knock-on effect will relieve some of the pressure on health visitors, but that will be in the longer term.

10:15

In terms of confidence, we are part of the way through an expression of interest process. We have asked health boards to decide if the programme is for them, if the time is right and if they feel that it is worth investing in. We have had a strong response since last year. We left the option open for people to decide and, on request, we have done roadshows with specific groups across local authorities and health boards. I can only describe what I see, which is a new and sound way of working. There is evidence of that and we are seeing early outcomes. I guess that time will tell.

Sally Egan: In our expression of interest, Lothian committed 15 per cent of the costs of the roll-out across Lothian, for when new cohorts come on stream, for example. That was agreed in our financial plan. It took a bit of work to get everyone across the board to sign up to that, especially given all the pressures on the health board.

The programme in Lothian will be part of our early years change fund work, so it is crucial that we get our partner organisations on board. During the past two years, we have spent a lot of time working with elected members in local government. They are also very keen to know whether the approach will be value for money. If our local authority partners are going to commit to it, they want to be confident that it is value for money.

I think that the pilot has also given us an opportunity to look at the wider redesign. Health boards have to produce local reinvestment plans, and there should be a saving every year, with the money reinvested in the board's priorities. As child health commissioner for Lothian, I would like to think that I can convince our board that early years intervention at the earliest opportunity is absolutely crucial.

I have seen some of the evidence from the first cohort. Some mums and dads—and kids—who have never really engaged with services before have quite a lot of serious issues that should have

been referred to the child and adolescent mental health service. For example, a family might only access services because the girl is pregnant. That might not be true in every case, but sometimes I wonder why a young girl has got to the stage of being pregnant with her first child before any robust action plan or corporate plan across agencies has been set up to make things better for her.

We are linking the approach into our getting it right for every child agenda. We acknowledge that we are talking about a small cohort of young mums but they form a very vulnerable group; there is evidence for that. If we invest in the programme, hopefully other services, such as tier 4 CAMHS, drug and alcohol services and criminal justice services, will be able to save money further down the line.

It is quite a fine balancing act to try to convince everyone across the four local authorities in Lothian that the programme will be value for money, but the message is beginning to get across. Some of the early outputs and outcomes that we are feeding into ScotCen's growing up in Scotland study are showing increased access to higher education and fewer admissions to neonatal intensive care. On breastfeeding conversion rates, by the time the young mums who said that they would absolutely not breastfeed delivered their babies, they were quite up for trying breastfeeding and even if they did not maintain it for long, they were still initiating it, which was further supporting and enabling attachment and resilience in the child.

It is going to be quite hard to convince everybody who is involved. I know that I cannot go to the police or the criminal justice social work department and ask them to give me £20,000 now because it will save them money 20 years down the line. That is just not going to wash. Government must support our communications in that regard, because everyone is very protective of their own budgets.

However, the early evidence in Lothian is definitely very positive. We are about to move to semi-skilled permanence in Edinburgh so we will test out that transition. We hope that there will be fewer referrals to other services by the time that the children get to the crucial age of between two and three, as the mums will be much more confident and able to manage their children's healthcare, social care and developmental needs.

Elaine Murray: You say that young women often have other issues already before they become pregnant at an early age. Presumably, many of the families in which those young women live have problems too. Is there any evidence of a secondary effect by which your intervention with young parents benefits other family members?

Sally Egan: There certainly is in Lothian; Gail Trotter can speak for wider Scotland. We have seen some evidence of that during ministerial visits where the kids have brought along their partner or a friend. We often hear anecdotal evidence from their friends; a lot of visits to the FNP involve young parents whose friends say that they wish that they had that service because the young people are getting so much out of it.

We get to know the girls because there is a small number of them, and when they speak we can hear them growing in confidence from the early stage of their pregnancy to the graduation phase. As in all groups, some people are more vocal than others, but they are talking about the spin-offs and the added value. It is evident that there is an added value for the wider family and the community.

Joan Wilson: The programme in Tayside is at an earlier stage than the one in Lothian, but we have seen grandparents, for example, being very interested in it and wanting to learn more. They also challenge it, and say, "That's not the way that we did things—this is completely different", but they are really interested in being present when the family nurse is there.

The extent of the involvement of dads in the programme has been quite an eye-opener for us; the engagement of young fathers is absolutely key. Some of the girls' learning has impacted on their partners. We heard a nice story just a few weeks ago from a very young girl who wrote to us to say that she had tried some of the techniques with her partner, who was 17, and he now has the confidence to apply for a job and has managed to get one. That evidence is only anecdotal, but we get that kind of feedback, which is not something that we would usually hear.

Gail Trotter: One of the programme's three aims involves supporting partners and helping young parents to become more economically self-sufficient. We are interested in measuring confidence levels and capturing what happens to those young people and their partners in terms of re-engaging with school and taking meaningful employment.

Paul Wheelhouse (South Scotland) (SNP): I welcome the witnesses to the committee. I have been fascinated by what they have said so far.

The convener and Dr Murray have already dealt with a number of things that I might have touched on, but I am keen to pick up on the issue of fathers. I noticed that evidence from the US showed a 46 per cent improvement in engagement between fathers and their children. I am thinking about the transgenerational potential of the programme: we are talking about the here and now and the improvements that might be

shown—given the timescales—in 15 years, by which stage some of these children might have been on the verge of accidentally becoming teenage parents if they had followed the traditional trajectory in their family.

How important is the project in designing out that type of outcome, so that in the longer term people do not need—if I can be so bold—family nurse partnerships? We will have made the societal change so that the next generation of children coming through do not put themselves at risk of teenage pregnancy because their parents have benefited from the type of programme that we are talking about. Do the witnesses have any comments on that?

Gail Trotter: Breaking the cycle of intergenerational poverty and hopelessness is a key aim of the programme. Engaging the fathers in the process is really important, regardless of whether they are the biological dads or not. Quite often, the dads who engage in the programme are not the natural dads, but a significant person in the family home who is supporting the young girl.

I go on about the data, but it is important that we evidence what we do. We are following a lot of the families in the growing up in Scotland cohort, so that we can find out what happens to them in years to come compared to families in similar situations.

The Department of Health funded a randomised control trial in England, which is the largest ever—it is following about 8,000 families. We are keen to find out its outcomes. That trial will last only three years. As was alluded to earlier, as well as the short-term benefits, some of the outcomes of the programme in Scotland will be longer term. Ultimately, though, the programme is about breaking a cycle.

Paul Wheelhouse: That is very helpful. Thank you.

Since we started our inquiry on preventative spending, the committee has been somewhat obsessed with the practicalities of delivering preventative spending. We have carried that obsession through into these evidence sessions.

The FNP programme is already being explored in Lothian and Tayside. You touched on the issue of trying to convince the other agencies that they should pool resources and that in the longer term it is in their interests to do so because the benefits will come to them.

We have put a lot of emphasis on community planning partnerships and how they will evolve—they may have to take on a stronger leadership role and pool resources. There are some examples where that approach works reasonably

well, such as Highland, which is taking practical steps to do that.

Do you have a view on the effectiveness of community planning partnerships in delivering things such as family nurse partnerships at a local level?

Sally Egan: Absolutely. The FNP is part of our wider getting it right for every child strategy, early years change programme and children and young people's change programme. It is integral to every agenda in the Lothian community health partnerships. I sit on all four planning groups for children and young people's integrated services—they are called something different in each of the four local authorities—and that is where we have been discussing the matter.

