SPICe The Information Centre An t-Ionad Fiosrachaidh

Social Justice and Social Security Committee

32nd Meeting, 2023 (Session 6), Thursday, 07 December

Scottish Employment Injuries Advisory Council Bill

Introduction

The Scottish Employment Injuries Advisory Council Bill is a Member's Bill, introduced by Mark Griffin, MSP on 8 June 2023.

The Committee will hear from:

- Mark Griffin, MSP
- Neil Stewart, Senior Clerk, Non-Government Bills Unit
- Ailidh Callander, Senior Solicitor, Legal Services Office

The Bill

The Bill would create the Scottish Employment Injury Advisory Council (SEIAC) with three functions:

- To report on draft regulations for Employment Injuries Assistance (replacing SCoSS role in this)
- To report to the Parliament and Ministers on any matter relevant to Employment Injuries Assistance
- To carry out, commission or support research into any matter relevant to Employment Injuries Assistance

The Policy Memorandum states that:

"It is the Member's intention that SEIAC will help to shape the implementation and operation of the EIA scheme due to be introduced in Scotland."

The Scottish Government opposes the Bill and intends to consult on policy for EIA, including on whether there needs to be an advisory council.

Legal and financial responsibility for industrial injuries benefits was devolved in 2020. Since then, the Department for Work and Pensions (DWP) has continued to deliver these benefits on behalf of the Scottish Government under an agency agreement. The Scottish Government plans to introduce its replacement benefit, Employment Injuries Assistance (EIA) to be administered by Social Security Scotland.

Further detail is available in the SPICe Bill Briefing.

Previous Consideration

The Committee has heard from:

- IIAC and SCoSS
- Trades unions and other organisations supporting benefit reform: Close the Gap, Injury Time Campaign
- Representatives of occupational health practice and research
- Scottish Government

Some key themes in oral evidence so far are summarised below. The Scottish Government position is covered separately.

Comparison with IIAC

- The work of IIAC is resource intensive for its members, many of whom are national or international experts in their field. (Dr Lesley Rushton, IIAC, 9th November)
- Witnesses on 23rd November said IIAC takes too long to make recommendations, and those recommendations take too long to be acted upon.
- Lucy Kenyon (Institute of Occupational Health, 16th November) queried the purpose of SEIAC asking: "do you need an equivalent of IIAC or do you want something else?"

Standard of proof

- UK social security legislation requires that IIAC must base its recommendation on the **reasonable certainty** that particular occupations have a causal link to particular diseases/conditions. IIAC normally looks for double the risk. (Dr Lesley Rushton, 9th November).
- It would not be desirable for SEIAC to come to a different conclusion than IIAC about whether there is a reasonable certainty of a link between particular occupations and particular diseases. (Professor Ewan Macdonald,16th November)

Witnesses on 23rd November thought that reasonable certainty shouldn't require showing double the risk, but just 'more likely than not'. That would speed things up. There was also discussion of the value of lived experience in addition to scientific evidence.

Membership

- Witnesses on 23rd November favoured a council that had greater emphasis on worker voice and lived experience than IIAC has, while still including the academic and scientific community.
- Trades unions favour trades union representation. Those working in occupational health feel their profession should be represented. Close the Gap said it's important to have gender balance and all witnessed on 16th and 23rd November emphasised the importance of lived experience.
- In relation to scientific expertise, Professor Ewan Macdonald (16th November) thought there are enough experts in Scotland to advise SEIAC although they are thin on the ground.

Duplication/Added Value

- IIAC would be **keen not to duplicate** the work of a Scottish body (Dr Lesley Rushton, 9th November)
- "If IIAC's done some useful research and come up with good evidence because they've got top scientists then we wouldn't repeat that." (Professor Ewan Macdonald, 16th November)
- SEIAC is "an opportunity to move on from IIAC" and is "ideally placed to complement what IIAC does" (Professor Andrew Watterson, 23 November)
- Witnesses on 16th and 23rd suggested that SEIAC could have a preventative role, which Lucy Kenyon (16th November) described as preferable to paying a benefit once someone is injured. "By the time something gets to the IIDB, somebody is disabled. We do not want disability; the whole purpose of occupational health is to prevent disability."

