



The Scottish Parliament
Pàrlamaid na h-Alba

WELFARE REFORM COMMITTEE

AGENDA

1st Meeting, 2012 (Session 4)

Thursday 23 February 2012

The Committee will meet at 1.00 pm in Committee Room 5.

1. **Declaration of interests:** Members of the Committee will be invited to declare any relevant interests.
2. **Choice of Convener:** The Committee will choose a Convener.
3. **Choice of Deputy Convener:** The Committee will choose a Deputy Convener.
4. **UK Welfare Reform Bill:** The Convener will make introductory remarks on the role of the Committee.
5. **Work programme:** The Committee will consider its approach to developing its work programme.

Simon Watkins
Clerk to the Welfare Reform Committee
Room T1.01
The Scottish Parliament
Edinburgh
Tel: 0131 348 5228
Email: simon.watkins@scottish.parliament.uk

The papers for this meeting are as follows—

Agenda Item 1

Note by the Clerk

WR/S4/12/1/1

Agenda Item 5

Work Programme Paper

WR/S4/12/1/2

SPICe Briefing

WR/S4/12/1/3

WELFARE REFORM COMMITTEE

Declaration of Interests

Note by the Clerk

Introduction

1. At the first committee meeting, members will be invited to make an initial declaration of any interests which are relevant to the remit of the committee.
2. If a member has an interest which is relevant to an item being discussed at a committee meeting, the member must also declare that interest before participating in the meeting.

Declarable Interests

3. If a member has a registrable interest in any category of the register (apart from the voluntary category), this is also potentially a declarable interest. Declaring relevant interests before participating in Parliamentary proceedings is a statutory requirement under the Interests of Members of the Scottish Parliament Act 2006 and failure to do so is a breach of the Code of Conduct and also a criminal offence.
4. Section 3 (Volume 2) of the Code of Conduct for MSPs explains in detail the rules on declaration of interests and more guidance is also available in Volume 3, Section 3.
5. It is the responsibility of the individual Member to be aware of the rules on declaration of interests and to judge whether a registered interest is sufficiently relevant to particular proceedings to require a declaration. The Standards Clerks can provide further advice on this.

Declaration of Interests at the First Committee Meeting

6. At the first committee meeting, all members will be invited to declare any registrable interests which are relevant to the remit of this committee. The declaration can be brief but should be sufficiently informative to enable a listener to understand the nature of the Member's interest. It is not sufficient simply to refer to the register entry but nor is it necessary to rehearse all the details of an interest as it appears in the Register.
7. If Members have any questions about what might constitute a declarable interest, they can contact the committee clerks prior to the meeting. The Standards Clerks are also happy to provide advice.

Declaration of Interests at Subsequent Committee Meetings

8. Members are also required to declare any relevant registrable interests at subsequent committee meetings if they are relevant to the business under discussion. Such a declaration has to be made at each meeting where it is relevant and before participating in those proceedings. This allows the public attending or reading the report of any committee meeting to understand the nature of the member's interest.
9. Although this is not a registrable interest, the Code also advises Members, as good practice, to declare any business or personal relationships they might have with any advisers or witnesses to the committee.

Welfare Reform Committee

Work Programme

Introduction

1. The purpose of this paper is to consider and agree the work programme of the Welfare Reform Committee in the short to medium term.

Background – establishment of Committee and remit

2. The UK Welfare Reform Bill is still under consideration at Westminster but it is anticipated that the bill will receive Royal Assent at the end of February. The Health and Sport Committee considered the legislative consent memorandum on the Bill with the Infrastructure, Climate Change and Investment Committee and the Local Government and Regeneration Committee as secondary committees. Details of the contents of the Bill, its scrutiny at Westminster, and the scrutiny of the LCM by the Scottish Parliament, are provided in the SPICE paper (paper 3).
3. Given the cross-cutting nature of welfare reform, the Health and Sport Committee recommended that an ad-hoc committee be established to scrutinise the required Scottish bill, associated subordinate legislation and to generally monitor the implementation of welfare reforms throughout the Parliamentary session. On 15 December 2011, the Scottish Parliament resolved that—

“an ad-hoc welfare committee should be convened with a remit to consider the implementation of the Welfare Reform Bill insofar as it affects people in Scotland, in particular the impact on passported benefits and, where benefits are devolved, the principles and operation of these, complementing the work of other relevant committees in the Scottish Parliament, UK Parliament and devolved assemblies across the UK and that this committee should continue to meet for the duration of the current parliamentary session.”

4. The Committee was established on agreement of a Bureau motion on 25 January 2012. The Committee's remit is as follows:

“to keep under review the passage of the UK Welfare Reform Bill and monitor its implementation as it affects welfare provision in Scotland and to consider relevant Scottish legislation and other consequential arrangements.”

5. The Committee's work to the end of the session is likely to fall into three phases, phase 1 being initial engagement with stakeholders followed by scrutiny of the Scottish bill required to implement the UK legislation (phase 2)

and then scrutiny of the approach to and impact of the implementation of the UK bill (phase 3). It is likely phase 1 will be brief assuming the Scottish Government introduces the Scottish bill relatively quickly. Phase 3 would most likely commence at some stage after the Summer Recess.

Initial work of the Committee - stakeholder engagement (phase 1)

6. A number of stakeholder groups advocated the proposal to establish a committee and the relevant letter to the Presiding Officer is attached in the Annex.
7. As agreed in initial discussions with Welfare Reform Committee members, a fitting first session for the Committee in establishing one of its key roles of engaging effectively with those impacted upon by the reforms, would be to hold roundtable evidence sessions. Given the large numbers of bodies with an interest and the broad subject matter it is intended to hold two roundtable sessions with a large number of witnesses, selected based upon their role in instigating momentum for a welfare reform committee and their evidence on the LCM. This will include a number of representatives from within the umbrella body SCoWR (Scottish Campaign on Welfare Reform) and also a witness from Cosla to discuss the impact on implementing welfare reforms at local government level.
8. These sessions will take place on the morning of Tuesday 13 March and would broadly seek to cover issues such as: the key concerns of these bodies in relation to the implementation of reforms, their view on what the Committee could usefully focus on in the medium term, and details of any work they intend to undertake to monitor the impact of reforms or mitigate the knock-on effects.
9. In addition to oral evidence, fact-finding visits and other means of evidence gathering in person, the Committee might want to establish a specific inbox for emails which is publicised on its webpage for people to send in their personal experiences of the impacts of welfare reforms. These would be published on the Committee's website and periodically issued to the Committee to inform their work. For example, this may help inform the Committee should it decide it wishes to undertake fact-finding visits later in its life to areas or groups that are particularly impacted upon by the reforms. This initiative would also help when the Committee comes to issue its more selective call for evidence on the Scottish Welfare Reform Bill.