In Edinburgh, there is no problem—things are beginning to emerge in the early evidence, so as far as our partner organisations are concerned, Edinburgh is sold on the idea of the community planning mechanism. East Lothian is quite close behind. Community planning is the mechanism for all our children's services planning, resource allocation and joint working in Lothian. There is an interface with the hospital for sick children and the child and adolescent mental health service, but the bulk of our planning and joint working is through the community planning mechanism.

We have formed a south-east partnership in Lothian, on which the strategic leads for GIRFEC in the two health boards and the five local authorities sit. Again, the FNP is integral to that part of the agenda—it is an important programme within our wider GIRFEC agenda. That is how the business is progressed.

Joan Wilson: We are not as far on as that in Tayside. It is still early days for us. At the end of our first year, which will be around the end of July or beginning of August, we plan to do more roadshows to share what has happened over the year and how many young people we have recruited. It is going really well and we will reach our target. We will share stories about some of those young people's lives and the outcomes that we are getting. There is no better way to demonstrate a programme in action, and I think that people will sit up and hear that.

However, if I am honest, people still need to be convinced. When they ask about the programme and what it is, they see that it is from the US and wonder how it will work in a place such as Kinloch Rannoch. Those are genuine questions. People are used to a lot of initiatives and want to see how the programme works out. The proof will be in the outcomes, and we are confident that we are beginning to get that proof. That will bring others on board more quickly.

Gail Trotter: Our learning in the past 10 or 15 years has very much been about supporting vulnerable children and families. However, one size does not fit all, and not everyone needs the family nurse partnership programme. It is an intense programme, which is for younger people. We are talking about families who, in the long term, cost society a lot of money and require a specific, tailored approach. That is the message that I am picking up. People are realising that that client group is at the top of the vulnerability triangle and that the approach needs to be different.

10:30

Paul Wheelhouse: We had an interesting session on what is being done on early interventions with young mothers in the Netherlands, where there is a process that picks up on the point that the convener made about older people, but in the other direction, because it starts much earlier—in some cases before the teenager has become pregnant. It identifies youngsters who are at particular risk of following a lifestyle trajectory and intervenes before that happens. Might FNP evolve in that direction? Could we intervene earlier than the 28-week limit in order to help families in which we know there is likely to be an issue, perhaps because of their vulnerabilities and their multifactorial problems?

Gail Trotter: There is an opportunity for new developments in working with such families, although one of the strengths of the work in Lothian and Tayside is that young people do not feel that they are being targeted. A person who is 19 and pregnant is entitled to the programme whether she lives in Morningside or Muirhouse. We find that young people say, "This is a programme that I'm entitled to. You're not supporting me because you think I'll fail."

Paul Wheelhouse: The programme avoids stigmatisation.

Gail Trotter: Yes—absolutely. There is merit in the approach that Paul Wheelhouse described, but one of the success factors that we are seeing is that young people feel that the programme is not about a prediction that they will fail.

Paul Wheelhouse: That is helpful.

Sally Egan: For me, as a nurse by profession and a community nurse, the family nurse partnership programme is unique. I always wondered about the roles of the midwife and the health visitor. The unique selling point of the programme in Lothian is that, through our electronic track system, we pick up the young girls at the earliest point of booking. It usually takes from 12 weeks, when they have their scan, to 16 weeks to get them to engage, because we do not

want to do a hard sell. That is how we have to look at it. The programme is the only one that works with the family. The midwife works alongside the family nurse to provide technical care but, in the main, the health promoting activity is devolved to the family nurse, because it is all part of the licensed programme. It is unique in that it is the only programme that follows right through from early pregnancy to toddlerhood.

We are implementing the refreshed maternity framework, under which we are tasked with reducing antenatal inequalities. As you will be aware, we have a health improvement, efficiency, access and treatment target for antenatal booking, not just to ensure that we get everybody scanned by 12 weeks, but to enable us to start the early intervention work. The redesign of our community midwifery workforce in Lothian is therefore taking account of our early learning from family nurse partnerships.

However, there is the handover at the 10th day, so we are looking at how we can strengthen provision and really go back to the health for all children guidance, which advocated that the health visitor get involved much earlier. Within the wider zero-to-three pathway of care for vulnerable families, there are real opportunities to strengthen that model; I think that Joan Wilson is also looking at that in Tayside. Other things are going on alongside the FNP work.

The data from the Netherlands are clearly unique. Some trusts in England have directly commissioned midwifery services that follow through to—I think—the first six weeks, and they do more intensive visiting during the antenatal and immediate postnatal period. However, I do not know much about that and it is not something that we are doing in Scotland.

The Convener: In the Dutch situation, the service is provided from conception to 23, and it is universal. We have eight times the teenage pregnancy rate that the Netherlands has—

Gail Trotter: It is more in Tayside.

The Convener: Tayside has the highest rate in Europe. We should appreciate that the Netherlands invests a lot more in child wellbeing than we do: it has the highest level of child wellbeing in the developed world. We can learn a lot from it, but the resources must be available. We have to look at that.

Mark McDonald (North East Scotland) (SNP): Thank you for your informative evidence thus far. I am looking at the potential cost savings that have been provided to us. There are a couple of areas that I do not see mentioned, and I want to raise them with you to see whether they are on your radar. The first area is early diagnosis and support for women who have postnatal depression.

Isolation can often be a factor in compounding postnatal depression. When a woman suffers from postnatal depression, that obviously has an impact on the child, and economic inactivity is another likely impact. Are you keeping track of those factors to establish the impact of family nurse partnerships on postnatal depression?

Gail Trotter: That is a key area. We assess the mental health wellbeing of the mum very early on and it is reassessed before being revisited at the end of the programme, not least to identify the support that she would require throughout the pregnancy and the postnatal period. We are capturing the data and are using rigorous tools, including not only the Edinburgh postnatal depression scale but the hospital anxiety and depression scoring system, to assess young mums.

We talk openly to young mums about the fact that we are assessing how well they are and how they feel, and that we will revisit the issue because we know that they will be more confident parents if they are not depressed when they have their babies. Data are collected.

We are not currently engaged in a cost-benefit analysis of our approach, but Cardiff University's building blocks study is picking up on the economic benefits of specific aspects of FNP intervention.

Mark McDonald: In a previous evidence-taking meeting, I raised the point that families and parents who are in regular contact with health visitors are more likely to achieve early diagnosis of conditions such as autism or attention deficit hyperactivity disorder. Do family nurse partnerships have a role to play in that? You will often reach out to vulnerable individuals who might not be inclined to maintain regular contact with health visitors through the normal channels.

Gail Trotter: I will let Joan Wilson give part of the answer to that question.

The evidence that we have so far in Scotland about FNP implementation is very reassuring; it shows that young people who have the lowest psychological resources and are less likely to do well, or who are more vulnerable, are the ones who are signing up for the programme and not leaving it. It is the inverse care law in inverse, if you like. We are reassured that the people who need the programme most are signing up to it.

The programme starts with weekly home visits. The intense programme of home visits is part of its difference from the universal home visiting programme. The family nurses pick up specific needs in the family from about 14 weeks into the pregnancy.

Joan Wilson: I emphasise the intensiveness of the programme. We continually assess the child and the parent and look at the child's development. That is all part of how the family nurses work with the parents, so there is the potential to pick up many things at a very early stage for either the parent or the child.

Mark McDonald: My final question deals with the wider partnership approach in liaising with partners in the public sector. The briefing paper refers to the support that has been given across NHS Tayside and by the City of Edinburgh Council through much earlier provision of tenancies. As somebody who moved house two months before his son was born, I can attest to the need to try to get into a property well in advance of a child's birth.

