



Scottish Affairs Committee

Oral evidence: [The Work of the Scottish Affairs Committee](#), HC 331

Monday 14 September 2015

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Written evidence from witnesses:

- [Scottish Renewables](#)
- [Universities of Scotland](#)
- [SCVO](#)
- [Parkinson's UK](#)
- [Scottish Women's Convention](#)
- [Youth Link Scotland](#)

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Members present: Pete Wishart (Chair), Mr Dave Anderson, Kirsty Blackman, Mr Christopher Chope, Mr Jim Cunningham, Margaret Ferrier, Chris Law.

Questions [1-50]

Witnesses: **Ross Martin**, CEO, Scottish Council for Development & Industry, **Jenny Hogan**, Director of Policy, Scottish Renewables, **Alastair Sim**, Director, Universities of Scotland, and **Garry Clark**, Head of Policy and Public Affairs, Scottish Chambers of Commerce gave evidence.

Q1 Chair: Good morning and thank you very much for joining us. I know we are five minutes early but we are very keen that we maximise the time available to us this morning so, if you guys are all right, I think we will proceed. Thank you for coming along this morning. This is the first meeting of the new Scottish Affairs Committee and public evidence session outside London, and we are grateful to all of you for turning up. Thank you to all the groups that have submitted written evidence. This is a committee evidence session on the work of the Scottish Affairs Committee. We have asked representative bodies and civic Scotland to help shape our agenda as we go forward in the course of the next few years, and we have received some very interesting submissions thus far.

We are going to ask you to expand upon some of the submissions that you have given us in terms of the work that we have been doing. I will give you the flavour of some of the



things that have emerged, and you might want to come back and address some of these particular issues. The key points that have come through to us loud and clear in the evidence that we have received are the post-study work visa, how this has been impacting on business and we know it is a particular concern of the education and universities sector. Another one is the digital infrastructure, which has featured quite prominently in a number of submissions; a desire that we pick up some of the major issues just now in Scotland about the digital infrastructure. Another one is transport connectivity; about improvement of the transport infrastructure throughout Scotland. We have had a number of people writing in to us about investment in research and development, to ensure that Scotland is in a position to support academics, businesses and bodies to increase the amount and share of infrastructure funding. Another one that has come through is student entitlement to benefits.

These are the key themes that we have been hearing this morning. What we are not going to do with this session is go round the table and ask you detailed questions because we only have some 50 minutes or so. So, if you can, could you keep your responses as brief as possible, so we are able to get as much as we can from the four of you this morning? I will pass it round the four of you. You have heard the key points that have emerged in the written submissions. Could you say briefly who you are, who you represent, and the sort of themes that you feel that a body like the Scottish Affairs Committee with a role at Westminster, with our ability to reach out across civic Scotland and with colleagues in the Scottish Parliament, why we should be looking at these particular areas? We will start with you, Alastair, if that is all right.

Alastair Sim: Thank you very much, Chairman. If I could briefly refer to post-study work and also to investment in research and development and then maybe say extremely quickly just a couple of things about issues to keep an eye on beyond that.

First of all on post-study work, there is a substantial issue of unfinished business this Committee could take an interest in. When this Committee looked at the post-study work situation in 2011, when post-study work was abolished by the then Government, it noted that this was an issue whose impact the Committee wanted to keep a close eye on. Since then we have had a further stimulus for inquiry into this, given that the Smith Commission identified the reintroduction of post-study work for students from Scottish higher education institutions as something that should be looked at as part of building the new constitutional settlement after the referendum. While work has been done in Scotland to craft what a new post-study work regime might look like in a working group with multiple stakeholders, we have yet to see progress with the UK Government in seeing something implemented that could help us to retain for a period the talent of the people who are coming to Scottish universities. It is an issue that has very strong cross-party support in Scotland. It has strong support from business, trade union and student sides, and it is an issue where we can see that the UK and Scotland have lost out in terms of being to hold on to talent and attract talent. We have seen crashes in recruitment from key markets. Since 2010-11, when the change was introduced, we have seen a 60% reduction in recruitment from India, a 44% reduction in recruitment from Pakistan, a 22% reduction in recruitment from Nigeria, while our competitors in Canada over a four-year period have seen a 32% increase in recruitment of international students and the US a 22.5% increase. There is a real opportunity here. International talent—people staying here for a period after their studies—brings so much to us economically, culturally and socially.