Devolution of provisions in the UK Bill

10. The legislative consent motion agreed by the Parliament gave consent in relation only to data sharing, Industrial Injuries Disablement Benefit and the

Social Mobility and Child Poverty Commission. As a consequence, there will be a requirement for a Scottish Bill to provide Scottish Ministers with the necessary regulation-making powers to make consequential, supplementary, incidental or transitional provisions to existing Scottish statute law in respect of the introduction of Universal Credit and Personal Independence Payments.

Scottish Welfare Reform Bill – phase 2

11. It is likely that the Scottish Bill will be introduced before the Summer Recess, most likely in the Spring. This limits the Committee's capacity to instigate any work of its own in advance of the introduction of the Bill. It may be that the initial roundtable sessions is the only piece of work the Committee will have time to complete in advance of the Bill's introduction.
12. The Bill is likely to take up all of the Committee's time during its passage, especially if the timescale is relatively tight. The Committee is unlikely to be able to undertake any work of its own instigation while scrutinising the Bill. Therefore, in the absence of any solid information on the Bill timetable the forward work programme of the Committee cannot be put together beyond the meeting on 13 March at this stage. As soon as clerks have an idea of possible future meeting dates members will be informed so they can get them into their diaries. Wherever possible the clerks will seek, in timetabling meetings, to mitigate the impact on members who are on other committees.

Work programme following the passage of the Scottish Bill (phase 3)

Subordinate legislation

13. There is likely to be subordinate legislation stemming from the Scottish Bill, including on council tax relief and passported benefits. It is not anticipated that the Health, ICCI or Local Government subject committees would wish to be formal secondary committees for the consideration of the primary legislation since they specifically recommended this committee be established to allow for effective scrutiny of this cross-cutting issue. However, it may be that, if subordinate legislation is laid that relates to a matter solely within one subject committee's remit then that committee may wish to lead scrutiny. This will be for negotiation with subject committees later in the piece. It is therefore difficult to anticipate how much of the subordinate legislation will fall to this Committee.

Work initiated by the Committee

14. Members will have their own views about how they would like to take forward the later work of the Committee. The following is intended to offer suggestions.

15. The work programme for the Committee following the passage of the Scottish Bill could usefully focus on the proposals for the administration and delivery of council tax benefit, elements of the Social Fund and passported benefits.
16. Evidence from stakeholders on the LCM suggested that changes to Housing Benefit, Council Tax Benefit and Disability Living Allowance would have significant impacts on individuals and also service providers (e.g. local authorities and housing associations) in Scotland. The Committee may wish to monitor these impacts and, if appropriate, make representations to the UK Government.
17. In addition the Committee could play a role in monitoring the detailed proposals for welfare reform as they emerge in the form of UK regulations. It is highly unlikely that the Scottish Parliament will have any formal role in passing such subordinate legislation (despite Scottish Government requests for this requirement to be included in the Welfare Reform Bill) but the Committee could consult stakeholders and seek a response from the Scottish Government on the potential impact of specific welfare changes. These changes will be phased in over a 2-3 year period.
18. A further work programme paper will be brought to the Committee in due course inviting members to agree which elements of welfare reform implementation they wish to focus on in the first instance. It will also detail the various formats for scrutiny available to the Committee including: commissioning research such as impact assessments, hosting awareness raising Chamber debates, undertaking informal fact-finding visits in small groups, and one-off evidence sessions including updates from the Cabinet Secretary for Health, Wellbeing and Cities Strategy.
19. A key element of the Committee's role will be to ensure active lines of communication are maintained with stakeholders so that the Committee remains fully apprised of the impacts of reforms. As such the Committee's work programme will need to be sufficiently flexible to respond to the concerns and direct experiences of individuals and representative organisations as they emerge.

Letter to the Presiding Officer on establishing a welfare reform committee

Tricia Marwick MSP
Presiding Officer
Scottish Parliament
Edinburgh
EH99 1SP

18 November 2011

Dear Presiding Officer,

We write to you as Chair of the Committee Conveners Group, and to all members of the Group, to outline our position on the establishment of a Scottish Parliament Welfare and Benefits Committee.

As you may know, the organisations represented in this letter all gave evidence at the Health and Sport Committee session held this week, on Tuesday 15 November. At that session we outlined our support for the establishment of a specific Welfare and Benefits Committee to be set up for the lifetime of this Parliament. This is a position previously sought by our organisations in other submissions and letters and we wanted to take the opportunity here to explain our call to all Scottish Parliament Committee Conveners.

Our organisations firmly believe that MSPs must have the opportunity to give due consideration and scrutiny to welfare reform changes – introduced through UK policy and legislative changes - which will have a major impact on the people, services, and economy of Scotland. While we understand that currently welfare sits within the Health and Sport Committee's portfolio, we believe that the changes being introduced are wide-ranging, varied, and cross-cutting, and impact on the work of nearly all committees and government departments, for example: local government, education and young people, finance, housing, justice, rural affairs, and equality.

We envisage such a Welfare and Benefits Committee having a role in analysing and scrutinising the welfare reform changes as they are introduced and implemented and assessing how the changes affect Scotland's citizens, services, and economy. This Committee could also help steer a way through the unanswered questions that have been posed by the proposals in the bill, such as how it will affect Scotland's different policy positions, particularly in social care and housing policy; how will the benefits that are being devolved be run at both national and local level; will there be any obligations and duties placed upon these levels of government as a result; what will the transitional arrangements be as benefits are devolved?

The Scottish Government has stated in written answers and in its Legislative Consent Memorandum that it does not believe that the UK Government has provided sufficient detail of the impact on Scotland and devolved services of the proposed UK Welfare Reform bill. At the Health and Sport Committee session, and elsewhere, we have stated that much of the detail of the changes has been left to regulation or secondary legislation. This has constrained analysis and impact assessments for Scotland and this is an area of dissatisfaction for many in the voluntary sector. This lack of detail is an area of concern to us and further reason why there is need for continuing scrutiny from the Scottish Parliament.

All our organisations are concerned about the impact that welfare reform changes are already having on the people we represent, and have expressed strongly our concerns about aspects of changes that will come into force between now and 2017. These changes must be addressed by MSPs over the next few years which is why we are recommending that such a Committee be set up for the lifetime of the current Scottish Parliament. However, it would not necessarily require a standing time and meeting schedule, but be expected to meet as and when necessary over the next four years.

We would reiterate that our call to the Scottish Parliament to introduce a Welfare and Reform Committee is to allow for greater and wider scrutiny of the welfare reform changes due to be introduced and to allow for joining the links between all the different but cross-cutting areas the bill will impact on.