Timina

- Underpinning witnesses' support for SEIAC was the desire to reform industrial injuries benefits.
- Witnesses on 16th and 23rd November favoured early establishment of SEIAC. For example: "Implementing SEIAC now, isn't a case of putting the cart before the horse it's quite the opposite. Having SEIAC in place in order to reform the benefits so we end up with a benefit that's fit for purpose." (John McKenzie, FBU, 23rd November)
- Ian Tasker suggested that SEIAC should be set up early, so it could recommend reforms – for example, it could consider what the standard of proof should be. He pointed out that the first expert group on devolution of IIDB was set up in 2016. "We have to move with some speed."

Research function

• IIAC's 'research budget' (for getting people to help with the work, including writing reports) has recently been increased to £100,000 per year. They have recently commissioned a £50,000 review of respiratory disease and cancer,

- and a smaller scoping review on women and occupational health. (Dr Lesley Rushton, 9th November)
- Many witnesses said the £30,000 research budget for SEIAC was too low.
- Linda Somerville (STUC) suggested that a wider council membership would mean that lot of the scientific and academic work could come from commissioning research (23rd November). In comparison, IIAC's members do a lot of the research themselves.
- IIAC and occupational health workers referred to a **lack of studies and lack of early detection in occupational health**. Witnesses on 23rd November said that **research existed**, it just wasn't being used. Eg. Professor Andrew Waterson said there was a lot of science that hasn't been acted upon.
- Those arguing for a more proactive role for SEIAC emphasised the importance of research. Professor Ewan Macdonald (16th November) said that if SEIAC looks at the same issues as IIAC, that would be **duplication** of research "and that's wasteful. But if we're going to move to a more proactive approach, then we do need to have the research function."

Scottish Government Position

Last week the Committee heard from the Cabinet Secretary, Shirley-Anne Somerville. She emphasised again that the issue should be considered 'in the round' as part of the forthcoming consultation. That consultation is now expected in early in the new year (09.37am, 30th November). She pointed out that:

- The **results of the consultation** will have a major impact on whether to replicate IIAC in Scotland. Only then can we look at what that body would look like (09.01am, 30th November).
- Scope for a wider preventative role is constrained due to key policy areas being reserved
- Setting up SEIAC will **not change eligibility** for the benefit and so will not answer stakeholder concerns
- Policy development prior to launch can be done by a non-statutory stakeholder group – which has been the approach taken with previous benefits. Once the benefit is established, a more permanent arrangement for getting advice can be introduced

The Scottish Government's position appears to be much the same as it was in 2019, when a series of policy position papers set out the broad approach to social security devolution. The <u>policy position paper on EIA</u> said:

"In advance of transferring the scheme the Scottish Government will have to decide whether, and how, to provide a Scottish equivalent of IIAC. Securing the necessary expertise could be challenging. In the UK as a whole there are relatively few research active scientists, professors and academic departments in occupational health, and numbers have trended downwards over time. There are similar recruitment shortages in occupational hygiene,

occupational toxicology and ergonomics. Our primary objective in transferring the benefits is **safe and secure transition**. If we largely replicate the current rules and list of prescribed diseases, setting up a similar Council could result in the same professions, considering the same evidence. It may therefore be prudent not to establish a similar Council until the scheme has been sufficiently changed to avoid duplication." (Scottish Government, 2019)

In a <u>memorandum to the Committee on 11 September 2023</u>, the Scottish Government argued that:

- If changes were introduced for new claimants of EIA while some Scottish clients were still receiving IIDB under the old rules then that would "introduce inequity in the system."
- "Devoting financial resource to legislate for a statutory advisory body would not be an appropriate use of the resources available to use when we are still some years away from delivering EIA."
- A public **consultation is due 'this year'** which will consider eligibility for EIA as well as the issue of an advisory body. "It would be more appropriate to consider these issues in the round, rather than in isolation."

