



OFFICIAL REPORT
AITHISG OIFIGEIL

Social Justice and Social Security Committee

Thursday 14 September 2023

Session 6



The Scottish Parliament
Pàrlamaid na h-Alba

© Parliamentary copyright. Scottish Parliamentary Corporate Body

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

Thursday 14 September 2023

CONTENTS

	Col.
DECISION ON TAKING BUSINESS IN PRIVATE	1
CHILD POVERTY AND PARENTAL EMPLOYMENT INQUIRY	2
SOCIAL JUSTICE PRIORITIES	26

SOCIAL JUSTICE AND SOCIAL SECURITY COMMITTEE

20th Meeting 2023, Session 6

CONVENER

*Collette Stevenson (East Kilbride) (SNP)

COMMITTEE MEMBERS

*Jeremy Balfour (Lothian) (Con)
*Katy Clark (West Scotland) (Lab)
*Bob Doris (Glasgow Maryhill and Springburn) (SNP)
*James Dorman (Glasgow Cathcart) (SNP)
*Roz McCall (Mid Scotland and Fife) (Con)
*Marie McNair (Clydebank and Milngavie) (SNP)
*Paul O’Kane (West Scotland) (Lab)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Graeme Dey (Minister for Higher and Further Education; and Minister for Veterans)
Natalie Don (Minister for Children, Young People and Keeping the Promise)
Jane Duffy (Scottish Government)
Matthew Farrell (Scottish Government)
Neil Gray (Cabinet Secretary for Wellbeing Economy, Fair Work and Energy)
Aidan Grisewood (Scottish Government)
Julie Humphreys (Scottish Government)
Shirley-Anne Somerville (Cabinet Secretary for Social Justice)

CLERK TO THE COMMITTEE

Claire Menzies

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament
**Social Justice and Social
 Security Committee**

Thursday 14 September 2023

[The Convener opened the meeting at 08:46]

**Decision on Taking Business in
 Private**

The Convener (Collette Stevenson): Good morning, and welcome to the 20th meeting in 2023 of the Social Justice and Social Security Committee. We have received no apologies.

Our first item of business today is to decide whether to take items 4 and 5 in private. Do members agree to do that?

Members indicated agreement.

**Child Poverty and Parental
 Employment Inquiry**

08:46

The Convener: Our next item is the final evidence session of our inquiry into addressing child poverty through parental employment. We have held evidence sessions on childcare, education, employability, family-friendly working and transport. Today, we are going to hear from the Scottish Government on some of those themes, as well as on social security rules and governance, policy coherence and evaluating policy impact.

I welcome to the meeting Shirley-Anne Somerville, the Cabinet Secretary for Social Justice, and Natalie Don, the Minister for Children, Young People and Keeping the Promise, who will be joining us shortly. The supporting Scottish Government officials are Matthew Farrell, head of strategy, finance and performance; Julie Humphreys, the deputy director of tackling child poverty and financial wellbeing; and Ann McKenzie, unit head of the tackling child poverty policy unit. Those witnesses are joining us in the room.

I also welcome Graeme Dey, the Minister for Higher and Further Education, and Jane Duffy, unit head, post-school qualifications, Scottish Government, who are joining us remotely.

Thank you all for joining us today. Cabinet secretary, I believe that you would like to start with a short opening statement.

Shirley-Anne Somerville (Cabinet Secretary for Social Justice): Thank you, convener, and good morning. I am grateful to the committee for inviting me and my ministerial colleagues to give evidence today.

Tackling poverty and protecting people from harm is one of three critical and interdependent missions for the Government. As the First Minister stated last week, it is clear that economic growth goes hand-in-hand with tackling poverty. Our programme for government commits to increasing the pay of up to 100,000 social care and childcare staff, to rolling out universal free school meals for all pupils in primaries six and seven, starting with those children in receipt of the Scottish child payment, and to introducing a pilot for the removal of ScotRail peak-time fares.

Driving forward action at greater pace and scale to meet our ambitious targets remains at the heart of work across all portfolios. However, the harm that has been inflicted by the United Kingdom Government's austerity-driven policies and the on-going cost of the union crisis is making our job

considerably harder. If the UK Government reversed key welfare reforms that were introduced in 2015, it would help to lift 70,000 people, including 30,000 children, out of poverty this year and put £780 million back into the pockets of low-income households.

“Best Start, Bright Futures: Tackling Child Poverty Delivery Plan 2022-2026” outlines the wide-ranging actions that the Government and our partners will take to reduce child poverty in Scotland. Increasing incomes from work and earnings is an important aspect of our overall approach. That is why we remain committed to scaling the reach and effectiveness of our devolved employability services to enable low-income parents to enter, sustain and progress in employment, and have made £108 million available for the delivery of employability services this year.

We have also set clear priorities for the reform of post-school education in order to deliver a lifelong education, research and skills system that enables everyone to fulfil their potential. It is deeply frustrating that employment law remains a reserved matter in the hands of the Conservative Government—a view that is shared by trade unions across the United Kingdom, which this week backed calls for employment law to be devolved to the Scottish Parliament.

Despite that, we have set out a number of wide-ranging actions in our refreshed “Fair Work Action Plan: Becoming a leading Fair Work Nation by 2025”, which was published in December last year and is aimed at tackling labour market inequalities. We are committed to working with businesses to address Scotland’s labour market participation challenges, starting with a focus on health and the needs of parents, particularly those in the six priority groups, in order to help to reduce child poverty.

We know that high-quality affordable and accessible childcare plays a critical role in supporting employment and the economy. Scotland already has the most generous childcare offer anywhere in the UK, supporting families and helping to give children the best possible start in life. Our programme for government sets out ambitious commitments to delivering a significant expansion of targeted childcare provision that is focused on tackling child poverty and supporting more parents to take up or sustain employment.

We also understand that a sustainable exit from poverty will never be just about securing and retaining a job, and that is why we are taking much wider action to tackle poverty. That includes continued investment to deliver more affordable homes; our commitment to transforming how family support is delivered, with a focus on shifting towards early intervention and prevention,

supported by the whole family wellbeing fund; and our continued investment in, for example, our game-changing Scottish child payment, which has put more than £350 million into the pockets of low-income families since it was launched in February 2021.

The way in which actions are delivered is key to the plan’s success. The creation of the tackling child poverty programme board, supplemented by the formation of a new ministerial group on the implementation of “Best Start, Bright Futures”, will ensure robust governance and co-ordinated implementation.

We are delivering in the most challenging circumstances, with our block grant funding 4.8 per cent lower in real terms than it was in 2021-22 at the time that this budget was set. Over the past five financial years, we have mitigated £711 million-worth of Tory cuts, including the bedroom tax, the freeze on local housing allowance and the benefit cap, through activities such as discretionary housing payments and the Scottish welfare fund.

Our action is making a difference: modelling estimates that 90,000 fewer children will live in relative and absolute poverty this year as a result of this Government’s policies, with poverty levels 9 percentage points lower than they would have been otherwise. That includes lifting an estimated 50,000 children out of relative poverty through the Scottish child payment.

However, we know that there is more to do, so we will continue to do everything within the scope of the powers and the limited budget that we have to tackle poverty and support those who are in greatest need, strengthening that support where we can.

I very much welcome the committee’s inquiry and the opportunity for my ministerial colleagues and I to answer your questions, and I look forward to your conclusions and recommendations in due course.