We strongly urge the current Committee Conveners Group members to support our position and would appreciate this issue being discussed at the next meeting of the Group, and hearing views and feedback from that discussion.

Yours sincerely

Susan McPhee
Director of External Services
Citizens Advice Scotland

Mark Ballard
Head of Policy
Barnardo's Scotland

Louise Warde Hunter
Strategic Director of Children Services
Action for Children Scotland

Alison Todd
Director of Policy and Practice

CHILDREN 1ST

23 February 2012		WR/S4/12/1/3
---------------------	--	--------------

Welfare Reform Committee

Position paper

Introduction

This paper provides background information on the UK Welfare Reform Bill (the UK Bill), a summary of evidence taken by Scottish Parliamentary subject committees, and the Scottish Government's intention on the way forward. A timetable for implementation of the various provisions is available in Annex A.

To date, the Scottish Parliament has focused on the content of the Legislative Consent Memorandum; it will be for the Welfare Reform Committee to establish how it wishes to approach its consideration of the impact of the UK Government's Welfare Reform Bill. However, the first item in the Committee's work programme is likely to be the introduction of primary legislation from the Scottish Government regarding the passported benefits under Universal Credit and the replacement of Disability Living Allowance with the Personal Independence Payment. Further briefings will be produced by SPICe in due course, however a number of briefings are available from the House of Commons Library¹.

UK Welfare Reform Bill

The UK Government introduced the Welfare Reform Bill on 17 February 2011 following on from an initial consultation paper ["21st Century Welfare"](#) published on 30 July 2010 and a [White Paper](#) launched on 11 November 2010.

The UK Government's stated objective for the UK Bill is to "radically simplify the system to make work pay and combat worklessness and poverty." The UK Government has given the following reasons of the need for change:

¹ Research Paper 11/23 [Welfare Reform Bill: reform of disability benefits, Housing Benefit, and other measures](#) (4 March 2011)

Research Paper 11/24 [Welfare Reform Bill: Universal Credit provisions](#) (7 March 2011)

Research Paper 11/48 [Welfare Reform Bill: Committee Stage Report](#) (8 June 2011)

Standard notes SN06034 [Welfare Reform Bill 2010-12: Commons Report Stage and Third Reading](#) (26 August 2011)

Standard notes SNO6202 [Welfare Reform Bill 2010-12: amendments at the Lords Committee and Report stages](#) (27 January 2012)

- The current system creates poor work incentives – many who currently rely on benefits for all their basic needs would have to work for many hours at the minimum wage before they were noticeably better off, which provides little incentive to work.
- complexity of the current system – this can make it difficult for people to know what benefits and Tax Credits they can get, which ‘undermines trust in the system and stops people focusing on getting back to work’
- administrative cost of complexity – the complexity of the system generates inefficiency, eg in 2009, 2.3m contacts to the DWP were driven by people contacting the wrong agency. The complexity prevents people taking up the benefits they are entitled to.
- rising cost of welfare dependency and poverty – this is identified as a growing problem in Britain, with huge social and economic cost for individuals, their families and wider society, for example, more than one in four working age adults in the UK does not work, and around a fifth of families with children are in poverty at any one time.

‘The Government wants to create a welfare system that provides people with the confidence and security to play a full part in society through a flexible labour market within a competitive modern economy. Progress has been made over the past 20 years. Britain is internationally recognised as having some of the most effective labour market policies in the world, helping people, including those previously written off as ‘inactive’ in the labour market, to move off benefits and into work through conditionality and support. We need to bring the parts of the system that are not working up to the level of the best.’²

The UK Bill proposes a number of changes to the UK welfare system. The main changes to the UK benefits system are:

- The introduction of Universal Credit (UC), which will be a new integrated working-age credit. UC will be payable to people both in and out of work, and will replace Income Support, income-based Jobseeker’s Allowance, income-related Employment and Support Allowance, Housing Benefit, Child Tax Credit and Working Tax Credit.

A key feature of Universal Credit is a single “taper” for the withdrawal of the Universal Credit for those in work. As earnings rise, Universal Credit is to be withdrawn at a constant rate of 65 pence for each pound of net earnings, although for some groups an initial amount of earnings will be disregarded before the taper applies. Currently, there are different tapers for different benefits. For employees paid through PAYE, Universal Credit payments are to be calculated and adjusted automatically using a new system giving ‘real time’ information on earnings from employers.

The financial support provided by Universal Credit is underpinned by a new ‘conditionality’ framework setting out the responsibilities claimants may be required to meet. The level of requirements will depend on the

² DWP [Universal Credits: Welfare that Works](#) (November 2010)

claimant's circumstances. The conditionality framework is backed up by a new sanctions regime for non-compliance, which provides for a reduction in Universal Credit payments for periods of up to three years. There will be four levels of conditionality (see table in Annex B).

It is anticipated that payment of Universal Credit will begin in 2013 and will be fully implemented from 2017.

- Amendments to Employment and Support Allowance (ESA), including time limiting the payment of contributory ESA to 12 months.
- A restriction in the access to Income Support for lone parents; to be eligible lone parents will have to have a child under five years of age, compared to under seven years at present.
- The UK Bill contains provisions that will affect housing benefit from April 2013, prior to the introduction of the Universal Credit in full. The UK Bill provides for regulation making powers which the UK Government has indicated will be used to restrict Housing Benefit entitlement for social housing tenants of working age whose accommodation is larger than they need. The regulations will also allow Ministers to set Local Housing Allowance rates (which are used to determine the maximum level of housing benefit payable in the private rented sector) by reference to the lower of either the Consumer Price Index or the bottom 30th percentile of private sector market rents. It is likely that both these features will be carried forward into the housing element of the Universal Credit.
- The replacement of the Disability Living Allowance (DLA) with a Personal Independence Payment (PIP). The UK Government has stated that it is seeking savings in DLA of 20% of expenditure on those of working age (16–64 years).
- The UK Bill seeks to cap the amount of benefit a person or couple is entitled to claim (which currently equates £26,000 per year) and introduces new provisions to combat error and fraud, including penalties for those who attempt to commit benefit fraud.

The UK Bill also makes some changes outwith the welfare benefits system. The main change is to child maintenance.

- The UK Bill proposes a number of changes affecting the new statutory scheme for child support maintenance, which is due to be introduced in 2012. These changes include the introduction of a new gateway, which all parents would be required to go through before they could access the new statutory system, and the introduction of an indicative maintenance calculation service to assist parents with negotiating their own arrangements.
- The UK Bill also establishes a Social Mobility and Child Poverty Commission.

There are two areas of welfare that are being devolved – council tax benefit and elements of the social fund.