Q2 Chair: Thank you, Alastair. I am keen not to lose this. If you could explain it to us a little bit. We had the Fresh Talent Initiative that seemed to work reasonably well for both the UK



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and Scottish Governments and the university sector. What happened in the period where Fresh Talent was a factor in terms of support for international students and where we are now? What was the process that led us to where we are? What could we possibly do to pick this up again?

Alastair Sim: The first process after Fresh Talent was a very positive process. The UK Government recognised that what had worked for Scotland was something that could work for the whole of UK in terms of making us an attractive destination for international talent. Then with the election of a new UK Government with very different political priorities and a commitment to reduce migration to the tens of thousands, that created a very different policy environment and one which has rolled back that opportunity. One of the strong arguments that we and others have been making is that students should not be part of that net migration target. They come here, they study, they may stay on for a while to contribute after that, but they are people who come here and go home. The policy positions that have been affected by counting them into that total in our view have been poorly evidenced.

Chair: Thank you for that. Does anybody have any questions before we move on? Yes please, Jim.

Mr Cunningham: Just to say about the same problem: you are quite right in what you said earlier that it is UK-wide, this problem, with students, the student visas as well. Without digressing too much, you are getting the same problem in the national health service now, where nurses have served a long period of time and find that they have to go back home.

Q3 Chris Law: I was not aware that Scotland had done so much work to progress the Smith Commission about how to see postgraduate study visas go forward, but a couple of questions came to me. What specialist areas are now lacking, industry-wide? What particular areas of industry are now suffering as a result of the changes in policy?

Alastair Sim: There is a more detailed response to that in the report that has been developed on post-study work by the working group that is dealing with these proposals, but if I just give a brief idea in summary: certainly, employers in engineering, ICT and life sciences are saying that there is a problem just getting the amount of talent that is going to drive these industries forward in Scotland.

Q4 Margaret Ferrier: Is it the same in the nursing profession? Would you say it has had an impact on attracting nursing staff and doctors?

Alastair Sim: I am not going to be able to give you a quantified answer on that. In Scotland, we are very keen to make sure that we are training medical professionals and those in professions allied to medicine. That has been a strong element of our contribution, but I could not give you numbers on that just now.

Q5 Chair: Ross, please tell us who you represent and your response to some of the issues that have emerged and what we should be looking at as a Committee.



Ross Martin: Thank you very much, Chair. Ross Martin from the Scottish Council for Development and Industry, which I am sure you all know huge amounts about, but if you don't you can find our details on our website.

Perhaps I could start by passing on a comment from a member of the public. On my way in this morning, sitting on the train just talking about, "What are you doing today?" "Oh, I'm going to the Scottish Affairs Committee." "Oh, that will be at Holyrood then?" "No, it's in a church in George IV Bridge". So there is a public perception there about the togetherness of the two Parliaments, and I think you could make a big symbolic gesture by meeting down the road. This is a lovely surrounding and the values enshrined in this place certainly meet the values the Committee would like to project, but I think there is a symbolic point there and it is an issue that a number of our members comment on, in terms of that creation of a common platform, because there is common cause between both Parliaments and both Governments in terms of the primary economic purpose, which is driving sustainable economic growth. That is the point I would like to pick up on and wrap up some of those issues that you mentioned, Chair.

We are in the process of renewing our national economic blueprint, which we will publish later on this month; it might tip into next month but hopefully it will be later on this month. It looks at those big structural issues: the big structural challenges of the economy; productivity, where our performance is 20% to 30% below OECD competitors; innovation, the R&D point, which has been mentioned, and internationalisation, the post-study work visa point in particular—obviously that feeds into innovation and productivity as well. All that is underpinned by the need for low-carbon digital infrastructure, which picks up on both the digital and transport connectivity points. I am going to make one suggestion about the area of potential study and, on the back of that, the issue about finding common cause and common platform. It is on that issue of connectivity. Not only do we have big connectivity issues within Scotland—any rational assessment of the intercity rail network, for example, would find it truly wanting; the Victorians travelled more quickly from Glasgow to Aberdeen than we currently do—and the intercity service is the same as the urban transit service; it is the same as the commuter service; it is the same as the tourist service. There is no differentiation in our rail network. That is an issue that is beginning to be dealt with through the latest franchise in that process. That also links directly into cross-border connectivity, and therein lies an opportunity for both UK Parliament and Scottish Parliament to do some work together to bring forward and speed up the implementation of much better connectivity north and south across the border. I think that is probably the principal area that SCDI and our membership would be concerned about.