Tenancy provision is one thing, but tenancy sustainment is the key. I often give the examples of people who have a history of homelessness or young people who are given tenancies when they come out of care. People who are landed in tenancies often do not have the basic life skills that are required to sustain them; they have never had to plan a household budget, do the weekly shop and so on. What work are you undertaking with, for example, housing partners to ensure that, as well as giving people tenancies, they also give them the skills and abilities to sustain them? The worst thing that could happen is that someone who gets a tenancy for a short period is forced to relinquish it and the family either becomes homeless or has a number of short tenancies over a long period, which disrupts the continuity in the child's life.

Gail Trotter: We were surprised to find in the first evaluation in Lothian that housing services had a system whereby they could identify people who were likely to be homeless when the baby was born. Because the family nurse partnership programme connects to families when the pregnancy is at 14 to 16 weeks and looks at the risk of their not having a home to go to when the baby is born, it ties in closely with housing services. The classic scenario that was described to me is of somebody being in labour but having no home to go to. That has changed under the new system, because vulnerable people are picked up earlier.

Because of the small numbers, the evidence on maintaining tenancies is anecdotal. However, our housing colleagues say that the young people who are involved in the programme are more likely to retain and respect tenancies. I suspect that that is in part to do with their having a named professional who works alongside them, which gives them the confidence to manage a home. It will be interesting to see what happens in Tayside; colleagues in housing describe feeling more

confident about giving homes to young parents who are involved in the family nurse partnership programme because of the extra support that those young people receive.

Sally Egan: In Lothian, we work closely with the local authority housing department. As part of the process for the girls, we tend—if there are real concerns—to have case discussions much earlier. If child protection issues are involved, we have pre-birth child protection case conferences. That is part of the real added value from the programme. We can start to look at the issues early so that, when someone is 32 weeks pregnant, we are not wondering where they will go.

However, there are housing issues in Lothian. Not only local authority housing is involved; many young girls are in independent landlord lets, so there are all the issues around tenancies. There is quite a bit of mobility.

We are working closely with Children 1st and Shelter Scotland on a proposal to provide an intensive support team; Gail Trotter and I recently attended a meeting on that. That team would not replace the family nurse partnership, but would work closely with the children on all the issues that Mark McDonald spoke about. That work recognises that, although people are perhaps not homeless per se, they might have left their family homes in an unplanned way and might need a lot of support to develop life skills and to manage tenancies and everything that goes with them. We are hopeful about that scheme. It is being done through the community planning route, in the children and young people strategic planning partnership. There is a particular emphasis on working alongside the FNP to provide good third sector involvement with the programme.

Mark McDonald: It is a sad fact that young people can often be isolated, particularly when there is an unplanned pregnancy. What work, if any, is done to ensure that there is no breakdown in wider family support? It can obviously trigger problems for a young parent if they cannot occasionally access family support in looking after their child to allow them to have time out of the house.

Gail Trotter: Many of the young people in the programme say that they lose friends when they become pregnant because the people in their peer group are not pregnant and are moving in a different direction. The family nurse partnership programme in Lothian has brought together a lot of young people, many of whom previously felt totally on their own. We know that 65 per cent of looked-after children become parents within the first two years of leaving care—as teenagers. They are a very vulnerable group. The focus of the programme is to develop personal confidence and self-efficacy in young people and confidence in

their parenting. It is about signposting young people to the support that they require, rather than leading them, as we have done traditionally. We are capturing information on the interaction of the young families with wider services and the outcomes from that. However, at present, it is too early to know which interventions work to retain family involvement and which interventions have healthy endings.

Mark McDonald: The more support an individual has from their family and peer group, the less support they require from agencies. That could be factored in as a future cost saving; if we can keep the family unit as cohesive as possible, that will mean that, further down the line, there will be support and there might be less need to rely on external support.

Sally Egan: That is interesting because, two years ago, just as the programme was starting, the community planning partnership in Craigmillar decided that it wanted to use some of its fairer Scotland money—we allocated some to the local planning partnerships—to set up a family and local communities support programme to work with girls who were on the FNP programme. That proved to be beneficial, but it was very much led by the community and covered only the girls who lived in that area.

10:45

If the young person is in local authority housing, we try to house them as close to their family as we can, if that is conducive to what they want, because we recognise that the family plays a big part. However, it is not always possible simply because of where our social housing is. We try to get them as close to the family as possible because their general practitioner might be in that area, they might have been schooled there and have friends there. However, in an inner-city context, it is sometimes a matter of where we can get accommodation. If the person is not housed close to the family, we try to work with other local voluntary organisations on how we can arrange transport for them, for example. A load of work goes on around that.

Joan Wilson: In testing the programme across rural and remote areas as well as within cities, we have had to take quite a different tack in Tayside. As colleagues do, we very much support connection and sustaining young people's family relationships, where possible. However, the young women who are on the family nurse partnership programme in Tayside are spread across thousands of square miles. The key for us is to support them and to help them to build their confidence to access the services that are round about them in their communities.

A lot of support is available, but many of the young women do not have the ability or the finance to travel to groups that bring together the people who are on a programme. Therefore, it is key that we work with the communities in the areas where we are testing the programme. The nurses have had to get to know what happens in an area—where local groups and other supports are—and ensure that they link the young women and their families to those.

John Mason (Glasgow Shettleston) (SNP): One of the phrases that jumped out at me in the committee paper on the programme concerns where we are going in the longer term. The paper mentions a

“long-term plan to give all vulnerable first-time mothers who meet the criteria and want it, access to Family Nurse Partnerships”.

I have picked up from what the witnesses have said that everybody is jumping on board, but how do you deal with people who are a bit resistant? If the programme is going to be rolled out more, do the witnesses anticipate that there might be a little bit more resistance to getting involved?

Gail Trotter: We capture information on the number of people who are entitled to the programme, the number who are offered it and the number who sign up for it and stay with it. It is reassuring that those whom we would perceive as being most vulnerable are signing up to the programme.

We also capture information about who declines the programme and why. The numbers are very small—they are not even into double figures in Lothian. Predominantly, they are people who feel well supported. The girls who are about to go to university, who are about to get married or who feel that they are supported by their families are, reassuringly, the ones who say that the programme is not for them.

Some people within the programme decide that they have had enough. They are teenagers who decide that, because everything is fine in their life now, they do not need the family nurse, thank you. If that happens, we keep them on the books for six months. We write, text, re-engage and remind them of their aspirations—at the beginning of the programme, we ask them what they want from being a parent, and they talk, for example, about being a good parent, being a confident mum or not being the mum that their mum was. Through the English experience, we have found that most of those girls re-engage. It happens normally at a time of crisis, but they do re-engage. They are kept on the case load for six months and are not dropped when they decide that life is fine, because life often changes quickly for teenagers.

John Mason: You do not especially anticipate any change to that when the programme is rolled out, other than that the numbers will be bigger.

Gail Trotter: We allow a margin, because the model is licensed, because there are fidelity requirements and, because at specific stages of the programme—pregnancy, infancy and toddlerhood—we anticipate some attrition levels. If the levels go above that margin, we have to start examining what has gone wrong with delivery of the programme. We do not have that issue with Lothian and Tayside.

Sally Egan: The amount of energy that, between us, goes into engagement is important. As I said earlier, whether a pregnancy is at 12 or 16 weeks, we reckon that it takes between three and six visits or really intensive telephone calls. We are not doing a hard sell on the girls; we explain what the programme is about and give them time to think and conceptualise what it means for them and what they might get out of it. That early work, before we take the clients on to the books, as it were, is absolutely crucial. That is when we have to work with the wider local community, as other people are often part of explaining what the added value is for the women and why they should not just go to the health visitor like everybody else. That is very important.