- The transfer of responsibility for Social Fund Crisis Loans and Community Care Grants to the Scottish Government. Funding is to be made available by the UK Government to the Scottish Government for this purpose. The Scottish Government will then decide upon the most appropriate arrangements for giving assistance. The Scottish Government issued a consultation paper on the arrangements for delivering the devolved successor arrangements to 'Community Care Grants' and 'Crisis Loans' in August 2011.
- The UK Bill provides for the abolition of the discretionary Social Fund in its current form.
- A reduction of 10% in the budget for council tax benefit and the 'localisation' of the administration of council tax benefit. In Scotland, council tax benefit will be devolved although the administrative arrangements for this change remain unclear.

In addition, devolved legislation will need to be amended in respect of passported benefits, to reflect the replacement of many existing benefits by Universal Credit.

Current progress of the UK Welfare Reform Bill

The UK Welfare Reform Bill was introduced in the House of Lords on 16 June 2011 and had its Second Reading on 13 September. The Lords Third Reading took place on 31 January, and the Commons considered the Lords amendments on 1 February 2012. The UK Bill returned to the Lords on 14 February.

In summary, the Lords made amendments in four main areas:

Housing

- Under-occupation of social housing – The UK Bill aims to restrict the amount of HB that a working age tenant in social housing could receive if they are living in a property that is larger than they need. The Lords proposed that social landlords could only force a tenant to move to a smaller home if a social landlord could offer alternative accommodation.

Disability

- Employment and Support Allowance – The UK Bill aims to set a time-limit for those receiving contributory ESA who are in the Work Related Activity Group to 12 months. The Lords proposed to extend the time limit to two years and to exempt cancer patients from the time limit. Currently, young people can claim contributory ESA despite not having made NI contributions. The UK Bill seeks to remove this exemption but the Lords proposed to reinstate it.

- Child Tax Credit – Currently families with a child getting DLA can get extra money via the ‘disabled child element’ of Child Tax Credit. It is proposed under UC that those with the highest care needs will see an increase in payment, but those with the lowest care needs will see a reduction of around 50%, from £53 per week to £26 per week. The Lords sought to limit the reduction by calling for the lower rate to be at least two thirds the value of the top rate - £77.

Benefit cap

- The UK Bill seeks to cap the amount of benefit received by a household to £500 per week for a family (£26,000 per year). The cap will apply to the combined income from the main out-of-work benefits and other benefits such as Housing Benefit, Child Benefit, Child Tax Credit, Carer’s Allowance. The Lords proposed to exclude Child Benefit from counting towards the cap.

Child Support Maintenance

- Child support maintenance – The UK Bill seeks to establish a new mandatory gateway to the statutory child maintenance system. The intention is that couples should try and come to their own arrangements rather than using the CSA. It would also introduce a calculation only service to give parents an idea of how much maintenance would be received through the scheme. Regulations may be introduced to charge parents for using the scheme, ie the Child Support Agency. The Lords opposed charging single parents from using the CSA.

On 1 February 2012, MPs in the House of Commons overturned the above amendments to the UK Welfare Reform Bill. The House of Commons also invoked ‘financial privilege’ for all the Lords amendments³. As a result the Lords cannot send the same amendments back to the Commons when they reconsider the UK Bill for the final time.

The UK Government has also made a number of concessions on the UK Bill, including:

- Time limiting ESA – the assessment phase will not count towards the 12 month time limit.
- It had been proposed that the mobility component of PIP would not be payable to people living in care homes whose place was funded by a public body. This change will not go ahead.
- Qualifying period for PIP – currently DLA is only payable after a person satisfies the disability conditions for three months (qualifying period), and the person must be expected to need help for a further six months (prospective test). The original proposal was to increase the qualifying period under PIP to six months. This qualifying period will now be three months, with a nine month prospective test. This followed concerns raised, particularly for people with ‘sudden onset’ conditions.

³ Clerk of the House of Commons [Financial Privilege](#)

At consideration of the Commons amendments on Tuesday 14 February 2012, the Lords agreed an amendment which would exempt certain social housing tenants – those not required to seek work, carers, disabled people, war widows and foster carers – from the reduction in HB due to under-occupancy where those people had no more than one spare room and no suitable accommodation was available. (Sources for the above section⁴)

The UK Bill will now go back to the Commons where amendments made by the Lords will be considered. It is anticipated the UK Bill will be passed by the end of February 2012.

Legislative Consent Memorandum (LCM)

An LCM⁵ was originally lodged on 3 March 2011 followed by a supplementary LCM on 1 November 2011. At 3 March 2011, there were four areas where the UK Bill triggered the need for legislative consent:

- Introduction of UC (specifically; clauses 33, 42 and 43);
- Data sharing between DWP and certain welfare service providers (e.g. Local Authorities) in Scotland (clause 123);
- Introduction of PIP (clauses 89 and 91); and
- Changes to Industrial Injuries Disablement Benefit (clause 64).

Changes to the UK Bill triggered the need for further consent relating to the Child Poverty Commission and further provisions on data sharing (1 November LCM).

Consideration by Scottish Parliamentary Committees

This section summarises the evidence received on the LCM by the Health and Sport Committee (HS) which was the lead committee, and the Infrastructure and Capital Investment Committee (ICI), and the Local Government and Regeneration Committee (LGR). These Committees each took evidence on the LCM, so therefore evidence is restricted and does not cover the entire UK Welfare Reform Bill.

In terms of the overall impact of the UK Bill's provisions, evidence focused on:

- changes to Housing Benefit and its particular impact on the social rented sector
- impact on disabled people as a result of the move to UC and the replacement of DLA with PIP

⁴ BBC News online [MPs reverse Lords welfare defeats](#) (1 February 2012) and [Q&A: Welfare Bill flashpoints](#) (2 February 2012); The Guardian [Coalition overturns Lords amendments on welfare and bans further dissent](#) (1 February 2012) ; House of Commons Library Standard notes SNO6202 [Welfare Reform Bill 2010-12: amendments at the Lords Committee and Report stages](#) (27 January 2012)

⁵ See [Welfare Reform Bill LCM](#) page for links to the LCMs, Committee evidence and reports.

- impact on children and families as a result of the move to UC, and other aspects of the UK Bill
- impact on local government

Housing

The UK Bill makes provisions for changes to housing benefit prior to the full introduction of Universal Credit and also makes provisions for a housing element to be calculated as part of the Universal Credit. For older people a housing credit element will be introduced into Pension Credit.