Similar points were made in their letter dated 6 November:

- "Protecting continuity of payments is our first priority"
- Current clients are largely satisfied with the scheme, but the Scottish Government **recognises calls for reform**
- Constraints to reform include; affordability, protecting client's payments and that relevant powers are reserved – eg employment law and health and safety.

Themes for discussion

Theme 1: Timing

The Scottish Government wrote to the Committee on 6th November saying it will shortly consult on EIA, including on the need for an advisory council.

Last week the Cabinet Secretary argued that:

"it would not be logical to establish a statutory advisory council before our policy approach has been settled." (9.03am, 30th November)

Section 10 of the Bill provides for commencement within six months of Royal Assent and the financial memorandum assumes SEIAC would be established in 2025/26. The Scottish Government hasn't said when EIA would start but in a memorandum dated September 2023 the Scottish Government said that: "we are still some years away from delivery of EIA".

The Cabinet Secretary could not give a 'lead-in' time from consultation to benefit introduction as this would depend on the degree of change that was being introduced. She did note that making substantial changes would take longer than making changes round the edges (09.34, 30th November).

She also discussed the difficulties of making substantial reforms prior to completion of case transfer. She said that, as with other benefits, having different rules in place for existing clients and new clients is "inherently unfair", and:

"It's also problematic legally and therefore our ability to make changes while case transfer is happening is very challenging" (09.17am, 30th November)

The Cabinet Secretary discussed the complexities of case transfer for this particular benefit and "whether we need to look at different ways of doing this because this is a very different system." (09.37am, 30th November).

She did not give a timescale for how long case transfer might take.

It is not therefore clear what the timescale would be before substantial reform of EIA would be possible.

Members may wish to discuss:

1. Why should this Bill be supported in the absence of any policy on EIA or commitment to a firm timetable for its introduction and/or reform? Why not wait for the consultation?

Theme 2: Purpose and membership of SEIAC

Membership of SEIAC

SEIAC would have between 6 and 12 members, in addition to the Chair. When appointing members, Minister "must have regard to the desirability of:

- Securing that the council, taken as a whole, has knowledge and experience of:
 - Formulation, implementation and evaluation of employment-injury assistance policies in Scotland and elsewhere in the UK
 - o Research in connection with employment related injury or disease
 - Scots law on employment and personal injury
 - Relevant medical practice, including occupational medicine, epidemiology and/or toxicology
 - The effect of disability on daily life, and
 - Disability as a result of employment related injury or disease
- A member with personal experience of disability from employment related injury or disease
- Equal number of representatives of employers and employees

Membership and role of IIAC

IIAC provides scientific advice to UK Ministers. Its membership includes national and international scientific experts with input from other interests. Employers and employees have two representatives each on the council of 17 members. IIAC works with other experts where necessary.

Dr Lesley Rushton (IIAC) described the wide range of scientific expertise on IIAC, and that "We use experts where we can if we have not got them." (Official Report, 9th November, col 26). She explained their role is to advise on the legislation:

"we answer to the legislation, which says that we have to be reasonably certain that the connection between work and the disease is real." (Committee Official Report, 9th November, col 23)

Type of expertise required

On 23rd November witnesses, primarily from trades unions, emphasised the importance of 'worker voice' and 'lived experience' on SEIAC. The STUC argued that half the membership should be from trades unions. Linda Somerville (STUC) said that:

"Expert advice is needed, but we argue that that expert advice comes from the workplace." (Official Report, 23rd November, col 4)

She described how they had worked with the Scottish Government on the response to COVID-19.

"In a lot of the engagement that we had, we heard directly from our affiliates and trade unions about what was happening on the ground in a way that Government or others could not do and that advice was taken into guidance. That is a good example of why it is important that trade unions, which have first-hand knowledge of what is happening on the ground, help to shape the policy and make the decisions."

Others emphasised the need for worker voice to be in addition to scientific evidence. John McKenzie (FBU) said that:

"In no way, shape or form is the proposal looking to marginalise the scientific role." [although] "Trade unions have a key role in flagging up early trends of workplace injury and disease" (Official Report, 23rd November, col 10).