Q6 Kirsty Blackman: On the cross-border matter while you mention it, have you had a look much at the City Deals that are coming through and the way in which they are working? From what you are saying I wondered if the City Deals could be a starting point for that.

Ross Martin: SCDI are involved in most of the emerging City Deals and other mechanisms that are being brought forward—for example, in Ayrshire, bringing the three Ayrshire authorities, the college, and the university, together to bring forward an economic-boost plan, which may not be a City Deal, but it will use some of those characteristics. A common thread is that issue about connectivity and how do you ground both cross-border connectivity with intercity connectivity and mass urban transit systems at the same time? If you look at the Aberdeen City Deal then right at the centre of that £2.9 billion proposal is a



mass urban transit system. That would then link with a much better intercity connectivity and then into cross-border connectivity as well.

Q7 Chair: Thanks for that. I think it was helpful to remind us that part of the brief that we have for this particular inquiry is to look at how we could better improve relationships across the Parliaments, in order to work together as Committees of the Westminster Parliament and the Scottish Parliament, and also to remind you all that of course our primary task is to scrutinise the operation of the Scotland Office. One of the things that we want to come back to when we look at some of these things is: what more should the Scotland Office be doing, in terms of picking up these things, with its pivotal role within Whitehall and its resource that we have within UK Government? But Jenny, please, perhaps you want to pick up some of the points we have had in written submissions and what you think we should be doing.

Jenny Hogan: First of all, thanks very much for the invitation to come along today. I am here on behalf of Scottish Renewables, which, if you are not aware, is the representative body for renewable energy in Scotland, representing about 320 members of renewables technologies.

The main thing I want to highlight today, which we put in our submission, was to ask the Committee to give full consideration to holding an inquiry into the recent UK Government announcements on renewable energy and what we see as their disproportionate impact on Scotland. It is not one of the points that you specifically raised and I might come on to investment in R&D specifically later on, but this is our fundamental issue right now. I am sure you will aware that Amber Rudd, the Secretary of State for Energy and Climate Change, announced in June plans to close the Renewables Obligations support mechanism for onshore wind projects one year early, so in April next year, instead of in 2017. She subsequently expressed a willingness to close off support to the onshore wind sector, to bar that technology from accessing the replacement regime in the Contracts for Difference mechanism, which in itself is not a subsidy regime; it is simply a revenue stabilisation framework. There is currently a risk that onshore wind and perhaps even solar will not get access to that at all in the future.

Then a month later, in July, Lord Bourne announced further changes to the Renewables Obligation affecting both biomass and solar and also changes to the Feed-in Tariff scheme for smaller-scale renewables technologies. Clearly, these cuts are going much wider than just onshore wind and indeed affecting communities, small businesses and farmers and much wider. That announcement in July also announced the delay to the Contracts for Difference round and the Government is going to be announcing the future of that mechanism in the autumn; so we wait to hear what that is going say. Indeed, that delay is going much further. It is going to affect the whole renewables sector, but, in particular, I think it is worth highlighting that it will jeopardise the success of the offshore wind sector in Scotland. We currently have two large offshore wind projects that have received planning consent in Scotland but were unsuccessful in the last Contracts for Difference round. They are now facing enormous uncertainty until the Government clarifies the timing and funding for the next Contracts for Difference round.

The reason this is so important for Scotland is that we have around 70% of onshore wind projects currently in the UK-wide planning systems that are sited in Scotland and, as well as that, the vast majority of small-scale hydro projects, which are affected by cuts to the Feed-in Tariff. So of course the Scottish renewables industry is deeply concerned that the



UK Government's recent announcements will have a disproportionate impact here, both in jobs and investment, as well as of course our abilities to meet our climate change targets.