The main proposals are:

- To restrict HB entitlement for social housing tenants of working age whose accommodation is larger than they need (under-occupation penalty)
- Changes to calculation of payment of Local Housing Allowance
- Payment of an element for housing costs in the Universal Credit

Housing Benefit (HB) is a means tested benefit designed to help people on low incomes pay for rented accommodation whether in, or out of, work. At October 2011, the number of people receiving HB in Scotland was 474,060, of these 381,760 (81%) were in the social rented sector while 92,020 (19%) were in the private rented sector.⁶

Under occupation penalty

The Scottish Government confirmed in written evidence to the HS Committee that the introduction of the under-occupation penalty in April 2013 will affect over 94,000 social housing tenants of working age.

The ICI committee reported that evidence to the Committee suggests that the consequences of this provision, together with the cap on benefits, could lead to tenants getting into financial difficulty and becoming homeless. The Committee therefore supported any flexibility in this area that would avoid tenants being penalised through no fault of their own. The Committee drew the attention to the assertion of the SFHA that the implementation of these provisions could result in particular problems emerging in Scotland due to the significant lack of one-bedroom properties.

The HS Committee received evidence on the specific problem for disabled people. Many disabled people have had their homes adapted and will often have an extra room which they may need for overnight care or just to have someone visit. In oral evidence, Neil Couling, from the DWP, said the UK Government was looking at this issue, 'because it clearly does not make sense to move people out of homes that have been adapted extensively at great cost to another authority. It is not the UK Government that would meet those costs; it would be the Scottish Government in Scotland and local

⁶ DWP Housing Benefit Statistics online:
http://research.dwp.gov.uk/asd/asd1/hb_ctb/hbctb_release_jan12.xls

authorities in England and Wales. We do not want that to happen, so we are looking at what we can do in and around that aspect of the reforms.⁷

The HS Committee expressed concern about the impact of this provision on disabled people and urged the UK Government to ‘reach a solution which will avert the need for disabled people to move home unnecessarily and thus avoid significant additional expenditure by local authorities’⁸.

Calculation of payment of housing costs

Witnesses, giving evidence to the ICI Committee, expressed concern at the potential to break the link between actual housing costs and the support which will be provided for housing cost (this relates to the potential of uprating housing support by the CPI). The SFHA commented that ‘any change to this direct relationship between housing costs paid and actual rent has the potential to create spiralling rent arrears, increased homelessness and threaten the financial viability of social landlords’.

Direct Payments

It is proposed to pay UC directly to tenants monthly in arrears. Currently most tenants in the social rented sector have their housing benefit paid directly to their landlord. The ICI Committee heard evidence that a potential consequence of payment direct to tenants was increasing rent arrears. Attention was also drawn to the potential threat to the financial stability of social housing providers as a consequence of these proposals. The Committee considered that direct payment to claimants could be offered in certain circumstances but flexibility both to protect certain groups of tenants and avoid disruption to the income streams of landlords is essential.

The ICI Committee also drew the HS Committee’s attention to the fact that the provisions in the UK Welfare Reform Bill will potentially impact on a Scottish legislative commitment under the Homelessness etc. (Scotland) Act 2003.

Employment and Support Allowance

Employment and Support Allowance (ESA) replaced Incapacity Benefit for people making new claims from October 2008. There are two forms of ESA – contributory ESA for those with a sufficient NI record, and income-related ESA, which is means tested. The latter will be included in UC. However, the UK Bill proposes that the contributory ESA is time-limited to 12 months, starting from April 2012.

Claimants satisfying the Work Capability Assessment for ESA may be placed in either the ‘Support Group’ if they are deemed to have a limited capability to work, or the ‘Work Related Activity Group’. The DWP says that claimants who currently receive both income-related ESA and contributory ESA will have the contributory element ended when they reach the 12 month time-limit, but that the income related element of their ESA will be adjusted to take this into

⁷ Health and Sport Committee [Report on the LCM on the Welfare Reform Bill](#) (2011) para 50

⁸ Ibid para 54

account⁹. Those in the Support Group will not be affected by the time-limit. The UK Government estimates that 700,000 people will be affected by the time-limit by 2015-16, of whom around 60% will be fully or partially compensated by income-related ESA¹⁰.

In evidence to the HS Committee, SAMH emphasised that this change would be happening in April 2012, and that the Disability Benefits Consortium had been lobbying the UK Government to extend the time limit to two years with a subsequent assessment. Inclusion Scotland estimated that 22,000 disabled in Scotland could lose ESA in April 2012¹¹. This is because all the days of existing contribution-based ESA entitlement, including the assessment phase, count towards the 12 month time limit in the Work Related Activity Group¹². In addition, the UK Bill will remove young disabled people's exemption from having made NI contributions and so will result in many of them transferring to income based ESA, and later to universal credit). This change will also happen from April 2012¹³.

Replacement of Disability Living Allowance with the Personal Independence Payment

The UK Welfare Reform Bill proposes replacing Disability Living Allowance (DLA) with the Personal Independence Payment (PIP). Part 4 of the UK Bill sets out the framework for the PIP, to replace the DLA from 2013-14 for people of working age (16-64). It was announced in the UK Government's June 2010 Budget that a new 'objective medical assessment' would be introduced for both new and existing DLA claims from 2013-14, saving over £1bn a year by 2014-15 and reducing the DLA caseload by 20%¹⁴. In eight years, the number of people claiming DLA has risen from 2.5million to 3.2 million, an increase of around 30%¹⁵.

The Scottish Government expressed its concern regarding PIPs in its supplementary memorandum:

'The Scottish Government has legitimate concerns that the introduction of PIP will not lead to greater simplification in Scotland, but instead, because of a failure to take into account the complex interaction between UK disabled benefits provision and devolved social care policy, will result in vulnerable people being subjected to separate regimes with qualifying periods and assessment criteria that are at variance with each other, in order to access the care and support they need.'¹⁶

⁹ DWP [Proposed changes to contribution-based ESA](#) (September 2011)

¹⁰ Research Paper 11/23 [Welfare Reform Bill: reform of disability benefits, Housing Benefit, and other measures](#) (4 March 2011) (page 5)

¹¹ Health and Sport Committee [Report on the LCM on the Welfare Reform Bill](#) (2011) para 61-62

¹² DWP [Proposed changes to contribution-based ESA](#) (September 2011)

¹³ DWP [Welfare Reform Bill and Disabled People](#)

¹⁴ DWP [Disability Living Allowance Reform Impact Assessment](#) (2011)

¹⁵ Ibid

¹⁶ Supplementary LCM para 52.

Neil Couling of the DWP stated that there were 350,000 people claiming DLA in Scotland, 230,000 of whom are aged between 16-64 and will be impacted by the move to PIP. When questioned whether the 20% reduction related to the budget or number of claimants, Neil Couling said there would be 'a 20 per cent reduction in expenditure on working age claimants on disability living allowance' and further, 'that is not to say that everybody who is entitled to DLA today will be entitled to PIP – clearly that will not be the case – but we are not pursuing a monetary objective'¹⁷.