The Convener: Thank you, cabinet secretary. We start by focusing on theme 2, which is on education and training. I bring in Jeremy Balfour.

Jeremy Balfour (Lothian) (Con): Good morning to you, cabinet secretary and minister, and to all your team. It is good to have you before the committee today.

I address my first question to Mr Dey. When will the Scottish Government deliver its lifelong learning offer, and how will it ensure that lifelong learning is accessible to lower-income parents in particular?

The Minister for Higher and Further Education; and Minister for Veterans (Graeme Dey): First, I thank the committee for allowing me

to contribute from Stornoway, where I am visiting the local college.

The lifelong learning offer is a work in progress—there is no doubt about that—but I think that we have made significant progress, and the reform agenda on which we are embarking will afford us further opportunity to build on that.

Mr Balfour will be aware of the increasing levels of financial support that we have been providing. We recently increased undergraduate support by £900 and announced an 11 per cent-plus increase in the maximum bursary rates in further education for 2023-24. We are now considering how we prioritise our programme for government commitment to reform student support within the context of the fixed budget and the challenging financial circumstances that we are in. That is an on-going exercise, as is looking overall at what we can do to best deliver for people who need the most support to access the post-school education system.

Jeremy Balfour: You said that a lot of progress has been made, and you mentioned two payments. What other progress would you say has been made in the past couple of years?

Graeme Dey: I am sure that Mr Balfour would recognise the progress that has been made in improving matters through the widening access programme, given that we hit our target as early as we did. However, we are absolutely not resting on our laurels. We are working closely with our partners in further and higher education to consider what more we can do to improve access to both sectors for people from the poorest backgrounds.

Jeremy Balfour: One of the commitments made in the Scottish National Party's manifesto at the last election was to introduce a special support payment so that students who are in receipt of benefits do not lose out because they are in receipt of or entitled to student support. When will that manifesto commitment be delivered?

Graeme Dey: As I have already touched on, we are currently considering how we can prioritise that commitment. I am sure that you will recognise the challenging financial circumstances that we are in. However, we are working on the matter.

Jeremy Balfour: I will push you a wee bit on that, minister. It is a bit vague for people who are listening to hear you say, "We are working on it". I am sure that that response could be used for lots of policies. Have you any indication of when that manifesto commitment will be delivered?

Graeme Dey: The commitment made was to do so in this parliamentary session. That is what we are working towards.

I am sorry that I cannot be more specific. I am not trying to be difficult or vague in any way; I am being as open with you as I can. We are considering that currently, but we are in an incredibly challenging set of financial circumstances.

Jeremy Balfour: Just finally from me—you will be glad to hear that, minister—if such support is to be introduced, will it require regulations or could it be done within your existing powers?

Graeme Dey: I will bring in my official Jane Duffy to give you the detail on that.

Jane Duffy (Scottish Government): One of the factors that we must consider is ensuring that everything that we do is within our devolved competence and that we do not trip anything up on the benefits that students are already offered.

We are working with the Department for Work and Pensions on that, and there will be discussions with it next week. We are hoping to finalise the details and to check that our proposal does not go against its rules or our devolved competence. We are checking with it that our plan will be deliverable for the academic year 2024-25. We are hoping to make an announcement on that by the end of this year. I hope that that helps.

Jeremy Balfour: That is very helpful. I will just ask for clarification on one point. If the proposal is possible and the negotiations with the DWP go well, would the payment be delivered by the DWP or by Social Security Scotland?

Jane Duffy: We are still finalising those details to determine the best route to ensure that we are able to deliver the payment efficiently and quickly. We will give more details as quickly as possible.

The Convener: Thank you very much. I thank the minister for attending our meeting remotely.

That concludes our discussion on the theme of education and training. I again thank the minister and his officials.

I suspend the meeting briefly to allow for a changeover of witnesses before we move on to our next theme.

08:59

Meeting suspended.

09:14

On resuming—

The Convener: I welcome Natalie Don, Minister for Children, Young People and Keeping the Promise. I invite questions on the theme of childcare.

Paul O’Kane (West Scotland) (Lab): Good morning to the panel and to the minister.

Thinking about the current childcare offer and the plans that were announced in relation to expansion, to what extent does the Government expect the childcare policy to reduce child poverty in time to meet the 2030 targets that were set through the Child Poverty (Scotland) Act 2017?

The Minister for Children, Young People and Keeping the Promise (Natalie Don): High-quality early learning and childcare has a positive impact on all children’s outcomes, and evidence shows that it has a greater positive impact on children living in poverty. It can also support parents to work, train or study—as the committee has heard during evidence—and it can have a direct impact on the drivers of child poverty through supporting household incomes.

In relation to our current and previous offer, modelling published by the Institute for Public Policy Research Scotland estimated that, at 600 hours, funded ELC lifted more than 10,000 adults and children out of poverty. It also notes that the expansion to 1,140 hours will have an even bigger impact. As Mr O’Kane referred to, our programme for government sets out how we will go even further.

If families paid for the existing 1,140 offer themselves, it would cost them around £5,000 per child per year, which is a huge amount of money. Independent research shows that 97 per cent of parents are satisfied with the quality of funded ELC. A range of on-going work is focused on delivering a robust and accurate evidence base and evaluation of the impact of 1,140 hours, including an economic evaluation of the expansion.

The baseline phases of the Scottish study of ELC were published in 2019-20. The fourth phase is on track to begin data collection in October. That will give us a clearer idea of the impact that our current offer is having, which will be further looked at as the programme is expanded.

Paul O’Kane: I am interested in that analysis, because we have had a lot of discussion in committee about the need to have good data and to analyse exactly what has happened in relation to the expansion to 1,140 hours.

I am particularly interested in one and two-year-olds, particularly those who are care experienced and those who are in households where people are not in work. What depth will the research in relation to the one and two-year-old offer go into to better inform how we move forward?

Natalie Don: I will refer to my official for that kind of in-depth answer.

Matthew Farrell (Scottish Government): Work on understanding the impact of the early learning and childcare offer on families and children has already commenced. On the depth that it will go into, we have published details about the elements that it will look at and how we will try to understand how it is impacting on families across Scotland. We can provide that information to the committee. I do not have that detail to provide today, but we are looking at how it impacts on the key determinants of child poverty and at what it does for families.

Last year, we published significant detail on how we would look to take forward childcare in Scotland. The strategic childcare plan that was published in October 2022 set out not only what we were hoping to do over the next period but also the way that the outcomes were intended to be achieved and how we hoped to work with partners in the sector to deliver that. It clearly sets out an intention to work with families and existing childcare sector providers to best understand what type of provision would have the greatest impact on all the age groups that it currently covers.

The commitments that were announced in the programme for government last week set out a plan to introduce a number of early adopting communities. That work will look in depth at what options are best for those age groups. We know that the type of childcare that is suitable for three and four-year-olds is very different from that which is required for younger age groups. Through those early adopting communities, we will look into that in great detail to understand how childcare should be delivered so that a targeted approach can be taken in relation to different ages and the evidenced need in local areas across Scotland.

The Convener: I am conscious of the time. I remind members to be as clear, concise and succinct as possible when they are asking questions, which will allow all members to come in if they have supplementaries.

Bob Doris (Glasgow Maryhill and Springburn) (SNP): There are hugely ambitious plans to expand free childcare in Scotland, which are to be welcomed, but there is a key challenge around how we expand the childcare workforce sufficiently to provide the increased supply of high-quality childcare. What are the challenges? More importantly, what is the Scottish Government’s strategy for dealing with them?