Our recent analysis has shown that the Renewables Obligation cut to onshore wind alone could cost Scotland up to £3 billion of lost investment. That is related to the loss of around 2 gigawatts of renewables projects, onshore wind projects, which could be supplying up to 1.2 million homes with electricity. Also it is going to be putting at risk the 5,400 jobs that are reliant on the onshore wind sector in Scotland. That is just for that one announcement, the onshore wind Renewables Obligation, but with all of these other cuts of course those economic impacts could be much wider. In fact, last week, the UK Government announced its impact assessment. That showed that, again, just the onshore-wind cuts for the Renewables Obligation would mean that instead we would be emitting up to 63 million tonnes of carbon dioxide, which we would save if we just carried on business as usual, and all of this for the benefit of around 30 pence on the average annual electricity bill—30 pence. So, as you can see, we are concerned about whether there is really a good reason for doing this, given the huge economic benefit.

Chair: Thank you, Jenny.

Q8 Mr Anderson: I share your analysis, but clearly the Government does not, so I wonder if you can help me, and I am going to be Devil's advocate here. When utilities were privatised in this country, one of the big arguments was we will transfer the risk from the public sector to the private sector. In their wisdom, the Government have now taken the view that, effectively, the system is strong enough to stand on its own. Where are they wrong in that assessment? Quite clearly, they are saying that, as far as they are concerned, the industry is overloaded; it is secure; they are going to make the emissions targets. I am not agreeing with them by any means, but I am trying to get round my head exactly why should they think that. You think the opposite. In response, can you tell me, if you can, while there is quite a lot of work being done on tidal sources of power has that been impacted by this or will it be impacted if it is not developed further?

Jenny Hogan: So, is the industry safe and secure? I think the short answer is no. The reason that we believe that is because of the way in which this has been done. We have had very many projects and, as you have heard, millions, even billions of pounds of investment that have been put into these projects to meet this Renewables Obligation scheme and to completely take the support scheme away so quickly is avoiding the chance for the industry to continue on its trajectory of reducing costs, which it is doing. The Committee on Climate Change recently reported—and even Policy Exchange, the think tank, reported a couple of weeks ago—that onshore wind specifically is likely to be regarded as subsidy-free by 2020. That is assuming it can follow this properly managed trajectory downwards and reduce that support in a managed way, but this is really just pulling the rug from under the industry's feet. I can tell you that on a regular basis our members and other companies are telling us that they are having to make redundancies; some are even at risk of shutting up shop altogether. So this is a big concern because of the way it has been managed rather than a managed process to allow the industry to reduce costs.

Chair: I think it would be fair to say that, in the written evidence that we have received, it has not just been the representative bodies of the renewables industry that are



raising their concerns about this. This has featured quite a lot and this is why we are keen to hear from you this morning. We have got a question from Chris Law.

Jenny Hogan: He asked about tidal. I don't know if you want me to come back on that.

Chair: Yes, please. Make the response on tidal.

Jenny Hogan: This touches on the R&D element as well, but certainly the whole renewables industry is affected by this because if you scare off investment in one part of it, you scare off investment across the board. We have published a report this morning that shows that lenders have now been shown to be reducing their interest in the sector; they are pulling back interest, and they are also showing that the cost of capital is going up as a result of these announcements and that is going to have a wider effect. But absolutely, wave, tidal, and heat sectors—I have not had a chance to touch on that yet—all of these newer technologies that are coming through rely on a bedrock of investment in the more mature technologies because most of these are the same companies that are investing in them all.

Q9 Chris Law: Thank you, Jenny. It is quite breathtaking, some of the figures you have given, and particularly the 30 pence per bill per annum.

The question I want to ask you: you have put down that 5,400 jobs will be lost directly. Do you have an indirect figure as well?

Jenny Hogan: To clarify that, the 5,400 jobs is the number of people that are directly involved in onshore wind in Scotland at the moment. We don't know exactly how many of those may be lost, but any risk is of concern. I don't have an indirect figure. These are based on the UK Government's own analysis from BIS, which came out earlier this year, so I can refer you to that. I am not sure if it has indirect figures but I will check.

Chair: Thank you.

Ross Martin: Mr Anderson's point on post-privatisation and how the system is working raises two wider issues, one following on from Jenny about the discontinuity of policy. One of the things that our members rail at most is when Government policy is changed so quickly without any warning. You would think, and hope, that Government would learn the lessons of past mistakes. So the tax grab on the UK Continental Shelf, for example, in 2010-11 and the discontinuity and trouble that that brought to the industry at the time was a big enough signal, you would have hoped, for future Chancellors to bear in mind.