We have seen a really high level of engagement and a low level of attrition across Lothian. As Gail Trotter said, when we examine why someone has left the programme, there is usually a very good reason for it. If a case involves a high level of vulnerability and child protection issues but the client does not want to engage, there are child protection procedures, guidance and processes in place with which we can follow up. There is no risk that somebody who has high-level need could just say, “I don’t want this”, and then not get anything. Protection of the child is crucial.

John Mason: I have got the impression this morning that the process is quite intensive. One of my fears is that, as programmes get rolled out, they get slightly diluted. Pilots tend to be more intensive and have more money put into them. If, instead of 25 people, nurses were given 35 people to look after, would that seriously impact on the quality of support?

Gail Trotter: The programme is licensed, with a nominal fee of less than \$15 per client paid to Professor David Olds, and there are rules on how the programme is delivered. We are gaining confidence and learning how to replicate the model well and how to stick to the ingredients of a good model. We could not let Joan Wilson and Sally Egan take more clients—that would be a breach of the licence.

John Mason: That is fair enough. The Royal College of Nursing has suggested that the improvement in the United States has been dramatic because it does not have a wrap-around health service to start with. Is that a valid criticism? Should we expect less improvement here?

Gail Trotter: That is a valid point. The randomised control trial in the UK will show the difference when the model is implemented where there is universal service provision. We are seeing big differences here very early on. As robust as the RCT is in the States, the UK RCT will be powerful for the future of FNP in the UK.

Michael McMahon (Uddingston and Bellshill) (Lab): My question goes back to the earlier questions on sustainability, which Elaine Murray asked. I am concerned because I foresee a situation in which we have déjà vu all over again. I have listened before to witnesses such as we have before us in committees and I have attended local events at which dedicated medical professionals including nurses and doctors have talked about their projects with enthusiasm and excitement—words that you have used. I have seen their willingness and desire to put theories into practice, to provide the evidence to show that what they are doing works, and to see the benefits of that and hear from people who have benefited from the exercises that they have been involved in.

However, initiatives on smoking cessation, breastfeeding, diabetes and obesity have been trialled, modelled and put into practice and the next time I have heard from those people they have been asking for help because their funding has been cut, their project has been downgraded or they are not getting the support that they received at the outset. When we take up the matter with the health boards, the local authorities or whoever has been running the projects, they openly tell us that they have a choice to make. The problem is that they have the celebrities, the politicians and everyone else standing outside a threatened unit with placards, fighting one another to show who is the greatest defender of that acute service, and something has to give.

How do we prevent what I have described from happening in the long term? Do we need to move on from just a willingness and a desire to an obligation to provide FNPs? If they are proved to work, should we ensure that there is an imperative in the longer term to make them continue to work, and to ensure that dropping them does not become the easy option, because people will not hold up placards outside health centres that say, “Defend FNP”?

Gail Trotter: That point is really important. In our early work with NHS boards that are expressing interest, we are asking how they will

sustain their programmes, if they are successful. After they have supported a cohort and have strong evidence, what will happen with the next cohort? Such discussions must start early. The reality is that health boards need to click with local authorities, the police and education services and need to look at benefits across organisations. The sustainability discussions must start early.

NHS Lothian is about to support a second cohort of teenagers, but the Scottish Government has not given it full funding for that, so it has matched funding: it has secured funding from local authorities and other colleagues for the second cohort. Such creative thinking must start early.

The home visiting programme and the data that are collected are the evidence. We are trying to support health boards and local authorities by saying, "Here's the information—this is what the programme brings. What information do you have about the support that you currently offer teenagers?" That is an important part of evidence in consideration of whether we should sustain the programme.

Sally Egan: The partner local authorities in Lothian are keen to see clear evidence from the first test in Edinburgh; they have bought in, but they have not committed money yet. We have agreed that, as we roll out the next cohort, the health board will fund the additionality. We have a certain amount of Government funding. The early years change fund will be the vehicle for taking forward the work, as part of our overarching early years change programme and our joint funding and integration agenda.

We in the Lothian NHS Board area are fortunate that our four local authorities have bought into the work, which they see as adding value. We are getting initial funding and we need to redesign our early years services because what we have will not work in the long term. A lot of our local evidence and our financial modelling in Edinburgh have made comparisons with the cost of putting children in foster care and the cost of our looked-after children for a full generation of being looked after. We will have to proceed in that way.

If proposals are not evidence based, they are unlikely even to be entertained around the table now—I am sure that that applies to all health boards. However, some things that are not evidence based add value. We have a project in Edinburgh called PrePare that is not evidence based but is multi-agency and multidisciplinary. It works with substance-using pregnant mums and has been found to be beneficial. If we have tested something and it works, we stick with it, and we have stuck with that programme. However, on the whole, projects must have an evidence base before we will commit to them.

When we did our self-evaluation of whether we wanted to go for expansion and small-scale permanency, we had to produce for our executive management team quite a robust initial outline business case to get our funding, which outlined why what was proposed would be a good way to go. We also made a presentation to our board, so that our non-executive directors could see the difference that is made to the population about whom we are talking.

Administrations, health boards and executive members change, so the process will be on-going. We will soon have local government elections, so if administrations or elected members change after May, we will have to go back to councils to tell them about the FNP and its added value. The process will never end, but the early evidence in Lothian is positive.

Joan Wilson: Tayside has the largest FNP team in the UK. We did not receive full funding from the Government for our test site, so we had to do a bit of work with our board, which provided just over 18 per cent of the investment, which happened because the board was enthusiastic and keen—Michael McMahon used those words. The programme is something different and is about outcomes that we are not seeing just now. That funding was a testament to the board's early commitment. We want to demonstrate later this year how much we have achieved just in our first year and to let the board see that making that early commitment was the right thing to do. Some of that funding came through community health partnerships and from our public health directorate, because everyone sees the benefit of investing in such a programme.

11:00

Gavin Brown (Lothian) (Con): I want to explore just one area. The convener referred in his opening questions to research from the USA that uses about 50 or 60 criteria, or measurements, regarding various ages and aspects including father involvement, reduction in criminal activity, school readiness and academic achievement. I think that an analysis of the initial work is due in 2013. What should be the main measurements or criteria for us to judge in 2013 whether we have hit them? Clearly, an enormous amount of work would be involved in dealing with 50 or 60 measurements. Are you clear in your minds which criteria must be in the 2013 assessment?

Gail Trotter: The assessment that is due to report is a randomised control trial that Cardiff University is conducting through the building blocks study. They are looking at a wide area, but only for a three-year period. They will not consider long-term outcomes such as how many mums go to jail.

We are looking at some tangible areas at the moment, including conversion to breastfeeding. We ask all prospective mums at the beginning whether they intend to breastfeed. As you would imagine, a big proportion of them say no and another proportion say that they are not sure. We will look at early signs in that regard as well as at the findings from the RCT next year.

I do not have the luxury of time to talk about the areas that I would like to look at. However, somebody raised the point about efficacy in the wider family. We wonder how the parents fare when they have another baby. Do they carry their confidence with them for that? Do they still feel self-efficacious as a mum or dad with a new baby? On young men stopping smoking in those families, we are noticing that the young guys are taking messages almost subliminally and are reducing their cigarette intake.

We have the potential in Scotland to do more based on the learning from England, but the RCT will pick up data on the three-year period rather than longitudinal data. I hope that our data will also be picked up through the growing up in Scotland study.