Natalie Don: I am very switched on to the challenges. I know that the committee has heard evidence on the issue, which has been raised with me in various meetings that I have held with key stakeholders and organisations. In the programme for government, as the member will be aware, the Scottish Government is committing to increasing pay to £12 an hour for early learning and childcare

professionals working in the private, voluntary and independent sector who are delivering funded provision in early learning. That is a really important step. We will also expand the existing recruitment and retention pilots for childminders to grow that part of the workforce by 1,000 by 2026-27. Those two actions, coupled together, are critical steps towards addressing some of the issues around recruitment and retention.

I am also involved in further work. I will work closely with our partners, particularly the Care Inspectorate and the Scottish Social Services Council, to consider a robust regulatory and qualifications framework for school-age childcare. The pilot areas have already been mentioned. The work in the pilot areas recognises that the school-age childcare sector needs a varied workforce to meet the differing needs of children and families.

We have work going on with the Convention of Scottish Local Authorities on the findings of the joint Scottish Government-COSLA review of sustainable rates, which has also been raised with me in various meetings. I am sure that the member is switched on to that. Those findings will be published later in the year, and we will determine what actions are taken as a result.

Those are important first steps, but there is further work under way.

Bob Doris: I will not ask any follow-up questions because of the time, but I note that the point about sustainable rates is vitally important. Until the summer, I was a member of the Education, Children and Young People Committee, and I know that it is very much alive to that matter.

Natalie Don: Yes.

Roz McCall (Mid Scotland and Fife) (Con): Thank you for coming to talk to us, minister. You know what I am going to raise. We have had Barnett consequential for rural that did not make it to rural, and we have had Barnett consequential for swimming pools that did not quite make it to swimming pools, so you can understand my concern. It is really important to know about Barnett consequentials coming from the UK Government for childcare expansion. Can I have some guarantee that the funding will definitely go to childcare expansion, given how important it is to move that forward?

Natalie Don: Thank you for the question. I do not have to tell the member about the difficult public spending environment that we find ourselves in.

I completely appreciate the member's concerns. We are currently investing more than £1 billion in delivering childcare in 2023-24. As we have discussed this morning, we are announcing plans

for further expansion, and it is vital for funding to continue. On investment in childcare, the member will be aware that budgets are set through the budget process, and I would not be able to foresee or comment on that at the moment.

Shirley-Anne Somerville: I appreciate where the member is coming from. All the consequentials that are given to the Scottish Government are used. If the member wishes to see more money going into childcare, the simple fact is that it will have to come from somewhere else, and that will have to be taken into account. The consequentials are not sitting unused. We have already invested in childcare, as Ms Don has said, but the money must come from somewhere, if the member is suggesting that more should go into childcare.

Roz McCall: I really appreciate the cabinet secretary coming back on that point, and I understand that, but we have specific Barnett consequentials for childcare coming through, because of the expansion programme at Westminster. I am wondering whether that will all be allocated—I want to ensure that it is all put across.

I appreciate the cabinet secretary coming back on this matter, I appreciate the points that have been made and I accept that money has been made available for childcare, but that should be a simple process.

Shirley-Anne Somerville: It is a simple process during the budget process. If the member wishes money to be moved, if she is not satisfied with what is in childcare when she sees the budget when it is produced, then it needs to come from somewhere else. I suggest that, if the member wishes to use consequentials differently, her party should produce a balanced budget suggesting where that money would come from.

Bob Doris: I have a brief supplementary question. This would be really helpful to us when we are doing our budget scrutiny. There will, of course, be Barnett consequentials, but the offer for three and four-year-olds in England is 570 hours of childcare, whereas it is 1,140 hours in Scotland. I suspect that a significant additional investment is already being made in Scotland, compared with England. It would be helpful if we could get some figures and pound signs on that so that, when we do our budget scrutiny, we can see the inputs for childcare provision in Scotland compared with those in the rest of the UK and make an informed decision during our budget process.

Shirley-Anne Somerville: Ms Don or committee members will correct me if I am wrong, but my understanding is that the focus in England is on working parents. If we are being asked to replicate what is happening down south, that would suggest taking away the offer that we have

already made for people who are not in work, which would be of great concern to the Government.

The Convener: That concludes our discussion on the theme of childcare. I thank the Minister for Children, Young People and Keeping the Promise and her official for coming along.

09:26

Meeting suspended.

09:29

On resuming—

The Convener: Welcome back. We will now continue our evidence session with the Cabinet Secretary for Social Justice by considering the themes of employability and fair family-friendly working.

I also welcome to the meeting Neil Gray, Cabinet Secretary for Wellbeing Economy, Fair Work and Energy, and Aidan Grisewood, interim director for economic strategy with the Scottish Government. Thank you for attending today's meeting, and I understand, cabinet secretary, that you will be answering questions on the theme of policy coherence, too.

I call Katy Clark.

Katy Clark (West Scotland) (Lab): I presume that Neil Gray is the appropriate cabinet secretary to direct this question to, as it is on employability. Given that, as well as parents, there are other priority groups for employability programmes, how do you ensure that parents become a high priority for all delivery partners of the no one left behind strategy?

The Cabinet Secretary for Wellbeing Economy, Fair Work and Energy (Neil Gray): I wish colleagues a good morning. It is good to be back at my former committee—I recognise some of the faces round the table.

Katy Clark is absolutely right that a key target of employability programmes is parental employability, and we work with our partners to ensure that that remains the case in their work. Aidan Grisewood will provide a bit more detail on this in a second, but I can tell you that, so far, the programmes have been doing relatively well. We know that a quarter of all those involved go on to work and a further quarter go on to a further positive destination, including further education or training.

We are pleased with that. Obviously, there is more work to do to contextualise that data, but this is certainly a key priority for us in addressing the child poverty issues on which the committee has

been focused. We must continue to ensure that we offer all the support that we possibly can within the resources that we and local government have and support parents who have often—at least in the programmes that we have put in place—been furthest from the employment market.

Aidan, do you want to supplement any of that?

Aidan Grisewood (Scottish Government): I would be happy to. With regard to the existing funding under no one left behind, our joint working with COSLA under the joint partnership working agreement focuses efforts on addressing child poverty as a shared mission or target. That feeds through to prioritisation on the ground. There is also the parental employment support money, which has been ramped up significantly this year and is more explicitly targeted at parents who are in and out of work in order to raise incomes in that group.

Katy Clark: Two thirds of children in poverty are in families where someone works. Will employability programmes support more working families, or do you expect other policies to be more relevant in tackling poverty in working families?

Neil Gray: Yes, we are working with parents to ensure that they get access to further skills or training that will take them further into the labour market, but Katy Clark is right to point to our other policies for bringing up people's incomes. Compared with everywhere else in the UK, we in Scotland have the highest percentage of workers being paid at least the real living wage—the figure is currently 91 per cent—but we are not resting on those laurels. We are working with the living wage campaign, the Poverty Alliance and others to ensure that that continues to ramp up, and we are also working with our public sector partners to ensure that, as we did on 1 July, we introduce conditionality to our public sector procurement funding so that the real living wage is paid and there is access to greater worker voice.

Alongside our employability programmes, we are taking other actions to ensure that, where we can under the devolved settlement—because, obviously, we do not have full responsibility for or powers over employment law—we drive up people's pay.