The second issue is on the role of regulators and the relationship between the regulator and the regulated. There does not seem to have been enough work done in the post-privatisation period to look at regulators, whether they are UK regulators or whether they are working in the devolved area, and that is something that we as an organisation are beginning to look at ourselves.

Q10 Mr Cunningham: Very quickly, are you satisfied the Government has met its targets?

Jenny Hogan: For renewable energy, they are saying that they think they will be on track to meet their 2020 targets. Of course that remains to be seen in terms of what projects manage to deliver and that is still very unclear at the moment. I think a lot of the issue here



as well is further into the longer term—whether they will be able to allow this industry to continue—but also more widely, not just in renewable electricity, but we have renewable heat and renewable transport fuels that we are trying to meet the same 2020 targets for. If we effectively go ahead with these cuts, there is going to be a much bigger job for the heat and transport sectors to do and we are at a very low base for those. It is going to be extremely difficult to do that. So that puts a big question mark on whether the targets are met.

Q11 Chair: Thank you, Jenny. Before we go to Garry, there are a couple of things. The Renewables Obligation has emerged as a key issue in the written submissions that we have received. I know colleagues on the Energy and Climate Change Committee want an early look at this, too, and I presume that you will supply them with evidence as they call for it.

Secondly—again it is a point that I am going to reiterate to all the people here—if there are no specific things that this Committee can do, what we have an obligation to do is to make sure this is reported to the Secretary of State and the Scotland Office. That would be the expectation. I know the Secretary of State pays very keen interest to the work and the evidence sessions of this Committee. We have the Secretary of State in front of this Committee in a few weeks' time. Given what we are hearing about some of these issues, it is something that we would want to put to the Secretary of State. Again, this is something that we are encouraging people to write directly to the Scotland Office about and raise this with the Secretary of State as a key issue, and certainly that will be communicated to the Scotland Office from this Committee this morning.

Do you want to come back, Jenny?

Jenny Hogan: Yes, very briefly, to say that, although we are asking for an inquiry into these cuts and also the impact on Scotland, one thing that it would be good to ask the Secretary of State directly is: how does the UK Government intend to meet its climate change and renewables targets given all these cuts and, of course, how do we expect to show leadership in the Paris climate talks later this year?

Chair: Fantastic. Thank you for that. Garry, you know how it works now, so over to you, and thank you for coming in at short notice. We are very grateful that the Scottish Chambers of Commerce are here to join us.

Garry Clark: Thank you very much, Chair. It is certainly something—although we have come into this at the last minute, as you have mentioned—that we have been busy with over the past few weeks. I think many of you were at the reception we had down at Westminster this time last week. We also had meetings with the Secretary of State while we were down and some of our colleagues within the Scottish National Party group, and we also met with the Chief Secretary to the Treasury the week before that. So a lot of the issues that we have touched upon already this morning are areas that we have certainly covered in some detail with each of those groups.

To focus on some of the other areas, and you mentioned the question of digital connectivity earlier. That is clearly a very important one for our members, particularly when you look at even 3G maps of the UK; large areas of Scotland continue to be almost absent from those maps. When that is put to politicians—as it was over the past few weeks—sometimes the answer you get is, “Well, not very many people live in those areas, so why should we cover it with 3G?” Well, the answer is: because those are the areas of



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our country that are very popular with tourists and tourists expect to be able to receive digital communications wherever they happen to be, whether it is in Scotland or anywhere else in the world. If we are to be on top of the game, we need to be as open and accessible as possible to tourists from around the world. That means we need excellent communications and digital communications especially in our most rural areas. It is important to anchor jobs in those areas; it is important to attract visitors to our country in those areas and we will certainly continue to argue the case there.

In terms of other areas where we would like to see this Committee focus some attention, obviously areas where there is either a reserved responsibility in terms of Westminster's responsibilities or a shared responsibility. One area there is improving the ability of Scotland's businesses to trade internationally. We have certainly seen a lot of work being done over the past few years in that regard: the Wilson review; the Cole commission, this year. I think all of those pieces of work have very strong lessons for Governments north and south of the border, in terms of how Government can best support business to create those business links. Cole was very strong in terms of business-to-business support and I think that is something we would especially value. Government has a role to play, particularly in reaching out and expanding the reach of the UK and Scotland throughout the world. Being able to support businesses to help themselves is absolutely crucial to us.