Sally Egan: From a health perspective, some of the measurements obviously link to HEAT targets, so we look at those in particular. Gail Trotter referred to breastfeeding. Although that is no longer a HEAT target, it was last year. We saw a conversion rate to breastfeeding of around a 35 per cent, which was quite significant; we do not see such a high conversion rate in the wider population of pregnant women who say that they will not breastfeed. That rate was significant to us, but it was just a proxy measure across a small number of people, so I do not know how statistically significant it would be in the wider scheme of things. However, it was certainly very encouraging for us locally and our health board felt that it was a good news story for us.

Even if new mothers did not maintain breastfeeding for six to eight weeks in terms of the HEAT target, the skin-to-skin contact helped in attachment and bonding. The mothers spoke with pride of their experience to the minister and some other key people from the Government recently, when saying, "I breastfed my baby." They perhaps did it only for a week, but they were so proud of that achievement. There is evidence that breastfeeding even for a week makes a difference, not necessarily in terms of nutrition, but in terms of attachment and bonding.

However, we hope in the programme to see significant improvement across the teenage population regarding smoking cessation and the other areas that we currently measure.

Joan Wilson: We are in the position that Sally Egan described in terms of measurements that we currently collect. It is important to consider the young mums' experience and to be able to capture that so that we can see whether a difference has been made. We must consider whether after two years the mum has achieved her initial aspirations when she had her baby. For example, we can see whether she has gone back to work or to school and we can consider whether the child is developing as we would expect for a two-year-old. We cannot always put things into figures, so it is about looking at the client's experience. It is key to know what is different after two years for that person. For example, they might not be in care or might not have lost a tenancy. We need to find ways in which to capture those key factors. Lots of tools and questionnaires are used throughout the programme to help us to get a sense of what is happening.

Sally Egan: Employability is another relevant measure. We are working with our healthcare academy on that. When our chief executive and chairman visited the project—they have visited it on more than one occasion—they were keen that, if the young mums and fathers were interested in their employability, we link that to our NHS Lothian healthcare academy. We are working on that development and it will be interesting to see how many of those kids the health board might ultimately employ and how many might be employed across the councils. That measurement might be interesting for the committee at a later stage.

The Convener: Thank you very much. I also thank committee colleagues for their questions. It has been for me, as I am sure it has been for my colleagues, a very interesting meeting. Are there any points that have not emerged that you would like to bring to the committee's attention?

Gail Trotter: Probably one of the key points that underlie the programme's success is that it works on people's strengths. It is not a deficit-focus model; it assumes that everybody wants to be a good parent and it works on that premise. For me, that is one of the highlights of the model and it is why people engage with it. The approach is: "We know you are strong and we know you want to be a good parent." It is about working towards a good future rather than about looking at a negative past. We do not have time to explore that now, but the strength-based approach is probably one of the key components that underpin the programme's success.

The Convener: I thank all the witnesses.

11:06

Meeting suspended.

11:15

On resuming—

Welfare Reform (Further Provision) (Scotland) Bill: Financial Memorandum

The Convener: Item 3 is an evidence-taking session on the financial memorandum to the Welfare Reform (Further Provision) (Scotland) Bill. I welcome to the meeting a number of Scottish Government officials—Chris Boyland, bill manager, welfare division; Scott Mackay; Ann McVie; and Susan Anton—and invite one of them to make a short opening statement.

Chris Boyland (Scottish Government): Thank you, convener. First of all, I thank the committee for inviting us to speak to you.

From a policy perspective, the bill does nothing more and nothing less than reflect the relevant sections in the UK Welfare Reform Bill—or what is now the Welfare Reform Act 2012—to which the Scottish Parliament refused legislative consent last December. Scottish ministers intend to use the powers enabled by this bill to make changes to the primary and secondary legislation that currently links eligibility for devolved passported benefits to UK benefits such as income-based jobseekers allowance that the 2012 act will abolish.

Passported benefits can be loosely divided into continuing benefits such as free school lunches or free NHS dental care and one-off benefits such as legal aid. They can be paid in cash, as is the case with the education maintenance allowance, or in kind through, say, optical vouchers. When the existing UK benefits are abolished, so, too, will be the associated eligibility hooks and the Scottish Government now has to amend devolved legislation in order to replace them.

That cannot be a simple, like-for-like replacement; we cannot, for example, just replace the phrase “jobseekers allowance” with “universal credit”. Given that universal credit incorporates in-work and out-of-work support, it will have a much broader recipient group than the benefits that it will replace. Crucially, receipt of universal credit will not, in and of itself, provide the same evidence of low income as the existing benefits and will not, in and of itself, serve as a means of determining entitlement to passported benefits as it will be awarded to a much larger group of people.

By April 2013, we need to complete a process that takes in primary legislation, followed by operational adjustments to be made by subordinate legislation. The timetable is not of our making; instead, it is being driven by the pace of the UK Government’s changes and the fact that many of the practical details about how the new UK welfare reforms will operate—for example,

conditions for entitlement to universal credit and the personal independence payment—remain to be set out in UK subordinate legislation. At the moment, the Scottish Government does not expect the UK Government to be in a position to convey that essential detail to us before June.

As we are here to talk about the financial implications of the process, we would like to frame the discussion under four key headings: the current spending context; smoothing transition and ensuring continuing access; the information that is currently available; and the further information that we expect to provide.

On the current spending context, the financial memorandum sets out the costs of devolved passported benefits based on current provision and the existing associated costs, on the basis that provision of those benefits will be retained at the current level and that the on-going costs will be met from within existing budgets—although I stress that that is still subject to a final decision by ministers. Existing provision should also be seen in the overall context of the spending review, which has set the budget envelope within which we expect these changes to be considered.

With regard to smoothing transition, the bill's intention is to ensure a safe transition for passported benefits into the new UK welfare structure. It is not intended to materially reconfigure any of those benefits and, at this time, we are not aware of any plans in that respect. As things stand, we expect that, if they are made, any such plans will be made separately as part of the normal policy development process.

As for the information that is currently available, I am afraid to say that there are necessarily some limits to the information that we are able to produce on the financial implications of some of the changes. For example, although we are able to specify the number of people receiving legal aid as a result of their entitlement to an existing UK benefit, we have not been able to disaggregate fully the cost of that provision from the overall cost of legal aid because the individual cost varies significantly from case to case.

We appreciate the committee's desire to have as much detail as possible and we will do our best to provide what we can as early as we can. Just to assure members, I point out that, as the committee will be aware, the Cabinet Secretary for Health, Wellbeing and Cities Strategy has given an undertaking to the convener of the Welfare Reform Committee that we will make available to that committee all material on the relevant subordinate legislation at our disposal.

Finally, with regard to further information that we expect to be able to provide, when the necessary subordinate legislation is introduced later this year

we will set out details of how passported benefits will be modified to operate under the new UK system and provide an assessment of the financial impact of the changes. That assessment is likely to be based on modelling that we will undertake to identify the optimum eligibility trigger or triggers that will ensure that our existing recipient base has a smooth transition into the new regime. We will also provide information on expected transition costs.

That is all I have to say by way of introduction. We are happy to take committee members' questions.

The Convener: Thank you, Mr Boyland. I find it interesting that, as you suggested in your opening statement and as the financial memorandum makes clear, there are many questions that you are probably unable to respond to at this time. Indeed, paragraph 32 of the financial memorandum says,

"The Scottish Government does not expect the UK Government to be in a position to convey the essential detail of its new benefits to it before June of this year",

and paragraph 33 says,

"It is not possible to set out the detail of the likely financial impact of future plans to modify entitlement to passported benefits until the operational detail of the UK Government's welfare reforms is available."