Carers allowance

Witnesses giving oral evidence to the HS Committee expressed concerns about the interaction between PIP and Carers Allowance. DLA is a qualifying benefit for a carer to receive Carer's allowance. The UK government has stated that:

'We recognise people value the additional help that passported benefits, such as the Blue Badge, Carer's Allowance and Motability schemes, as well as public transport concessions provide. It is our intention that the existing passporting arrangements will be maintained wherever possible. We are working with other Government Departments and Devolved Administrations that currently use DLA as a passport to schemes they provide to ensure that any future passporting arrangements remain appropriate for their own schemes'¹⁸.

Child poverty

Social Mobility and Child Poverty Commission (SMCPC)

The UK Welfare Reform Bill was amended to broaden the remit of the Child Poverty Commission to include reporting on social mobility. The Commission was established under the Child Poverty Act 2010 which applies across the UK and set four child poverty targets to be met by 2020/21. It requires the UK Government, Scottish and Northern Irish Ministers to publish child poverty strategies.

The Scottish Government expressed concerns about the remit of the SMCPC in the LCM, however the Scottish Government did give its consent to this aspect of the LCM.

Levels of child poverty

Giving evidence to the HS Committee, a range of witnesses referred to IFS forecasts regarding child poverty. CPAG suggested that based on an IFS forecast of 800,000 children being placed in poverty in the UK, upto 100,000 more children in Scotland will be put into poverty by 2020. Save the Children also referred to the IFS assessment of the UK Bill's impact suggesting it, 'will affect the impact of the child poverty strategy in Scotland'. Children in Scotland described the 'double whammy' effect on children by indicating that

¹⁷ Health and Sport Committee [Report on the LCM on the Welfare Reform Bill](#) (2011) 73-74

¹⁸ DWP [Personal Independence Payments FAQs](#)

their family income will be reduced and the public services that supporting them through direct provision from local authorities and the voluntary sector are being restricted.

One Parent Families Scotland also referred to an IFS report which suggests that lone parents will suffer a cut of 8.5% in their income over the next five years. One Parent Families Scotland said it had seen an increase in calls from parents worried about the impact of the changes, with regard to benefits, age of their children, conditionality, employment and childcare.

Conditionality

The UK Welfare Reform Bill will restrict access to Income Support for lone parents. From 2012, lone parents with children aged over 5 will be eligible for Job Seekers Allowance rather than Income Support. Currently this applies to lone parents with children over 7 years. Later, both income support and income-based JSA will be replaced by UC¹⁹.

One Parent Families Scotland referred to the issue of in-work poverty and conditionality, which will affect everyone on Universal Credit, including lone parents (see conditionality framework Annex B). Marion Davies stated that:

‘Many children who are in poverty have a parent who is working. Under the Bill, conditionality will not only be tied in to signing on and looking for work, but it will affect parents who are in work....parents, as their child gets older, must increase the number of hours that they work. Someone who has a child over 12 is expected to work full time in a job that is within 90 minutes’ travel of their home. That has serious implications, not only for some of the issues that we have talked about, but for the childcare infrastructure’.

Marion Davies went on to state that conditionality is flawed and that people may have good reasons for not attending interviews in Jobcentre Plus, and suggested that almost 4,000 parents in Scotland already on a low income have had their benefit cut.

Children 1st said:

‘I do not think that any of the organisations here, including Children 1st, is in doubt that the Bill has the potential to make poverty worse for families and children and young people and to increase the numbers who are growing up in poverty’.

Child Support maintenance

The UK Welfare Reform Bill proposes changes to child support maintenance, which will come into force in 2012. This includes the introduction of:

- a new gateway which all parents would be required to go through before they could access the new statutory system;

¹⁹ DWP [Lone parents](#)

- an indicative maintenance calculation service to assist parents with negotiating their own arrangements.

Witnesses expressed concern regarding the changes to child support maintenance. For example, Mark Ballard of Barnardo's Scotland told the HS Committee it was not clear how the new system, with its emphasis on family support and mediation, will work in Scotland, given the different statutory footing in Scotland.

The Child Support Agency is reserved, but family law and family mediation services fall within devolved competence.

Children 1st said to the HS Committee:

‘the Child Support Agency is broken. However, the proposals in the Bill are not the way to fix it. One problem is that the UK Government carried out a consultation in June but, before it even published its response to its own white paper, it had included these enabling clauses in the Bill. Frankly, we are surprised by the omission of child maintenance from the legislative consent memorandum, because it cuts across Scots family life and, as Mark Ballard said, it cuts across the family support and mediation provisions.’

Kinship carers

CAS indicated that provisions in the UK Bill will have an impact on kinship carers in Scotland. These include the conditionality requirements imposed upon claimants to be seeking or preparing for work, and the proposed benefits cap. CAS stated:

‘In England and Wales, formal kinship carers are assessed as foster carers, but in Scotland, formal kinship carers are not assessed as foster carers. Benefit and tax rules that make good sense for English and Welsh kinship/foster carers can, in some cases, be very disadvantageous to Scottish kinship carers.’

In recognition of their caring role, foster carers will be subject to a lesser conditionality requirement, they will not be required to be actively seeking work, but will have only to attend a work focused interview²⁰. There are no similar proposals for kinship carers, although much will depend on how regulations define foster care.

A separate issue is that for a number of years there have been difficulties regarding the eligibility of Scottish kinship carers of looked after children for child benefit and child tax credit. The Scottish Government set out its position in the LCM, perceiving an opportunity with the introduction of UC ‘to address the specific Scottish issue of the treatment of kinship carers by the UK benefits system’. It further stated:

²⁰ DWP [Briefing note on foster carers](#)

‘Recognition for kinship carers, by the UK benefits system, in terms of kinship carers’ entitlement to child benefit and child tax credits (or the appropriate component of UC) would offer scope for the benefits system to help families help themselves and builds foundations to reduce longer-term demands on state support.’

Neil Couling of the DWP informed the HS Committee that discussions with the Scottish and UK Governments on kinship carers and child poverty were ongoing. He said:

‘We are looking at it and trying to conclude whether people in Scotland are disadvantaged compared to people in the rest of the United Kingdom because of the way in which the rules are configured. Our objective is to make sure that kinship carers in Scotland are not disadvantaged.’

Council Tax Benefit (CTB)

CTB is a means tested benefit available to households in rented and owner-occupied sectors to help pay their council tax. In Scotland, at October 2011 there were 559,130 recipients of council tax benefit²¹. The UK Bill proposes to abolish CTB in April 2013, devolving responsibility for a replacement scheme. The intention is that the replacement scheme will operate with 10% less funding. Scotland will get a fixed addition to its budget which the UK Government assert will correspond to CTB paid in Scotland minus 10%. The Cabinet Secretary confirmed that CTB is worth £380m at the present time, therefore a 10% reduction amounts to £38m.