Katy Clark: I think that we will ask about procurement and conditionality later.

The Convener: I call Bob Doris.

Bob Doris: I am not sure which cabinet secretary this question is best directed to, because it probably crosses over portfolios. I am aware that the UK Government provides for childcare costs as part of universal credit, although that is a capped provision. I am interested in knowing the

relationship between that provision and the parental transition fund, which is envisaged to be £15 million.

Just yesterday, the Cabinet Secretary for Social Justice replied to an inspired parliamentary question on the fund, saying that the interaction of limited devolved powers with the UK tax and benefits system means that the fund will still be delivered in some way, but not as originally envisaged. The committee would welcome more detail on what that means in practice and on what happens to that £15 million.

Shirley-Anne Somerville: I will start and Neil Gray can follow with more detail.

We have been looking carefully at the parental transition fund, and we are keen to move forward with it. However, as has been stated, a question that was answered recently showed that, despite our work with stakeholders and others to see what could be done in that area, given the devolved settlement and the implications of the interactions that the fund would have with the tax and benefits system, it became clear that it would not be possible to deliver the parental transition fund as we originally envisaged.

That is clearly disappointing, but I am satisfied that we have worked with stakeholders to test that to the limits. We need to find other ways that we can do it within the powers that we have. I am conscious, with all these policies, that we never want to do anything that jeopardises somebody's current benefit entitlement, such as by providing money through such a fund. Given the challenges, we will look at what more can be done on the issue in other ways.

I will add that we welcome the changes that the Chancellor has announced on universal credit, although there are still real challenges with the awareness of the changes and how they are working in practice, so we are keeping a close eye on that issue. Both we as a Government and stakeholders have been asking for the changes for some time. Now that we are into the implementation stage, we need to see whether the changes are genuinely making the difference that we had hoped for. I am sure that Neil Gray will have more to say about that.

Neil Gray: My only comment is on Mr Doris's question about where the funding has gone. It has been redeployed to ensure that the First Minister's commitment to not just double but treble the fuel insecurity fund can be realised this year. That is where some of this year's budget allocation went.

Bob Doris: That is helpful.

I will come back to Shirley-Anne Somerville very briefly. I think that part of what you said in your answer was that there had been discussions with

UK officials, at the DWP or elsewhere, about whether deploying that £15 million would have unintended consequences that caused parents to lose out. You have been very diplomatic in relation to how fruitful or otherwise those discussions were. I get that there is a respectful relationship at official level between the two Governments, but can you say any more about what the barriers were and what you tried to do to resolve them?

Shirley-Anne Somerville: We work closely with the UK Government, despite our many differences on policy issues. The area around devolved social security is a joint programme, so we need to work very carefully.

This is just a simple matter of fact about where the powers lie in devolution and about what we can do without there being consequences for reserved issues. It is a statement of fact that we have all worked hard to see where the boundaries could be pushed, but no one wants to get into a position where we are endangering people's benefits.

I am afraid that the parental transition fund has just run its course as a concept. However, the principle behind it was to support parents, and we have already tried to do what we can in that area. From the member's time on the previous Social Security Committee, he will be well aware of the job start payment and the work that we undertook on that. We do what we can within the powers that we have, but there are limits to that. Then it is about making sure that what we have can be used most effectively. That goes into Neil Gray's responsibility on employability and further support that we can give.

Bob Doris: Thank you.

The Convener: I bring in Jeremy Balfour. I remind you to be as brief as possible.

Jeremy Balfour: I am always brief, convener. We have a power to create new benefits. Was that looked at as a way to introduce what you wanted to do—simply via a new benefit?

Shirley-Anne Somerville: That is an interesting point. Given his vast experience on this and previous social security committees, Mr Balfour will know that we had to use our powers in a different way for the job start payment for exactly the reasons of some of the limitations that I have talked about. The concern is how long it takes, because it requires legislation in Westminster. Even if we were to find agreement and a way forward on that, it would take a considerable time for such legislation to go through. We saw that with some of the challenges around establishing the job start payment.

When faced with such barriers, it is imperative that the Government looks at what could be done

more quickly, which is why we have moved to see what more can be done to support parents into employment through the employability work that Neil Gray has discussed. Creating a new benefit has not been ruled out for the future, but given the urgency of the issue, I certainly would not be content to wait, so we have not done work on that. It is more about what we can do now rather than at some theoretical point in the future, but it could still, of course, be looked at.

Jeremy Balfour: I am a bit confused by your answer. Why would that require Westminster legislation? Why could we not just pass legislation here in the Scottish Parliament to introduce a new benefit, which would supplement the income that you want to pass on to people? I am not sure why that would need Westminster approval.

Shirley-Anne Somerville: I gave the example of the job start payment. Westminster legislation was required to give us the powers to set that up. Theoretically, we could set up another benefit, but that would still have implications for reserved benefits. Even if we decided to do something ourselves, those implications would remain. Even with the powers, if we went forward with that, the challenges of how a new benefit would interact with UK benefits would still exist.

The Convener: I invite James Dornan, who joins us remotely, to ask his questions.

James Dornan (Glasgow Cathcart) (SNP): Good morning, cabinet secretaries. How is the Scottish Government enabling flexible working throughout the public sector, particularly for those whose jobs cannot be done from home?

Neil Gray: I think that that question is for me. We have a challenge in that because, as I said previously, employment law is a reserved area of responsibility. We welcome the fact that the UK Government came forward with the Employment Relations (Flexible Working) Act 2023, which helps to ensure greater consistency in working conditions. Before the legislation, the Scottish Government had been pushing for that for some time through conditionality in our contracts, whereby we were looking for people to offer fair work and flexible working from day 1 of employment. That is now a requestable right under the act.

However, we want that to go further, and we continue to impress on the UK Government the need to do that, not least because of the change in working practices that has accelerated since Covid. For example, Mr Dornan is able to join us remotely, which is really good, because we are able to hear from him when, in other circumstances, we might not have been able to. It is the same for other people who have challenging personal situations that mean that they might not

be able to attend work in person but are able to contribute remotely. For instance, they might have childcare or other caring responsibilities that mean that they need or would like to work compressed or more flexible hours.

Therefore, we very much understand the need for greater flexibility in working arrangements. Since I came into post, and through the summer, as was the case under previous ministers, we have been working with employers on how we can do more to encourage that flexibility. However, ultimately, the responsibility to legislate on that lies with the UK Government and not us. We are very committed to ensuring that we have as flexible a working environment as possible across Scotland.

James Dornan: Further to that, how do you see the use of procurement in encouraging flexible and family-friendly working?

09:45

Neil Gray: We have already brought forward conditionality in public procurement; I spoke in response to Katy Clark about some of the practical aspects of that, such as paying the real living wage and offering workers a greater voice. We keep our conditionality regime under review to ensure that we are being as proportionate as possible while driving the strongest possible outcomes.

We have provided significant funding to the likes of Flexibility Works and others to help to ensure that businesses are aware of not only the benefits of providing flexible workplaces but the practical things that they can do to support their employees in that process. I am happy to bring in Aidan Grisewood to add anything further or anything that I have missed.

Aidan Grisewood: On top of the funding that has been provided to encourage private sector employers to use flexible working practices and set out the benefits, I want to flag up that quite a lot is being done by major public sector organisations in that space. That is sometimes out of necessity, to ensure that they get the workforce that they need, but the principles of fair work first are also being applied.