How much is the fact that you are operating almost in a vacuum hampering your work?

Ann McVie (Scottish Government): The simple answer to that is quite significantly. At the moment, our focus is on trying to map all the passported benefits for which the Scottish Government is responsible and, as you can see from the list, they are not a homogeneous group. We have never tried to look at these things in the round and, given that they are specific policy interventions that have been developed independently for a specific purpose, it has been quite a task to pull them all together into one place and to start to understand in a bit more detail the various eligibility criteria for individual passported benefits.

We are pretty much clear about the passported benefits and the current eligibility criteria, but in order to take things to the next stage we need a much better understanding of what the levels of universal credit will be and the detailed assessment criteria for personal independence payments. As members know, universal credit will be a much broader benefit and will cover people in and out of work. We understand, for example, that the minimum universal credit payment will be 10p, so it is quite different from the benefits that it is replacing such as income support and jobseekers allowance. However, we are very much working in a vacuum with regard to what the levels will be.

We do not know how detailed the award notification notice for universal credit will be and whether it will show, for example, that people are receiving the benefit because they have children, what the housing element is and so on. Given that we do not have a substantial amount of detail, it is difficult for us to develop new eligibility criteria for the passported benefits for which the Scottish Government is responsible.

The Convener: Is it your understanding that the delegated powers could in theory be used to extend eligibility? I have another question, but whether I ask it depends on what your answer to that question is.

Ann McVie: I do not quite understand what you mean by extending eligibility. It will be up to Scottish ministers to determine the new eligibility criteria for passported benefits, whether against universal credit or something else. For example, we could set our own income threshold for receipt of individual passported benefits.

The Convener: Yes; I was asking whether you could make such changes. Perhaps I did not put my question quite as succinctly as I should have done.

Is the list of benefits in table 1 of the financial memorandum exhaustive or are there any others that have not been included?

Ann McVie: I would not like to say that nothing else will come forward but, at this stage, we are as sure as we can be that that is the list of all the passported benefits that have—

Scott Mackay (Scottish Government): Costs.

Ann McVie: Thank you—that is the word that I was looking for. Those are the passported benefits that have costs associated with them. Blue badge parking discs are missing from the list. In addition, someone who is in receipt of a certain disability benefit and who has been treated as being incapable of work is not obliged to repay a student loan. Those benefits are not listed in the table in the financial memorandum because they are passported benefits that do not have costs directly associated with them.

Chris Boyland: It is worth noting that, although the bill's primary policy objective is to ensure a smooth transition for passported benefits, we expect that Scottish ministers will use the powers that the bill delegates to them to make changes to Scottish primary and secondary legislation, which are required because they amend references to existing UK benefits. However, those references do not necessarily underpin a passported benefit. An example that is given in the delegated powers memorandum relates to a landlord's requirement to have regard to a tenant's eligibility for housing benefit before beginning proceedings to put them

out of their flat. I am sorry, but I have forgotten the word for that.

Ann McVie: Eviction.

Chris Boyland: Yes. That is not a benefit per se; it is something in legislation that will need to be changed.

The Convener: We have received a number of submissions. One of the questions that we asked was:

"Does the Financial Memorandum accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?"

Clackmannanshire Council's answer was no. The additional costs that it thought it would face as a result of all the proposed changes included increased staff and transaction costs. How would you respond to what the local authorities perceive to be difficulties with the way in which the financial memorandum has been put together?

Scott Mackay: The difficulty relates to our inability to frame the successor arrangements precisely until we have the necessary detail. When that detail is available, we will attempt to estimate more accurately the transition costs and what the impact on administration will be. If we pre-empt our receiving the detail from the UK Government, any estimates of costs will be speculative. Therefore, we will refrain from making such estimates until we have the detail.

The Convener: Yes. Some of the other organisations that sent in submissions gave exactly the opposite answer. It is as if the committee is asking questions in a vacuum.

I open up the discussion to other members of the committee.

John Mason: The submissions that we have received include one from the Convention of Scottish Local Authorities, which talks about the need to have parallel systems of entitlement. That is because, as I understand it, the change that we are talking about will not take place overnight—it will take place over the period 2013 to 2017. It sounds as if the local authorities will have to run two systems, which will be quite expensive. Have you looked at that? Is it possible to estimate what the cost will be?

Ann McVie: No. We cannot estimate those things until we know what the successor arrangements will be, as my colleague said. We are alert to the fact that one of the advantages of a passported benefits system is that it reduces the need to set up an independent assessment process. We will have very much in our sights the need to come up with a system that is as efficient as possible for both the Scottish Government and local authorities and which avoids the need for

overly complex assessments for such benefits in the future.

11:30

John Mason: Are there bound to be extra costs in the interim or changeover period whatever the system is, because there will need to be two systems?

Ann McVie: It depends, but yes, that would follow. We will have to look at that.

John Mason: I think that Glasgow City Council raised the issue of data sharing. Are we clear, for example, that the Department for Work and Pensions will be willing to share data with the Scottish Government or local authorities? What stage are we at in knowing that?

Ann McVie: That is very much a live issue, which we are having discussions with the DWP about at the moment.

John Mason: So we do not know where we are.

Ann McVie: We are at the early stages of the process, and we have quite a long list of things to do. Data sharing is definitely quite high up the list of things on which we need to engage with the DWP.

John Mason: I would think that data sharing is crucial. If local authorities do not have to do that or the Scottish Government does not have access to data and has to start again, that will inevitably make the costs higher.

Ann McVie: Absolutely.

The Convener: NHS Lanarkshire has said:

“If additional costs are incurred, it would seem reasonable to expect that these costs are met by the Scottish Government”,

although, of course, the bill is based on United Kingdom Government legislation and is the result of UK Government changes. What is your view on that?

Scott Mackay: The Treasury’s “Funding the Scottish Parliament, National Assembly for Wales and Northern Ireland Assembly: Statement of Funding Policy” is clear that where

“decisions of United Kingdom departments or agencies lead to additional costs for any of the devolved administrations, where other arrangements do not exist automatically to adjust for such extra costs, the body whose decision leads to the additional cost will meet that cost”.

We would expect to pursue the budget cover for additional costs.

The Convener: Indeed, but would the DWP pursue that right through the process, or do you believe that it will provide only limited support? Does it accept that argument?

Scott Mackay: We have made clear our expectation that we will pursue the funding under the arrangements in the statement of funding policy. Obviously, there will be some negotiation on the extent of budget cover that will be provided, but our starting point will be that we will expect full cover for all the additional costs that arise from the legislation.

The Convener: A local authority might say to you that the additional costs are £300,000 and a similar-sized local authority might say that they are £1 million. Who would say, “Hold on a second. Why is a local authority saying that?” The situation is horrendous. Who would decide which authority was incurring the costs that it said that it was and how they were being incurred? What is the likelihood that the DWP would basically say, “Well, yeah, you’ve said it’s going to cost £8 million or £22 million”—whatever the cost ultimately is—and that it would then be paid? Would they be long-term costs or one-off DWP payments?

Scott Mackay: The committee has already referred to two elements of that. There will be transition costs.

The Convener: Yes.

Scott Mackay: As more detail becomes available, the question for us to assess is the extent to which additional costs will arise as a result of the legislative changes. We would seek to negotiate an appropriate settlement on the basis of both of those elements once we have a sufficiently robust analysis of the financial impact.