The Scottish Government had expressed concern in the supplementary LCM regarding the impact of this policy, predicting that the 10% reduction ‘will reduce household incomes for over half a million people on the lowest incomes in Scotland’ and undermining the work of the Scottish Government to protect household incomes. CPAG argued that it was important not to assume that the 10% reduction would be passed on to the poorest households stating they would like to see ‘more discussion and scrutiny and more thinking about what kind of replacement scheme would work in the best interests of our poorest households and what kind of resource we need to put into it to ensure that it works effectively’.

The Scottish Government is expected to consult on successor arrangements in the spring.

Social Fund

The social fund comprises six distinct payments – three of which are discretionary and paid from an annual cash-limited budget; the remainder are regulated and paid to individuals who meet the specific qualifying conditions.

²¹ DWP Housing Benefit and Council Tax Benefit Caseload statistics webtables:
http://research.dwp.gov.uk/asd/asd1/hb_ctb/hbctb_release_jan12.xls

The discretionary scheme consists of Budgeting Loans, Crisis Loans and Community Care Grants and these are the focus of reform.

The UK Bill provides for the abolition of the discretionary Social Fund in its current form. It is proposed to transfer responsibility for Social Fund Crisis Loans and Community Care Grants to the Scottish Government (budgeting loans will be integrated into the UC). The UK Government envisages that through devolving policy, decisions will be able to take into account local knowledge and target the most vulnerable individuals²². Funding is to be made available by the UK Government to the Scottish Government for this purpose. The Scottish Government will then decide upon the most appropriate arrangements for giving assistance.

The Scottish Government issued a consultation paper on the arrangements for delivering the devolved successor arrangements to 'Community Care Grants' and 'Crisis Loans' in August 2011²³. They proposed that the successor arrangements should combine the current system of grants and loans into one grant fund. They also consulted on whether there should be centralised or local delivery of the successor arrangements and whether the eligibility criteria should be modified.

The intention is that the new provisions in Scotland will be operational from April 2013.

CPAG indicated that the Social Fund is a source of financial support for families at particularly important times in their lives, such as when having children or when children start school. CPAG went on to say 'A social fund that ensures that families have access to the support that they need at those points would go a long way to mitigating some of the worst impacts [of benefit cuts]'

Barnardo's Scotland said that it would be important to ensure that the Social Fund is in place by April 2013 to ensure no-one is turned away.

Passported Benefits and a Scottish Bill

Passported Benefits are benefits which a person is entitled to by right of their entitlement to another benefit. For example, a person receiving Jobseekers Allowance is entitled to Council Tax Benefit. There are a range of passported benefits in Scotland that people are entitled to, such as legal aid, free school meals, and the blue badge scheme.

The UK Bill will abolish all of the 'passporting from' benefits and replace them with UC. In the past UK benefit changes have largely been on a like for like basis and so any changes in eligibility have been made by updating regulations. However, as UC will apply to claimants in and out of work, receipt of this benefit will not 'stand as reliable proof of sufficiently low income for the

²² DWP Impact Assessment <http://www.dwp.gov.uk/docs/social-fund-localisation-wr2011-ia.pdf>

²³ <http://www.scotland.gov.uk/Publications/2011/07/29104056/0>

purposes of establishing entitlement to passported benefits²⁴. There will also be a need to address the passported benefits attached to DLA as it will be replaced with the PIP.

In evidence to the HS Committee, CPAG gave examples where the Scottish Government and Parliament would need to decide who should have access to passported benefits in Scotland. CPAG said the system should be simple and not 'introduce any new cliff edges or work disincentives where people suddenly lose a lot of valuable passported benefits as they increase their earnings'.

SAMH suggested that passported benefits could be used to mitigate some of the UK Bill's impacts. For example, many people who will have accessed passported benefits through the DLA will no longer qualify as they will lose eligibility for the PIP.

The Scottish Parliament did not give consent to those parts of the LCM regarding the introduction of UC and PIP. This means the Scottish Government will need to introduce primary legislation to manage the consequences of these reforms. During the debate on the LCM the Cabinet Secretary said it will 'give the Parliament the opportunity to scrutinise more fully the implications of the changes and, within the obvious and severe financial constraints that we have, consider what mitigation measures are possible'.

The independent Social Security Advisory Committee (SSAC) is the main UK advisory body on social security matters. It was asked by the UK Government to consider the impact of UC on eligibility to passported benefits. Scottish Ministers asked that the review should include Scotland in its terms of reference, but the scope excluded consideration of Housing Benefit and Disability Living Allowance. The SSAC has now reported to the DWP which aims to publish the findings by the end of April²⁵.

The timing of a Scottish Bill on passported benefits will be crucial as the Scottish Government will need to ensure that such a Bill is aligned with all the timescales set by the UK Welfare Reform Bill. CAS were concerned that withholding consent could delay UC and passported benefits for people in Scotland. The HS Committee was supportive of a Scottish Bill, but remained uncertain as to 'whether such a Scottish Bill could be drafted, scrutinised and passed by the Parliament in sufficient time to ensure that the Scottish statute books reflects the changes introduced by the UK Welfare Reform Bill prior to their implementation'²⁶.

Subordinate Legislation

Many witnesses stated in oral evidence to the HS Committee that the UK Bill lacks detail, and that most of the detail would be contained in regulations.

²⁴ Supplementary LCM para 35

²⁵ SSAC, personal communication, 14 February 2012.

²⁶ Health and Sport committee report para 216.

The Scottish Government had questioned in its supplementary LCM, whether there should be a requirement in the UK Bill for the UK Government to seek the consent of Scottish Ministers when making UK regulations which apply to Scotland. Many witnesses giving evidence to the HS Committee supported this idea.

In written evidence the DWP stated that it remains committed to sharing policy detail as soon as it is available, through discussions, but creating a statutory duty would give the Scottish Government the 'power to significantly delay the implementation of reserved policy matters which is something we cannot agree to, especially as this would be a significant departure from the devolution settlement.'

The HS Committee considered there should be a requirement on the face of the UK Bill to seek consent from Scottish Ministers when making regulations that apply in Scotland. However, no such requirement has been put in the UK Bill²⁷.

Economic impact

The HS Committee heard evidence that it is estimated that welfare benefit will be reduced by between £2bn²⁸ and £2.5bn²⁹ in Scotland, and that £1bn³⁰ of this will be from disabled people and their families. The total benefit bill in Scotland, including state pensions, is about £12bn³¹. In relation to UC, the Scottish Government has said it is not clear who the winners and losers will be³².