The national health service is a specific example in which a lot of work has been done. The NHS has workforce policies on supporting work-life balance, and there is a lot of work going on across the NHS system to produce guidelines on helping to encourage more flexible working practices, with some practical measures in there. It is leading by example.

Neil Gray: Finally, I highlight to Mr Dornan that the programme for government committed us to piloting a four-day working week in the public

sector. It is not necessarily a policy commitment—it is not about whether that is the right or wrong area to pursue, but it is important that we pilot that and get information as to how supportive or otherwise that is for people and how it works practically. We will come forward in due course with more detail on how that will operate.

The Convener: We will now focus on social security rules, as well as governance, policy coherence and evaluating policy impact. I invite Marie McNair to start.

Marie McNair (Clydebank and Milngavie) (SNP): Good morning to you, cabinet secretary, and to your officials.

I know from my constituents that the Scottish child payment is a big help when the cost of living crisis is such a difficult time for many. It is a massive investment in children, but understandably there are calls for us to increase it. Cabinet secretary, can you advise us of the Scottish Government's position on increasing the payment?

Shirley-Anne Somerville: Clearly, the Scottish child payment has made a difference. We hear that directly from stakeholders and in some of the evidence that I quoted in my introductory remarks with regard to the importance of the payment.

It is clear that there are calls for the level of the payment to be further increased, and I appreciate where those calls are coming from. It is important, however, to add a bit of context. I remember that, when the Scottish child payment was initially launched, campaigners were asking for £5 per week per eligible child, and we are now at £25 per week. I hope that that shows the committee the very serious consideration that is being given across Government to see what can be done to increase the payment.

The challenge, as the committee has heard in previous answers this morning, concerns the financial situation in which we find ourselves, and the current context. As the First Minister has made clear, we will look at what we can do on the Scottish child payment, and on any other anti-poverty measures, to see what more can be done, but it will always have to be done within the current financial context.

We will consider an increase very seriously in the run-up to the next budget, along with the other asks—and there are many—that people would wish us to take forward in relation to these issues, but it would have to be done within the financial reality of the situation that we are in.

Marie McNair: I get that budgets are tight and are under pressure. Can you assure the committee, however, that the Scottish Government

will never introduce a cap or a two-child limit on the Scottish child payment?

Shirley-Anne Somerville: We will absolutely not. Whether that should be done was never even considered when we looked to introduce the Scottish child payment, because it is an inherently unjust way of delivering a benefit. Members will know from their constituency mailbags that our constituents' life circumstances can change in the blink of an eye. To suggest that we should use the benefit system to, in some way, punish people who have three, four or more children is deeply disappointing, particularly when we see the number of families who have more children that are in poverty. That is exactly why those families are one of our priority areas. We would never even consider that, given the impact that it has on families in Scotland.

Marie McNair: Thank you for that assurance. The way that universal credit treats income means that claimants can quickly lose their entitlement to it, and it is a passport benefit for the Scottish child payment. Do you believe that a taper or run-on should be considered for the Scottish child payment to stop entitlement being lost?

Shirley-Anne Somerville: That comes down to the legislative background of how the Scottish child payment was set up. I remind members that the benefit was established within 18 months, which was the quickest delivery of a benefit anywhere in the UK. That shows the importance that the Government placed on the benefit at the time. To do that, it was necessary to deliver it as a top-up to current reserved benefits. Someone needs to be in receipt of universal credit, for example, to be able to receive the Scottish child payment. Given the legislative underpinning of the Scottish child payment, it is therefore not possible to allow payment of the benefit to someone who is not in receipt of, for example, universal credit. It is not possible, given the way that the Scottish child payment was set up. However, I hope that I have explained to members why we set it up in the way that we did.

Marie McNair: There are plans to make the conditionality regime worse, with disabled people now on the radar, yet the two main Westminster parties remain wedded to sanctions. In mitigation, the Scottish Government changed the Scottish welfare fund guidelines to allow crisis grants to be given to people who have been sanctioned. Are the Scottish Government and councils doing enough to promote the assistance that is available? In dealing with my mailbox, I certainly refer to the scheme.

Shirley-Anne Somerville: The number of individuals who are being sanctioned is of great concern, particularly when you look at the numbers pre-pandemic, post-pandemic and during

the pandemic. For the sake of time, I am happy to provide written information to the committee on the sanctions that are currently impacting people. The Scottish Government is greatly concerned about the impact of sanctions on people, and it is imperative that we have in place something such as the Scottish welfare fund to assist people, which is why we remain committed to funding it. It is delivered by local authorities, which are responsible for ensuring its promotion. We work with local authorities on that, and we consider with them, as always, what more can be done to ensure that people are aware of it.

I recognise Marie McNair's point about the type of individuals who can be impacted by sanctions. Some of them are in the priority groups that we have identified in "Best Start, Bright Futures". It is a concern when anyone is sanctioned, but the fact that the people who are getting hit hardest are some of the most vulnerable in our society is of even greater concern.

Marie McNair: We welcome further information being given to the committee.

Paul O'Kane: I have a brief supplementary question on the uptake of the Scottish child payment. The cabinet secretary will recall that I asked the First Minister about the concern that 60,000 families might miss out on payments. He gave the guarantee that work was being undertaken to ensure that we reach as many families as possible. Will the cabinet secretary update the committee on the progress of that work?

Shirley-Anne Somerville: It is very important to ensure not only that we have the benefit in place but that people know about it and are encouraged and assisted to apply for it. I am happy to provide the committee with the most recent levels of uptake. From memory, the number of people who are in receipt of the Scottish child payment is now greater than was set out in the Scottish Fiscal Commission's forecasts.

I hope that that demonstrates the further work that the Government has done on the Scottish child payment, but—as the committee heard from Neil Gray—we do not rest on our laurels. We know that there are more eligible people out there, and the example of those who require the payment is why we take seriously the local delivery work that Social Security Scotland does in assisting people with benefit applications. We have a continuing commitment to provide welfare and advice support. We want to ensure that people are supported and, critically, that the process is made as simple as possible.

We are always looking for ways to increase benefit uptake, and we are very happy to work with the committee if it has suggestions about

what more we can do. I share Paul O'Kane's concerns and his enthusiasm to ensure that the Government is pressed as much as possible on that.

Bob Doris: I have made these calls in the chamber, so the Cabinet Secretary for Social Justice will be aware that I think that, if we are looking to increase the Scottish child payment, a summer supplement to it, paid near the start of the summer holidays in June, would be a focused benefit for a lot of families who struggle for the six-and-a-half weeks when their kids are at home and not at school. I am afraid that I cannot identify where the cash would come from, cabinet secretary, and I know that that is the type of battle that you are grappling with in the current budgetary environment, but I have asked previously if that could be considered.

I have a seven-year-old and two-year-old, so I know that kids grow pretty quickly. I am fortunate in that I can clothe my children, but the school clothing grant is very important for many people. The grant has been uplifted in recent years, but there is also the idea of providing a supplement to the clothing grant at a later time in the academic year.

I get that that is two calls for funding, but we have to ensure that the limited funds that we have are spent in a focused and effective way. Those are my two suggestions. Are they still under consideration?

Shirley-Anne Somerville: I will add Mr Doris's requests to the long list of suggestions for how I could spend money that is currently already fully committed in the social justice portfolio and across Government.

Bob Doris: You have heard those suggestions already.