Obviously, there would be a negotiation with the DWP on guarantees on what the final level of any budget transfer would be. We would start from the position that we would expect full cover for the robust analysis that we will develop when sufficient information is available to us to do so.

The Convener: You would expect the organisations on which there will be an impact, such as the NHS and local authorities, to tell you what they expect the costs to be, and you would then advise the DWP appropriately.

Scott Mackay: We would work with them to ensure that we had a robust assessment of the costs that will arise from the changes.

The Convener: Yes. Okay.

Elaine Murray: As the convener said, everyone here seems to be struggling in the dark, as we simply do not have enough information. To be honest, it strikes me that the UK Government has not really considered some of the effects on other organisations. What consultation was there with the devolved Administrations and local government, for example, on how this major change in benefits legislation would affect others?

Chris Boyland: That consultation would have been rolled up with consultation on the UK Welfare Reform Bill. The committee will be aware that that bill was brought forward at a considerable pace, given the widespread, sweeping and systemic change to the UK welfare system that it represents.

The issue of passported benefits is clearly not unique to Scotland—England and Wales have the same job as we have in making adjustments to the passported benefits for which they have responsibility. They are in the same position as we are, in that those adjustments must necessarily follow the full working-out of the regulatory framework that the legislation will put in place, which is complex and is being battered through at considerable speed.

The consultation on the bill as it was going through the Westminster parliamentary process involved the normal Westminster public bill committee stages and so on. The Scottish Government contributed to that process in a number of different ways, at ministerial and official level. We ensured that our views and concerns were known. There is a question about the extent to which the UK Government heard those views and acted on what it heard. However, we took whatever opportunities were available to us to make our concerns known.

Elaine Murray: With regard to the 10 per cent reduction in council tax benefit, we have heard evidence from Children 1st and others that people are not taking up their current entitlement, yet we are likely to see a 10 per cent reduction in the budget that is devolved to us. It has been suggested that, if we had a campaign in the next 12 months to encourage uptake, we might get a bit more devolved to us. I do not know whether that is the case, but there is concern that, as a considerable number of the passported benefits are not being taken up anyway, the budget will not be available to support them, even if we were to be able to translate the entitlement to the new system.

Chris Boyland: You have to look at it on a benefit-by-benefit basis. Different passported benefits are awarded in different ways. As we said, some of them are continuing. For example, a family would expect their child to receive free school meals for the whole time that their child is at school. On the other hand, a person might never apply for or receive legal aid, but they would hope that it would be available to them if they needed it and qualified for it.

I imagine that the question about money running out is not unique to the provision of these benefits. We would have to go back and consider it in the context of the spending review, which is what all such matters are framed by. That has set the

budget envelope with regard to our consideration of the entitlement changes that we need to make.

Elaine Murray: So it will be difficult to promise that we could keep the entitlements the same. That is almost a promise that we cannot make.

Chris Boyland: We are proceeding on the basis that we will consider the changes to entitlement with a view to maintaining provision to roughly the recipient group that exists at the moment. As things stand, we have no reason to consider the matter in any other way—either increasing or decreasing. Until there is a final ministerial decision, we will continue to consider what we need to do in order to maintain provision to the people who are currently receiving those benefits.

Paul Wheelhouse: Dr Murray mentioned the issue of council tax benefits, so I will not ask about that—I had a list of four issues, so that has narrowed it down for me.

Children 1st raised the fact that the Welfare Reform Act 2012 has effectively abolished aspects of the social fund and it is making recommendations that there might be a need for primary or secondary legislation at some point in the future to recreate those aspects that have been lost. I know a family who needed urgent help with funeral expenses because they unexpectedly lost their teenage son in a tragedy. What steps might be taken to provide crisis loans in that sort of situation?

Ann McVie: Successor arrangements for the social fund are being dealt with as a completely separate strand of work. We are still at quite an early stage of developing them. Ministers have agreed that we should work with local authorities to put in place a successor scheme from April 2013. To help us with that, we have set up a joint COSLA and Scottish Government design group with representatives from local authorities and Scottish Government policy interests to discuss the mechanics of how that will happen. The first meeting of the group will take place next week on 26 April.

Paul Wheelhouse: I will trust that you have that one in hand.

The evidence that was provided by Highland Council asked whether there would be any coverage for school clothing grants. A free school meal entitlement is being looked at, and I wondered whether school clothing grants should be addressed.

Ann McVie: We are not treating school clothing grants as a passported benefit per se. Local authorities have the discretion to offer those grants, but there is no automatic entitlement with eligibility hooked into a current benefit. Provision

of such grants is very much a matter for local authorities rather than the Scottish Government.

Paul Wheelhouse: Hopefully the Scottish Government has noted that evidence.

Table 1 in the financial memorandum, which sets out the detail of the projected spend on each of the passported benefits, is helpful. Earlier you mentioned that there was a change in the criteria for the universal credit and that the existing passported benefits might be impacted upon by that change. Is that likely to have any geographical effect that we need to take into account? We might assume that the spend will happen in the same pattern around the country as it is happening now, but perhaps the change in universal credit will impact on the spread of benefit spend across the country.

Chris Boyland: I cannot imagine that there will be a geographical impact. Beyond existing demographic factors, I cannot see that the changes to entitlement will have a geographical bias one way or another.

Paul Wheelhouse: This is my final question, convener. I have just asked a series of quick ones this time.

John Mason: Hear, hear.

Paul Wheelhouse: Thank you, Mr Mason.

A different set of criteria will apply here than will apply in the rest of the UK, and there will not be the benefit of having standardised materials to train people in what to use as eligibility criteria. Do you have any view about the representations that have been made in the written evidence about the costs to train staff of different organisations at a local level to advise individuals about their eligibility? Do you have a good handle on the likely costs?

Ann McVie: Not yet, but I refer to comments that were made about developing new eligibility criteria for the passported benefits. Taking account of efficiency in a broader sense will be part of that decision-making process, so factors such as training and guidance materials will be part of working up the most effective model.

Chris Boyland: Some of that will come under the consideration of transitional costs.

Scott Mackay: Absolutely. We will be looking to include that factor in the calculation of transition costs.

Paul Wheelhouse: Thank you.

Michael McMahon: You have partly pre-empted my question by telling us about the group that has been set up with COSLA. I did not get the impression from the COSLA representatives who were at the Welfare Reform Committee yesterday

that things are very far advanced—maybe we just did not get into that area and we will have to look a bit deeper into it. Are you entering into discussions with COSLA on the basis that there is an expectation that the Scottish Government will be meeting the costs 50:50 or 60:40? Is there any sort of prediction about how responsibility for dealing with the impact of the changes will be shared?

11:45

Ann McVie: Do you mean in relation to the success of the arrangements for the social fund?

Michael McMahon: Yes.

Ann McVie: The DWP has been clear that it will transfer to the Scottish Government the money that is spent on community care grants and crisis loans for living expenses in Scotland at the point of transfer, and our ministers have agreed that that money will be used for the same purposes. It will be put to supporting the successor arrangements. The funding for the successor arrangements will come from the DWP to Scottish ministers and then to local authorities.

The DWP has also accepted that there will be transitional arrangements with what it calls the new burdens agenda. Parallel discussions are happening in England, where the DWP is transferring responsibility for elements of the social fund to local authorities. It is expecting the Scottish Government, the Welsh Government and local authorities in England to present information about how much it will cost to operate the new scheme, so that it can take a view on how much it is going to give us to help us to run the successor arrangements. Again, that money will be transferred from the Scottish Government to local authorities.