Lucy Kenyon (Institute of Occupational Health) queried the purpose of SEIAC asking:

"do you need an equivalent of IIAC or do you want something else?" Committee Official Report, 16th November, col 20)

Role of SCoSS

The Bill would prevent SCoSS from considering regulations on EIA. On 9th November Mark Simpson (SCoSS) explained that knowledge of social security and

knowledge of industrial injuries are very different things. In the Call for Views, the Child Poverty Action Group proposed that:

"Separating the function of independent advice on policy options before the law is drafted (from the Advisory Council) from scrutiny of draft regulations (by SCoSS) would be an option which would utilise expertise appropriately and avoid any conflict that might arise from the same body scrutinising policy choices that have already been informed by its advice."

Last week Sally Witcher, previously Chair of SCoSS was clear that, if EIA was introduced with similar rules to IIDB then SCoSS would not be in a position to advise on it. She noted that:

"Until we know what the benefit is going to be, we don't know what expertise we need" (10.44am, 30th November)

Members may wish to discuss:

- 2. Is SEIAC intended to be primarily a scientific advisory body, like IIAC? If so, what is the 'added value'?
- 3. Alternatively, is it intended to focus more on 'worker voice' and 'lived experience'? If so, why does it need to be a statutory NDPB?
- 4. The Bill would prevent SCoSS from considering draft regulations on EIA. Does the proposed membership of SEIAC include enough expertise on wider social security issues to replace the SCoSS scrutiny role entirely?

Theme 3: Wider role

The functions of SEIAC include: "reporting on any matter relevant to EIA" as requested by Ministers, or the Parliament, or on its own initiative.

Witnesses have suggested that SEIAC could avoid duplication with IIAC by having a wider role. For example Professor Macdonald said:

"What I am talking about will be not duplication but expansion. If we are to do something different, we have to get better data [...] we need early detection systems." [...] "We need to have the research function to pick up on work-related ill health much earlier, when it is at its most subtle." (Official Report 16th November col 11, 12).

Professor Andrew Watterson said:

"There is an opportunity for SEIAC, if it is established, to move on from where IIAC is. You need scientific and clinical input, but you also need input from people who deal with and are actively involved with the problems" (Official Report 23rd November, col 23)

Witnesses to the Committee on 16th November emphasised the need for a more preventative approach. For example, Professor Macdonald said:

"We wait until you have disease. You then present to the DWP or whatever committee it might be, and it makes a decision on whether you get benefits. We need a much more proactive system in Scotland, with an observatory looking at what is happening and at any changing trends." (Official Report, 16th November, Col 6)

Industrial injuries social security benefits are devolved, but regulation of employers that would prevent such injuries occurring would be part of reserved employment and health and safety law. Occupational health is not part of the NHS.

The Health and Safety Executive has been mentioned in evidence. They have provided the following explanation of their work with IIAC.

"The membership of IIAC includes an HSE observer. This allows HSE to be kept aware of aspects of the IIAC's work which are also informative in relation to HSE's regulatory role, for example, through IIAC's work to review scientific evidence about when diseases should be considered occupational.

It also provides a mechanism to seek and obtain from HSE any relevant operational or scientific information that may help IIAC in their role to advise on matters relating to the list of diseases which bring entitlement to Industrial Injuries Disablement Benefit. This includes, for example, contributing to IIAC's work on how to define occupational circumstances for diseases being considered by providing any information HSE may have available about workplace exposures relevant to those diseases. HSE may also be able to advise on how changes in legislation or workplace controls in the past may have impacted on those circumstances.

HSE also advises the Council on the appropriate wording for sections in their reports on actions duty holders need to take to prevent disease among today's workers."

Last week the Cabinet Secretary discussed the complexities arising from the interaction of reserved and devolved policy areas.

"One of the complicating factors being that much of what has been talked about is reserved – health and safety and work is reserved and that does create a number of challenges." [...] it's an issue I'm keen to explore in depth that's why it's important we look at this in the round [...] for example how to work with agencies that are reserved." (09.12, 30th November)

The Bill includes at section 5 a power for SEIAC to work with the Parliament, Ministers, SCoSS, a health board and "other persons as the Council considers appropriate."