Shirley-Anne Somerville: I take the points that Mr Doris has raised very seriously. The Government is very keen to ensure that we support families during the most difficult financial times. That is exactly why we have best start foods, for which we are suggesting changes to income thresholds, as the committee will be aware. It is why we have the pregnancy and baby, early learning and school age payments. It is also—as Mr Doris mentioned—why the school clothing grant is being uplifted in line with inflation.

I recognise that there are always calls for us to do more. We will work carefully with the committee and others on prioritisation, because a number of different calls for funding require us all to think about how we prioritise the many ways that we could further assist families. I appreciate that it is a very difficult time for many people.

The Convener: The committee appreciates your considering those requests; thank you for that.

Roz McCall: It is very important to me that active change is made. I want to highlight the Government's employment offer to support 12,000 parents into work and achieve a 2 per cent reduction in child poverty by 2026. How is the impact of that employment offer being evaluated, given that it includes other services, such as childcare and transport, as well as employability support? What assurances can you give that the target timeframe will be met, given that it is such an important subject?

Neil Gray: It is an important commitment. Shirley-Anne Somerville touched on the heavy lifting that has already been done on the social security side, and through various measures that we have taken across Government, to reduce child poverty. We are pleased that 90,000 children in Scotland have been taken out of poverty. That has been done in large part through the Scottish child payment, but it has also been done through other measures, including our work on employability and our work to drive up fair work practices. We constantly evaluate our employability programmes to ensure that they are tailored as effectively as possible, and the transition from the previous to the new is about ensuring that we can respond to local need.

10:00

With regard to the 12,000 target, the SPICE briefing sets out the number of people who have already been taken through and supported; I think that approaching 11,000 people have been supported across the two programmes and, as I have already said, a quarter are moving into employment, with a further quarter moving to positive destinations, including further education or training.

That said, how we tailor our approach for those with long-term health conditions and disabilities and, indeed, parents is an important consideration for us. After all, they are target groups for reaching our child poverty targets, so we want to ensure that our approach is as effective as possible. We are also ensuring that the data that we collect is as wide ranging as possible so that we can monitor the programmes' effectiveness.

All of that demonstrates that addressing child poverty is not just a matter for the social security system alone and that we must look at wider interventions, which is why we have come forward with these programmes. It also shows how incumbent it is on us to scrutinise other drivers of poverty that come from outwith Scotland and decisions that are taken on our behalf at UK

Government level. We have already heard about the incredible impact on families across Scotland of the social security cap and the two-child limit, and we are trying to mitigate the difficulties that are posed by those measures. It would be much better for us to have responsibility at source for such decisions and changes so that we could meet our targets.

Roz McCall: I note that the remit of the inquiry is child poverty and parental employment. I wholeheartedly accept the child poverty aspect, but with parental employment, as much as we need to monitor what is happening in that respect, we must also ensure that there is a long-term process in place. You have talked about positive destinations, but with positive destinations in education, say, we might be talking about only three to six months. The real issue is long-term sustainability. Are we tracking that properly? Do we see getting parents back into employment as not just a positive move but a positive long-term process? Indeed, are we able to monitor all that properly, so that we know that we are doing what we are meant to be doing on the ground?

Neil Gray: I appreciate your question and, again, I will bring in Aidan Grisewood to supplement the information that I am able to impart.

I go back to the importance of interacting with the UK Government. Given that many of the people who interact with the Scottish Government's employability schemes are signposted to them through the jobcentre network, it is important that we have good interaction and a good relationship at that level. Having a supportive environment and system at UK level that ensures that people feel able to interact with the jobcentre network is critical, too.

As for our tracking and monitoring, we look at things at every three-month, six-month and 12-month juncture so that we understand where people are on their journey. Indeed, that is where the information and statistics that I have given come from, but we are always looking at what more we can do, working with our local government partners that deliver many of these programmes, as well as with community and voluntary sector colleagues, to ensure that we get as much information as possible and that, as Roz McCall has suggested, we are monitoring and evaluating those investments to find out whether they are being as effective as possible.

I do not know whether Aidan Grisewood wants to add anything that I might have missed.

Aidan Grisewood: I will supplement what the cabinet secretary has said with regard to the evaluation framework. A lot of time and effort has been put into developing a shared measurement

framework that all partners can use to track things. Some of the statistics that the cabinet secretary mentioned are experimental ones; this is stuff that we are developing and improving on as we go along, but the 12,000 figure was based on modelling work and assumptions that were made at the time. We want to improve on that as we go, informed by results coming from the various evaluation frameworks that we have put in place. I should also say that it is a stretch target—and purposely so. As time goes on, we want to ensure that the framework informs good practice through the quantitative evidence that is set out. It is always really challenging to unpick the various elements of that, because the economic as well as the policy context is changing all the time.

When it comes to the qualitative evidence, there are the various local employment partnerships, which work closely together, and the Improvement Service is involved through COSLA. We are thinking about how we can share best practice between different partners so that it can be replicated in different areas. In that respect, it is purposely a stretch target.

Paul O’Kane: I am interested in pulling together the various strands of our discussion to look at the cross-cutting nature of anti-poverty work across Government. How are you embedding those actions on child poverty across Government? I appreciate that that is a broad question, but it would be useful for committee members to have an overview, after which we can delve into the detail.

Shirley-Anne Somerville: This is an important area, and the fact that it is a cross-cutting area of Government is demonstrated by how many ministers you have had along today—indeed, you could have had more ministers along, although I am not suggesting on behalf of other ministers that you should do that. [*Laughter.*] The point about how we ensure that we co-ordinate that work and facilitate its implementation is a serious one. It is also important that we ensure that we prioritise work on child poverty across Government.

I will give a couple of examples, and if Mr O’Kane would like further detail, I can provide it. We have a programme board at official level across Government, which looks at the key action points in “Best Start, Bright Futures: Tackling Child Poverty Delivery Plan 2022 to 2026”. That board reports regularly on implementation challenges and opportunities that arise to see what more can be done and when.

I will also chair a ministerial group across Government to ensure that ministers have oversight of that work, and our intention is for that to meet quarterly. That is on top of what the programme board is already looking at, in order to make sure that we work together. You would

expect us to have regular discussions on key areas when we meet bilaterally and when we meet in Cabinet, but we are keen to have the ability to take a step back and have real-time discussions across ministerial portfolios.

We have a number of evaluation strategies that look at the impact of what is happening and provide further analysis of whether change in portfolios is required. Those are some of the aspects of the programme board. I hope that that gives Mr O’Kane a flavour of what is going on, but if he would like further detail, Julie Humphreys and I can furnish him with that.

Paul O’Kane: That was a useful answer in relation to the Government, but the nature of the work in this area is such that it involves other agencies. Local government is a strong partner in that work, but it faces huge challenges, not least on resource. Can the cabinet secretary say something about the Government’s work with local government on that agenda?

Shirley-Anne Somerville: The member again raises a very important point; that is exactly why this area is one that we and local government were very keen to have at the heart of the Verity house agreement, in which we have a shared objective on tackling child poverty. There is a great deal of work that goes on within that scope between the Government and COSLA and, separately, between the Government and local authorities.

The committee will be aware of the requirements around local child poverty action reports, which are local government’s responsibility, but the issue is not just about local authorities—there are many other aspects to it. Julie Humphreys, do you want to provide any further detail?