Michael McMahon: I will be curious to see how the discussions on the share of that pan out.

I dropped a question on Mr Boyland at the Subordinate Legislation Committee about the vehicle that will be used for any legislation that is required to address changes to the council tax benefit system. Have you had an opportunity to consider that? Is it likely that the bill will be the vehicle, or is it more likely to come through in subordinate legislation or a separate bill?

Chris Boyland: As I recall from our conversation yesterday, we were talking about the possibility that council tax benefit could be used as an eligibility hook.

Michael McMahon: Exactly.

Chris Boyland: So your question is continuing on that point.

Michael McMahon: Yes.

Chris Boyland: We discussed the issue briefly on the way back up the hill from the Parliament yesterday. I certainly think that we will look at that as one of the possible mechanisms for replacing the eligibility links to the benefits that are being abolished. The question that we will have to answer is whether it would deliver the benefits to the recipient group that we wish to receive them.

Modelling will need to be done on whatever final mechanism is chosen to demonstrate that the people whom we want to get the benefits will get them. It might well be that we will want to put the use of council tax benefit as a hook through that modelling process to see what we end up with and whether it would do the job that we want it to do. If it does, we might well come back to the Parliament and say that we believe that it is an appropriate mechanism to replace the links to the existing benefits. If it does not, I do not see that we would have any reason not to say that it does not and that the mechanism that we have chosen serves our purpose better. However, that work will need to be done with the policy design work and the continuing analysis and modelling between now and, at the earliest, the end of the year.

Michael McMahon: That is helpful. Thank you.

Mark McDonald: Dr Murray stole my phrase to describe the issue. We are essentially fumbling around in the dark on it. I hasten to add that I do not consider that to be your fault. You are obviously being given limited, if any, information by the UK Government.

You talked about the speed at which the legislation is being put through, but it does not seem to be matched by the speed at which information is being trickled down to the devolved Administrations. What recent discussions have you had with the UK Government? Has it given you any indication as to when you might get some concrete financial data?

Ann McVie: I am trying to remember the date when the Cabinet Secretary for Health, Wellbeing and Cities Strategy last met Iain Duncan Smith. It was definitely in the past month. I am sorry—I was there at the meeting, which was at 6.30 at night in the Parliament, but I cannot remember which day it was. There are on-going discussions between ministers and there are certainly on-going discussions at official level to try to get the information. The DWP has been willing to share information as soon as it has it, but it does not have much to share with us yet. As the financial memorandum and other accompanying documents set out, we expect the first set of regulations by June and further regulations in the autumn that lay out the detail of universal credit. However, as you rightly point out, we have not got those yet.

Chris Boyland: To be fair, one consequence of the pace at which the UK legislative process is moving is that the UK Government does not necessarily always have the information to provide. The UK Government has a series of complicated jobs to do, and the information that we are talking about will come out as a result of that. Therefore, we certainly would not want to suggest that anything is being withheld. The pace of change does not aid the early availability of that information.

Mark McDonald: I was not suggesting that the UK Government is withholding information—I would not make that accusation. However, it strikes me as odd that scenario planning is not being done to show what we might expect to receive, although I guess that, as you say, the detail needs to be fleshed out. In the written responses that we have had, some people say that they can afford the changes, which strikes me as rather bizarre when we do not know what the changes will be; some people say that they just do not know, which is the most likely scenario; and others say that they definitely cannot afford it, which again strikes me as odd when we do not know what the implications will be. I note that you are having discussions with COSLA, but are you having discussions with other organisations, such as the NHS and third sector bodies? What discussions are you having with those organisations and what are they feeding into you?

Chris Boyland: We have on-going engagement with COSLA and a variety of stakeholder organisations. We have two external reference groups: the welfare reform scrutiny group, which we co-chair with COSLA; and the housing benefit stakeholder advisory group, whose interest in the issue might be slightly tangential, although it is an example of the net that we are casting. The welfare reform scrutiny group, which has discussed the issue of passported benefits previously and which I expect will continue to do so, has been meeting since the beginning of last year. We expect it to continue to meet throughout the process.

Gavin Brown: Michael McMahon asked whether council tax benefit could be tackled in the bill. I have a similar question in relation to the social fund. If I heard correctly, the social fund is being treated as a separate stream of work and has no part in the bill as it stands. Given that the bill will be enabling legislation, could the framework of the social fund be tackled in the bill and dealt with in regulations thereafter, or will that require a separate piece of legislation?

Chris Boyland: The bill will be a piece of enabling legislation. My understanding is that the social fund might be within the scope of the bill but, at present, the clear ministerial decision is that

the bill does not include provisions in relation to the social fund and council tax benefit. The ministerial decision is that those provisions will be progressed separately.

Gavin Brown: I have a second question, which is a follow-up to the question about data sharing. I think that that was described as a “live issue”, so you obviously cannot say too much about it but, given that there must be protocols in place under the current set-up, do you have concerns about that live issue or is it something that has just not been thrashed out yet?

Ann McVie: It is the latter. Everyone recognises that there will be a need for data sharing. The issue that has not as yet been sorted out is about the mechanics and the nitty-gritty of how we do that.

Chris Boyland: System requirements sit beneath any protocols to share data. That is where the complexities come in. The issue is not just about the agreement that we will share; it is about how we get potentially individual systems to speak together in a timely manner and in a way that delivers the service and support that we need.

Gavin Brown: I have a final question, which is just for clarity. I think that you are working under the assumption that, in relation to passported benefits, we will as far as possible end up with the same provision as at present, or thereabouts. However, you stressed that that is subject to final approval by ministers. Is that issue under active discussion, or did you simply stress the point to make it clear that ministers will take the ultimate decision? Are discussions taking place about whether we might not end up with the same provision?

Chris Boyland: As Ann McVie pointed out near the top of the session, nobody has ever considered the range of benefits holistically. I honestly could not say whether consideration is being given in individual policy areas to the possible future of individual benefits as part of a particular policy picture. However, we have not advised ministers on whether they should make material changes to the benefits, and I certainly do not expect us to do so.

Ann McVie: As we said, we are still in the early days of the process. We are still a little in the dark about what universal credit will look like and what the eligibility hooks or criteria might be. We are just being naturally cautious civil servants and saying that those issues are subject to final discussion with ministers once we are a bit clearer about the options for the eligibility criteria.

Paul Wheelhouse: I have a quick question on the principle, leaving aside the mechanics of the legislative process that we are having to go through. To pick up on a point to which Gavin

Brown alluded, because we have to do something different we have an opportunity to reflect on Scotland’s particular needs and to amend where necessary. Obviously that would be up to ministers, rather than you. However, do we not have an opportunity to tailor benefit entitlements to better suit Scotland’s needs, rather than taking the one-size-fits-all approach that has been taken until now?

Chris Boyland: Yes, we do. I do not think that there is any intention to default to a one-size-fits-all approach. It is worth pointing out that, for example, free prescriptions are a passported benefit in England but are offered universally in Scotland, so variations already exist between the two systems.

Paul Wheelhouse: So there might be scope in the process to tackle the needs of specific groups, such as armed forces veterans—I am a member of the cross-party group on them. The current opportunity might allow us to take a different approach in Scotland to issues for particular target groups.

Ann McVie: Potentially, yes.

The Convener: That appears to have exhausted our questions, given the fairly limited information that we have on which to base our questions and the limited answers that the witnesses can give. Do you have any further points to raise with the committee?

Chris Boyland: I do not believe so.

The Convener: In that case, I thank you for your attendance.

11:58

Meeting continued in private until 12:06.

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