In response to the challenge facing Scotland, the Cabinet Secretary for Health, Wellbeing and Cities Strategy said:

'The Scottish Government has devolved responsibilities and it will be our responsibility to work with stakeholders to do whatever we can to mitigate unintended or unwanted consequences of the changes. However, I would be remiss if I did not readily acknowledge the challenges that they pose for us.'

Impact on local government

The LGR Committee considered how the UK Welfare Reform Bill would impact on local government in Scotland. It identified three areas of direct impact: the payment of HB to individuals, the reduction of HB in cases of over-occupation, and replacement of DLA with PIP. The Committee also identified concerns from local authorities about the possible increase in rent arrears. COSLA were concerned that people with low level disabilities would be

²⁷ Scottish Government Personal communication (17 February 2012)

²⁸ Fraser of Allan Institute

²⁹ Department for Work and Pensions

³⁰ Inclusion Scotland

³¹ Cabinet Secretary, [Health and Sport Committee Official Report, 22 November 2011](#), col 680

³² Supplementary LCM

disqualified from claiming PIP and cited the target of reducing expenditure by 20%.

A range of indirect impacts were also identified by COSLA. It was suggested that there would be an increase in demand for a range of local authority services such as advice services, employability and economic development services, and social work services. The introduction of UC and PIP would also require a change of criteria for access to passported benefits, such as free school meals, blue badges and leisure service concessions. It was also suggested that the abolition of CTB and its replacement in April 2013, might lead to increases in council tax arrears.

Mitigating the impact of the UK Welfare Reform Bill

CPAG told the HS Committee that a big part of mitigating the impact of the UK Bill would be to ensure that the advice and information infrastructure is in place to support people who want to challenge decisions.

The importance of advice and information services was a recurring theme in the evidence sessions, with a number of witnesses stressing its importance - Children 1st, Save the Children and CAS. CAS also highlighted the pressure it will face, it stated:

‘We expect welfare reform changes will put exceptional pressure on advice services across the country. Our experience is that changes to benefit entitlement are the number one driver of advice need at citizens advice bureaux. Problems with welfare will also lead to increased need for debt, housing, consumer, relationship and many other areas of advice.’

In addition to advice services is the need for advocacy, especially in connection with the assessment and appeals process. The HS Committee were referred to statistics which suggested that in 40% of cases which appeal decisions on the Work Capability Assessment for ESA, the appellant wins the case. Where the person has support from the CAB that figure goes up to 70%. These figures were disputed by Neil Couling from the DWP, who said there was an ‘overturn rate of about 9%’.

Preventative spending was also suggested as a strong mitigating factor by Poverty Alliance, Citizens Advice Scotland and Children in Scotland. The latter also gave the example of good childcare.

The Cabinet Secretary for Health, Wellbeing and Cities Strategy told the HS Committee:

‘One of our big interests and responsibilities is to mitigate as far as we can some of the impact of the reforms. Without knowing the detail we cannot yet assess the extent to which those mitigation measures will be required.’

Continuing Parliamentary Scrutiny – Welfare Reform Committee

The HS Committee received written and oral evidence arguing for the continuing scrutiny of the implications of the UK Welfare Reform Bill.

A number of witnesses supported the idea of a Welfare Reform Committee, although a few did not specifically support creation of a committee, but did support continuing scrutiny of the UK Welfare Reform Bill.

The Scottish Parliament [agreed](#) to a motion (S4M-01813) on 25 January 2012 establishing the Welfare Reform Committee. The Committee will meet for the remainder of this parliamentary session, with a remit to review the passage of the UK Bill and monitor its implementation as it affects welfare provision in Scotland, and consider Scottish legislation and other consequential arrangements.

Scottish Government

The Scottish Government's LCM on the UK Welfare Reform Bill did not give consent in relation to the introduction of UC and PIPs. This was supported by the Scottish Parliament³³. The Scottish Government will need to introduce a Scottish Bill regarding passported benefits; it has consulted on the Social Fund³⁴ (closed 28 October 2011) and plans to consult on Council Tax Benefit.

The Scottish Government has published some analysis of the potential impact of the reforms on its website, and in partnership with COSLA has set up a number of stakeholder groups:

- Welfare Reform Scrutiny Group - an external reference group consisting of people with experience of the welfare landscape. (Includes CPAG, SCVO and the Scottish Campaign on Welfare Reform)
- Housing Benefit Reform Stakeholder Advisory Group - an external reference group consisting of people with experience of welfare in the housing sector.
- Disability Organisations forum - an external reference group consisting of people with experience of the welfare landscape and how this supports those with a disability and their carers.
- Created a public discussion forum where ideas and information can be shared.

Further details are available on the Scottish Government's [Welfare Reform webpages](#).

Kate Berry, Camilla Kidner and Nicki Georghiou
SPICe Research
21 February 2012

³³ Scottish Parliament [debate on the Welfare Reform Bill LCM](#) (22 December 2011)

³⁴ Scottish Government [Devolution of community care grants and crisis loans](#) (2011)

Note: Committee briefing papers are provided by SPICe for the use of Scottish Parliament committees and clerking staff. They provide focused information or respond to specific questions or areas of interest to committees and are not intended to offer comprehensive coverage of a subject area.

Annex A

Timescales for implementation

April 2012:

- abolition of the youth ESA rules
- 12 month time limit on ESA
- lone parents eligible for IS only if have a child under 5

2012

- changes to child support maintenance

2012/13

- change from DLA to PIP

April 2013

- Benefit Cap
- devolved social fund
- devolved council tax benefit replacement scheme
- Housing Benefit under-occupation penalty applies

October 2013

- phasing in of Universal Credit starts

2017

- Completion of phasing in of Universal Credit.

Source: <http://www.disabilityalliance.org/forthcoming.htm>

Annex B

Conditionality level	Benefit claimed
<p>“Full conditionality” Active job search; required to actively seek and be available for work</p>	<p>Jobseeker’s Allowance, including joint claims where the youngest child has reached the age of five</p>
<p>“Work preparation” Required to take reasonable steps to prepare for work</p>	<p>Employment and Support Allowance recipients in the Work Related Activity Group, other than lone parents with a child under five</p>
<p>“Keeping in touch with the labour market” Required to attend Work Focused Interviews</p>	<p>Lone parents with a child over one but under five claiming Income Support or ESA; partners of benefit recipients</p>
<p>“No conditionality”</p>	<p>ESA recipients in the Support Group; carers; lone parents with a child under one claiming IS or ESA</p>

Source: House of Commons Library Research Paper 11/24 [Welfare Reform Bill: Universal Credit provisions](#)