Julie Humphreys (Scottish Government): One important thing to note is that COSLA and the Society of Local Authority Chief Executives and Senior Managers are represented on the tackling child poverty programme board, and we work very closely with them to ensure that we understand the risks and opportunities for delivery partners, so that we can work together to prioritise the huge amount of work that needs to go on across the public sector.

It is also worth noting that, in addition to the local child poverty action reports, which need to be done jointly by local authorities and NHS boards, we have the fairer Scotland duty, which is a key consideration across the public sector in informing policies whose delivery will reduce inequalities in poverty. Local authorities and territorial health boards are also covered by that. We are trying to ensure that, at every layer, we think about the

impact of policies on inequalities and how we can reduce them further.

Neil Gray: The First Minister set tackling child poverty as one of his areas of priority for Government in his prospectus. Earlier in the summer, he held a round-table session on tackling child poverty with representatives from all parties. He has tasked us, as cabinet secretaries and ministers, to go away and hold our own tackling child poverty round-table meetings with our stakeholder networks. I had a session with employers and others in my portfolio responsibility to consider areas that we could work together on—areas in which the Government could do more or in which our stakeholders could do more, with our support—with a view to taking that back to a follow-up session that the First Minister will lead.

We want to ensure that we have coherence across Government, and that tackling child poverty is a driving priority for all of us, whether it is a direct responsibility, as it is for Shirley-Anne Somerville, or we have additional responsibilities in our portfolios that are linked to ensuring that we tackle child poverty.

The Convener: Thank you. That concludes our questions. I thank the cabinet secretaries and their officials. The committee will consider all the evidence that it has heard and will report in the near future.

I suspend the meeting before we move to the next agenda item with the Cabinet Secretary for Social Justice.

10:12

Meeting suspended.

10:16

On resuming—

Social Justice Priorities

The Convener: Welcome back to our final public agenda item today. We will now discuss other priorities that are relevant to the committee. Thank you for staying with us, cabinet secretary. I invite members to ask questions, starting with Katy Clark.

Katy Clark: Cabinet secretary, in “Equality, opportunity, community: New leadership—a fresh start”, the First Minister stated that there would be

“some tough decisions to ensure that we target every pound we spend and invest in order to get the maximum value, ensuring it reaches those that need it the most.”

How have those tough decisions affected the measures that were set out in the programme for government, and have you had to change or refocus priorities?

Shirley-Anne Somerville: The First Minister has made it clear, as cabinet secretaries do regularly, that we are in a challenging financial time and context, and, as a Government, we need to take that very seriously. Our medium-term financial strategy set out some of the challenges of, for example, sustained high inflation caused by the economic shocks that Scotland has faced. Inevitably, that has had an impact, so, yes, tough decisions will have to be made.

I will give an example of the context that we are in. As I think I mentioned in my introductory remarks, the block grant funding was 4.8 per cent lower in real terms at the time that this budget was set than it was in 2021-22. Therefore, clearly, there has been an impact on national Government because of the mini-budget, Brexit and austerity, which present us with that challenge.

Now that we have that context ahead of us, the First Minister has laid out for stakeholders how we can best use our resources, and we are trying hard to do that. I touched on some of the work that goes on in Government to ensure that we analyse how we are using the finances that we have in the right way through the best start, bright futures programme board, the ministerial group and so on to constantly check that we are using the money in the most effective way possible.

That will be on the minds of all cabinet secretaries as we move forward in the budget process to see what stakeholders are asking us to do and what we can do within the budget. That will require us to take tough decisions across Government. I cannot go into those today, as we are at the foothills of the budget process for next year, but that context will be live for us throughout the process.

Katy Clark: How do you go about assessing the potential impact of policies to ensure that resources are focused on the policies that are likely to have the biggest impact?

Shirley-Anne Somerville: I can give you examples of some of the work that we have been doing, and if the committee requires any further detail, we can go into that, too.

I highlight, for example, some of the impact assessments that are undertaken when policies are being developed and on which we work very closely with stakeholders. It is very important that we have the analysis and modelling to support “Best Start, Bright Futures”, because we can use that to see what impact we are having through our policies and to challenge ourselves as to what more we can do and whether the money is being used for the best opportunities. The modelling also has to take account of impacts from elsewhere—and outwith the Scottish Government’s powers—on child poverty levels, but the modelling itself is very important, because an evidence-based approach is critical.

Another example is social security. Clearly, a great deal of work goes into the development of social security policies with those with lived experience as well as with stakeholders to ensure that we deliver the best possible benefit in the best possible way that can reach the maximum number of people. Earlier, we touched on the issue of take-up. Clearly, we are very committed to that; after all, we have a benefit take-up strategy, unlike the UK Government, which does not.

Katy Clark: Will you give consideration to how much of that work can be shared with the committee so that we can assess whether we think that you have come to the right conclusions?

Shirley-Anne Somerville: We are keen to work on that area, because I think that it will benefit the Government, too. We have done a little bit of that, and I have no doubt that we will do more of it when we come to our budget scrutiny, given the many asks that are made of Government and the many challenges that the Government faces in delivering on those asks. Such considerations are not just financial but practical with regard to how long it will take to implement a policy, whether primary or secondary legislation will be required or, indeed, whether changes to the agency’s social security system will be required. We are very thoughtful about such things.

I would think that a great deal is already being published. I would be happy for Julie Humphreys to come in, as the work that we do around this annually is really important.

Julie Humphreys: When we published “Best Start, Bright Futures”, we also published its underpinning evaluation strategy, a key

component of which was the cumulative impact assessment of all the policies that the Government put in place and their impact. Alongside the annual report on “Best Start, Bright Futures” that we published in June, we provided an updated cumulative impact assessment that drew on a huge amount of data from across Government on the policies that we are putting in place and their impact, particularly on the six priority family groups.

The Convener: That is really helpful.

Bob Doris: It is reassuring to hear that you are taking an evidence-based approach to monitoring all of this—I am sure that you will do the same with regard to my calls, which I cannot fund myself, for a summer supplement Scottish child payment. I am not saying that it should happen; I just want to make sure that it is put into the matrix along with everything else to find out whether it would provide best value in delivering the outcomes that we want.

My question is about how we monitor need. What is your latest assessment of the impact of the cost of living crisis on struggling families? Of course, it will be a snapshot in time, but how would we monitor that more generally and on an ongoing basis, given the cost of living crisis that we are currently experiencing?

Shirley-Anne Somerville: I mentioned in my introductory remarks—Julie Humphreys has just touched on it, too—the modelling that is being done on the 90,000 children who have been lifted out of poverty because of Scottish Government policies. It is a very important aspect of what we do.

Let me put that in context with regard to the impact on the Scottish Government budget of delivering such policies. We have allocated almost £3 billion last year and this year to support policies that tackle poverty and protect people as far as possible from the cost of living crisis, and we recognise that as a very important aspect of the Government’s work. That is a significant investment and it is the right thing to do, but everything that we do in that area means that we are not doing something somewhere else.

A specific example is the £127 million that we used to mitigate specific UK Government welfare policies. I think that it was Mr Doris who suggested, in a recent debate, that we should view the Scottish child payment, which amounts to more than £400 million, as a mitigation measure, because—to be frank—if universal credit was at a sufficient level, there might be no need for the Scottish Government to continue to support children to the extent that we are doing.

Mitigation is clearly important, and we need to do it, but it is not without its implications for other

parts of the budget. I am happy to go into more detail on that almost £3 billion, either now or in writing, should that be of use to the committee.