Chambers of Commerce last year, I think we processed in excess of 80,000 export certificates for businesses here in Scotland. That is a good start. We want to be doing more and we want more Scottish businesses to be trading internationally. I think it is important that Governments do not just look at the volume of trade, in terms of the value of trade going overseas, but look at the number of businesses that are exporting. We certainly believe at the moment that Scotland is punching a bit below its weight in terms of exporters. We would like to see that improve and there is a crucial role for both Governments to play; UKTI and SDI in terms of taking that forward.

Q12 Chair: One piece of very good news today is that the Scottish economy continues to almost outperform the rest of the UK, certainly outwith London and the South East. We have one of the most dynamic nation areas in the whole of the UK. When you look around and see the mix of devolved and reserved responsibilities, is there anything further, given that we are a Westminster Committee, that the Westminster Government could assist to try to ensure that we continue with this record that we have now?

Garry Clark: I think you are absolutely right. I think Scotland has performed exceptionally well over the past few years. Looking at our own research this year in terms of our Quarterly Economic Indicator, it is a very positive result for the first two quarters of the year. Looking at the report this morning, there does seem to be some concern over exports, in particular in the third quarter, which got off to a very good start at the beginning of the year but may have scaled back slightly there. That is one of the reasons we need to ensure that Scottish businesses have access to all of the support available. Obviously, UKTI provide a huge amount of support to businesses across the UK. If you ask Scottish businesses, "What help do you get? What access do you have with UKTI?" the answer will often come back, "None at all." Either they do not take advantage of it or they are not aware of its role in Scotland or even that they are aware of taking advantage of UKTI services that are being provided by SDI.



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Q13 Mr Anderson: Garry, I would like to ask you about some of the recent changes in the Budget, particularly the creation of what the Government is calling the new living wage. It will clearly have an impact on your members, but the Government is arguing the new living wage and changes in personal tax levels will help your employees to be better off. But UK figures would suggest that something over 3 million workers and 3.5 million children in families could be anything from £1,000 to £3,000 a year worse off when the tax credit system goes down. Have you discussed that in a Scottish context? What it will mean for you as businesses trying to find the money? I have no argument with the living wage, which is going up, but the combined impact on you and your workforce: is there any concern—you will find it hard to recruit people; you will find it hard to retain people—about the general impact on the economy as well?

Garry Clark: In terms of the living wage, we did do some research with our members over the course of the summer, mainly in regard to the Living Wage Foundation's definition of the living wage, rather than the new national living wage, which the Chancellor introduced in the summer Budget. The response we got there was quite interesting because Scotland is a part of the UK where very many people already are above the Living Wage Foundation's living wage. I think about 89% of employees in Scotland are currently above that level. So for the vast majority of businesses, we found that increasing the living wage may not be that difficult a policy for them to deal with.

That said, there are very localised difficulties that that creates in specific sectors. When we were doing the research, we found that businesses in the hospitality sector, tourism, the retail sector and the care sector were the three main areas where difficulties would be encountered with any change towards a living wage. I think Government have to look very closely at how those sectors are supported. Clearly, the tourism sector and retail sector are very large employers in Scotland, and looking at the care sector, I think there are potentially issues there in terms of the contracts that some of those businesses are fulfilling, and they need to be of a level that will support those employers to pay the living wage. The difficulty is that, if employers need to pay the higher living wage, then some of those employers in those sectors will have to make changes to pricing structures or to staffing structures in order to allow that to happen.

Q14 Mr Anderson: You mention the support, but the opposite is going to happen the way I am reading it. People are going to be expected to pay more money. At the same time they are going to lose the support from the Government that enables them to sustain work at a level that households can travel to work, buy their house and so on. Surely, it is a vicious circle. If that is withdrawn, it is going to be even harder for the people you employ to keep on working.