Members may wish to discuss:

5. Witnesses have suggested SEIAC could have a preventative role to help improve occupational health. To what extent is this possible, given a statutory body could not be given functions that relate to reserved areas?

Theme 4: Opportunity for reform

The Committee has heard from witnesses who view the introduction of EIA as an opportunity for reform. Ian Tasker (Scottish Hazards) called the current benefit "not fit for purpose."

Last week the Cabinet Secretary argued that this Bill would not deliver the reforms sought by stakeholders.

"My concern is many of their concerns will not be answered by this Bill. They have raised specific concerns about the current Council and the current benefit. They will not be, in my mind, resolved by the setting up of another council which sits alongside the current council." (09.14, 30th November)

She also explained the limited scope for change prior to completion of case transfer:

"and at that point you're tinkering around the edges of a scheme which many of your stakeholders have said is inherently and systemically unfair and will not deal with many of the problems and challenges that they have raised during their evidence." (09.17am 30th November).

Initial policy development

Stakeholders have argued that SEIAC is needed now so that it can advise on reforms that could be put in place from the introduction of EIA.

Instead, the Cabinet Secretary proposes that a non-statutory advisory group would help shape the initial policy for EIA. That working group would advise on how a new benefit might look, until the benefit 'goes live'. She said:

"we don't need to have primary legislation and a council established to do that. [...] "We could have that stakeholder group in place, that would provide a way for experts and people with experience of the current system to feed into policy development [...] until the new benefit is in place and then we would move on to permanent bodies the role and scope of which would be determined by what the actual benefit would look like." (09.19am, 30th November)

She explained that this stakeholder group approach had worked successfully for every other benefit.

Members may wish to discuss:

- 6. The Scottish Government has argued that this Bill will not deliver a reformed benefit. Can the Member explain how setting up SEIAC would address stakeholders' desire for reform?
- 7. The Cabinet Secretary has said she will set up a non-statutory working group to consider the initial policy for EIA. Can the member explain why he thinks it would be better to set up SEIAC to do this initial work?

Theme 5: Financial Memorandum

The financial memorandum estimates the cost of creating SEIAC as:

- Set up costs of £149,000
- Annual running costs of £372,500

Further detail is provided in tables 1 and 2 below

Table 1: Set up costs

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Set up costs	£	Notes	
Recruitment	8,000	Recruit members, chair and	
		four staff.	
Accommodation: fit out and legal fees	85,000	£65k fit-out costs, £20k legal	
		and professional fees. Hybrid	
		working could reduce costs.	
IT and website set up	50,000	Lower if use Scottish	
		Government 'SCOTS' IT	
		system in a building where	
		this is already installed.	
Marketing/payroll and HR set-up	6,000		
Total costs	149,000		

Source: Financial Memorandum table A and paras 13 to 22. Largely based on costs of establishing Patient Safety Commissioner.

Table 2: Running costs

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Annual costs	£	notes
Chair and members'	40,000	Assumes 12 members, chair and five
remuneration		meetings.
Staff salaries	175,000	Assumes, team leader, one policy staff
		and two administrative staff.
accommodation	45,000	Central Edinburgh rent
IT maintenance	7,000	Based on SCOTS IT system
Website maintenance	18,000	Based on Scottish Commission for
		Human Rights
Payroll/ HR service	6,000	
Travel & subsistence	10,000	Based on patient safety commissioner
Annual public meeting	1,500	

Total	372,500	
costs		
Other administrative	20,000	
Professional fees	20,000	Include external audit and legal fees.
		projects.
Commissioned research	30,000	Based on 3 public sector research

Source: Financial Memorandum, Table B, paras to 24 to 36

Witnesses have commented that £30,000 is a low budget for research. Professor Macdonald said:

"You can do very little research for £30,000 a year because research involves employing staff, surveying methodology, statistical analysis and all that sort of thing. It is grossly inadequate. The fact that there is some money is possible; at least someone is thinking about it." (Official Report, 16th November, col10).

Running costs compared to IIAC.