Bob Doris: Thank you. I suspect that, in my eagerness to lobby my own Government in a public committee session, I lost focus on what my question should have been, so—with apologies to the convener—I will go back to it now.

How do we monitor, on an on-going basis, the impact of the cost of living crisis on families who are struggling? What process would the Government carry out around that? As a committee, we would be keen to know what more you would prioritise doing.

Shirley-Anne Somerville: The monitoring for “Best Start, Bright Futures” that we have already discussed will pick up the impacts of that. The Scottish Government is investing almost £3 billion, which would be having more of an impact if we did not have high inflation, the UK Government’s welfare policies and other external factors that are impacting on people. That modelling work will pick up the fact that, although the Scottish Government is making an impact, it is clear that we would be making more of an impact if the financial context was not so difficult.

I hope that that explains the position to the committee in the time that I have available, but I am happy to provide more information in writing about how that modelling is done, if that would assist.

The Convener: The committee would very much welcome that. Thank you.

Jeremy Balfour: Cabinet secretary, I take you back to the first question that my colleague asked about the information that we have. We all want information so that we can assess how the process is going.

One disappointment was the letter that we received over the summer from David Wallace, the chief executive of Social Security Scotland, who told us that the organisation is not monitoring at all the time from when someone puts in an application for a new benefit to when the application is processed. Is that an issue with how the system was designed by the Scottish Government or with Social Security Scotland not using the system properly? Are you concerned about that? If so, what are you doing about it?

Shirley-Anne Somerville: I ask the committee to forgive me—I am not exactly sure about the specific reference that Mr Wallace made in the letter. Clearly, analysis is done by the agency around how long it takes to process a case. That might not give the specific timeframes that Mr Balfour is looking for, but I am happy to refer back to the evidence session to see the exact question

that was asked and the letter that was provided, and to provide the information.

I take very seriously, as I know the agency does, the issue of how long processing takes. We know that there is more to do on that issue, and I meet the agency regularly to discuss that and the changes that have been made to improve it.

Aspects around processing times are published in official statistics, so—if you will forgive me, Mr Balfour—I will take a further look at the specific reference that you made and come back with any further clarification that might be needed on that point.

Jeremy Balfour: Thank you.

The Convener: I confirm that we are aware of your request, Mr Balfour, regarding the letter in question, and it will come up in our work programme for the committee to discuss in the next few weeks. I thank the cabinet secretary for her offer.

10:30

Jeremy Balfour: I want to move on to one of the other areas in the cabinet secretary’s very wide portfolio—homelessness. We are seeing levels of homelessness and the use of temporary accommodation going up. How important is temporary accommodation as a short-term answer, and is the Government working to provide more temporary accommodation, particularly in hotspots such as Lothian and Glasgow?

Shirley-Anne Somerville: It is an area of great concern. The levels of homelessness and the number of families in temporary accommodation are a particular concern. That is why the Government established a temporary accommodation task and finish group, which set out some actions for the Government to take. We have responded to that—I gave some examples in relation to the £60 million that was made available this year to support the national acquisition plan and to ensure that we work with social landlords to deliver a new programme of stock management. We see that working very successfully in particular local authorities, although it is not being used to the same extent right across the 32 council areas. Every council will have its own stock management process and policies, but, where that policy has made a clear impact, it serves as an example of local government and national Government working together to share good practice.

We will continue with the affordable housing supply programme, and we are working with particular local authorities that have hotspots—as Mr Balfour mentioned. Edinburgh is a key example. We are working with the local authority and asking about the specific support solutions

that it would wish to see in place. Clearly, we have to work in the financial context that we are all in, but we are working at the national level and with particular local authorities where either there is good practice or there are specific housing needs. The Minister for Housing is meeting housing conveners and many others from local authorities to take that work forward with each local authority that requires it.

Jeremy Balfour: I am grateful for that answer, cabinet secretary. Perhaps it would be helpful to get updates as we go along.

Has there been any analysis of the change in the rental market as a result of the emergency legislation that was introduced last year? Is the same amount of social temporary accommodation still available, particularly in Edinburgh and Glasgow, or are landlords moving away and selling their property? Has any work been done to analyse that?

Shirley-Anne Somerville: I am not aware of any concerns about levels of temporary accommodation and the impact that Mr Balfour suggests our work on rent caps will have. I am happy to liaise with Mr Harvie and Mr McLennan on that issue to see whether any further updates are required.

It is very important that we take action to support people in the private rented sector. Higher rents affect people not just in Scotland but throughout the UK, and it is important that we take the issue very seriously. We also have to take very seriously any impact that rents have on the size of the private rented sector and on landlords. That is why the Minister for Housing regularly meets private landlord representative bodies and others to ensure that he clearly hears any concerns or suggestions that they might have. I hope that we all have a shared interest and responsibility in providing support to those in the private rented sector in the context of exceptionally high rent level increases.

Marie McNair: Industrial injuries disablement benefit has been pretty much left unreformed by the major Westminster parties, even though it came into effect in 1948. As usual, it is left to the Scottish Parliament to lead on positive reforms. When are you likely to publish a consultation on the new employment injury assistance scheme?

Shirley-Anne Somerville: I am giving active consideration to that, but the member is quite right to point to the challenges. The current system is literally based on paper sitting in a large warehouse—even if we wanted to lift and shift Scottish cases from that paper-based system, it is not set up to enable us to do that. The system is untouched and quite archaic in the way in which it

is currently administered, which is a real challenge.

The committee will be well aware of the costs of the devolution programme for social security and would be right to question me on them. Inevitably, there would be more cost involved in providing a benefit up here when we are not able in any way to lift and shift the information from a digital programme down south. Devolving the benefit presents us with great challenges, and we therefore need to be cognisant of the cost of that and what that would mean. That is why I am looking carefully at how it could be done. We need to look at the cost not just of the benefit but of the implementation. That can be approached in several ways, but, as I said, it would not be without cost.

I am giving consideration to the matter, but, at this point, I am unable to provide the committee with a date when any consultation would go live.

Marie McNair: The previous social security minister gave a commitment to groups with knowledge and experience that they would be involved in designing the new benefit. I had a meeting on that with the minister and Clydebank Asbestos Group in my constituency. Can you give a commitment that that will be acted on?

Shirley-Anne Somerville: We will be very happy to carry on that work once the consultation goes live. The Government has a good track record of working with those who are most directly impacted by benefits to help to shape the focus of any new benefit. That would include people who currently receive the benefit as well as those who perceive that there are barriers to them receiving such a benefit. I am happy to reaffirm my colleague's commitment.

The Convener: That concludes our questions for the cabinet secretary. I thank the cabinet secretary and her officials for attending today's meeting.

Next week, we will take evidence on the Carer's Assistance (Carers Support Payment) (Scotland) Regulations 2023 and on the 2024-25 budget.

We will move into private to consider the remaining items on the agenda.

10:38

Meeting continued in private until 11:07.

This is the final edition of the *Official Report* of this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

Published in Edinburgh by the Scottish Parliamentary Corporate Body, the Scottish Parliament, Edinburgh, EH99 1SP

All documents are available on
the Scottish Parliament website at:

www.parliament.scot

Information on non-endorsed print suppliers
is available here:

www.parliament.scot/documents

For information on the Scottish Parliament contact
Public Information on:

Telephone: 0131 348 5000

Textphone: 0800 092 7100

Email: sp.info@parliament.scot



The Scottish Parliament
Pàrlamaid na h-Alba