Dr Lesley Rushton explained to the Committee that IIAC meets around four times a year, their research sub-committee meets a further four times and their members do a lot of work in their spare time.

IIAC has a secretariat, supplied by the DWP, consisting of a secretary, a scientific adviser and an administrative secretary (IIAC annual report 2022-23)

<u>IIAC's annual report 2022-23</u> sets out that the DWP provides "a small administrative budget of £55,000 to allow the Council to function". This also noted that:

"To enable the Council to undertake its heavy workload, the Secretariat also secured additional funding each year to allow the Council to get external reviewers to consider certain scientific information on a topic where the literature is large and provide initial findings"

Dr Lesley Rushton explained that IIAC has recently been approved an increased budget for 'research' of £100,000 per year "that is for getting people to help with the work, including writing reports." Dr Rushton explained that this was similar in scale to comparable committees such as the Committee on Toxicity of Chemicals in Food, Consumer Products and the Environment.

Witnesses have criticised the length of time it takes IIAC to produced reports. For example, Ian Tasker said "IIAC does not do anything quickly" (Official Report 23rd November col 35) And John McKenzie (FBU) commented on the time it takes to get scientific evidence (Official Report 23rd November col 11).

Members may wish to discuss:

8. Witnesses have commented that £30,000 is not a lot for research. What does the Member consider could be achieved for that budget?

9. Can the Members explain how setting up another statutory body would be a good use of resources, given the Scottish Government has said we are "still some years away from delivering EIA" and is planning to use a non-statutory working group for the initial policy development?

Theme 6: Structure and powers

This theme considers the power to access information and the establishment of SEIAC as a corporate body.

Access to information

The Bill gives SEIAC powers to access information from a large number of organisations including:

- Scottish Government, local authorities and health boards
- Universities and colleges
- Fire and rescue service
- The more than 100 <u>Scottish public authorities</u> covered by freedom of information legislation.

In contrast, SCoSS can access information from the Scottish Government and local authorities. (<u>Paragraph four of Schedule 1 to the Social Security (Scotland) Act 2018</u>). Ministers could add to this list via regulations.

Corporate body status

SEIAC is given corporate body status with a requirement to produce audited accounts. A recent review of SCoSS noted that this was an unusual arrangement for an advisory NDPP saying:

"The accounting and audit requirements place a heavy burden on a very small body with expenditure in 2020-21 of only £172.4k. We believe that SCoSS is the only advisory NDPB in Scotland which is currently required to produce its own accounts. There was a clear consensus from interviews that the effort involved in the production of SCoSS accounts is disproportionate and does not contribute to meaningful scrutiny." SCoSS Review, 2022

Procedure

Section 3 of the Bill sets out a procedure for considering draft regulations that is <u>largely based on SCoSS</u>. That is; Ministers publish draft regulations, which SEIAC will report on. Ministers publish their response when regulations are laid in Parliament. Differences are:

Except in urgent cases, SEIAC must be given one month's notice that they
will get draft regulations, and at least three months to consider those
regulations. The legislation for SCoSS does not include minimum timescales
but instead requires that the "Commission has such time to prepare the report
as the Commission deems appropriate".

• SEIAC is required to consult certain people, specifically workers with lived experience and their representatives. In contrast, SCoSS may consult "any persons it considers appropriate" but does not have to.

These differences are notable because it has often been the case that SCoSS has not had much time to consider regulations or consult as fully as it might have liked. Its annual report 2021-22 noted:

"a risk identified regarding ensuring that the Scottish Government provides information to SCoSS timeously in order that SCoSS can undertake scrutiny and corporate functions effectively."

Members may wish to discuss:

- 10. SEIAC is given powers to request information from a very wide range of organisations. How does the Member justify such extensive information-seeking powers?
- 11.SEIAC is established as a body corporate with a duty to audit its own accounts. This is unusual for advisory NDPBs why is it necessary?
- 12. The Bill includes minimum timescales for scrutiny and requirements to consult regardless of whether regulations are substantial or are minor and technical. Why is it proportionate to set the same scrutiny requirements for all regulations?

Camilla Kidner SPICe 1 December 2023