Garry Clark: That is a very fair point. I think the Government's strategy in introducing the national living wage and the changes to the tax credit system are clearly intended to shift some of the burden away from the state and on to the employer. We would have some questions as to whether this is the right time to make that substantial level of transition of burden. In terms of the tax credit system in particular, if there is a negative effect on the disposable incomes of people, then we have to look at the fact that currently in the Scottish economy, and in the UK economy more widely, consumption is still one of the key drivers of economic growth. Investment is picking up but one of the key drivers this year has been consumption. If people have less disposable income then obviously we would question the ability of that consumption to continue to grow the economy.



Q15 Chair: Thank you for that point. We only have about 10 minutes left. We are keen to get through as many questions as possible, so before we come to Alastair and Ross, I know Christopher Chope has a question and maybe Chris, and if you can pick that up.

Q16 Mr Chope: Thank you. One of the issues we are looking at in this inquiry is on what issues should the Committee engage with organisations across the United Kingdom. I wonder whether you would agree that one of those issues should be how best to promote and strengthen the Union. I wonder whether you could also comment on the potential adverse impact on investment in Scotland, as a result of renewed doubts raised over the weekend about a future referendum and, again, consternation about the constitutional future of Scotland and the impact of all that on jobs and the Scottish economy.

Chair: That is an easy question for you, Garry, maybe, and Ross. We will come to Ross on that one, too, possibly.

Garry Clark: Certainly, we are conscious of potential changes to any part of the UK's or Scotland's constitutional structure. We have already gone through an independence referendum just under a year ago. That was a long drawn-out process for the business community in Scotland, and we expressed our views on the issues surrounding that debate. We are also facing a referendum on our continued membership of the European Union and we are about to publish some research on that, as we did with the independence referendum last year, exploring some business views on that. Clearly, business does not like uncertainty. We all know that. We have been faced with a great deal of it recently, whether it has been the independence referendum last year or the general election this year, the Scottish elections next year and the European referendum either next year or the following year. It is a function of how we have operated over the past few years. I think we want to ensure that we have as much stability as possible to get on and do the job of growing the economy, but we are faced with questions that the nation has to answer and we are right in the middle of that process at the moment.

Q17 Chris Law: I want to come back to skills in Scotland. Are there areas of skill shortages and in which sectors? Also, has there been a negative impact on those skills with recent immigration policies?

Garry Clark: Yes. We are certainly picking up skill shortages. As the economy grows then so, too, there are the skill shortages that emerge from that. Certainly, towards the beginning of the year we were beginning to pick up skills shortages in the construction sector, which has grown very strongly in the course of the last couple of years. That growth has levelled out a bit in the middle part of this year, but we are still looking for evidence to measure that.

One of the areas that came up earlier was the question of digital. The digital skills that we need for the future in Scotland we cannot possibly satisfy from the domestic education or labour pool. We will need to look elsewhere for at least a proportion of those skills. The question of the post-study work visa has emerged earlier. We would be 100% behind something that would reintroduce that level of flexibility, not just because we have a world-class education system that needs students from all over the world to come here to study but also for our economy to be able to recruit from that labour pool. Even if those people do not choose to remain here and choose to go elsewhere in the world, if they have



been to Scotland, been educated in Scotland, have worked in Scotland, have developed connectivity in Scotland, we want them to take that with them across the globe.

Q18 Chair: Thank you. I know Alastair and Ross want to come back in. Can I ask you gentlemen to be as brief as possible because I know we have a few last questions before we wind this session up at 10.20 am? Alastair, over to you.

Alastair Sim: Very briefly, and essentially in response to Garry Clark's points: one of the points we are making is that if you want to be an innovative, export-focused economy, you need to be developing your business research and development, which is why we have argued that we need to be looking at devolved tax incentives for research and development. We are really sporadic on that in Scotland in the private sector compared to where we are in the higher education sector. It is part of building an intelligent regionalism that, if you have differential economic performance in different parts of the United Kingdom, you can tailor your devolved solutions as you do in the USA or Canada to adapt to that.

Ross Martin: We would certainly agree with that last point as well.

On your point, Chair, about the growing relative strength of the Scottish economy and what can be done to further strengthen that, then that issue that Garry was talking about earlier about the relationship between UKTI and SDI and how they can work much better together, if I can use that phrase—

Q19 Chair: So we do not lose that one—again, this is a feature that has come up in written evidence, the relationship between the UKTI and SDI—is there anything that you can see this Committee doing to try to improve that relationship and maybe do a bit more, like working together?

Ross Martin: Both the Wilson review and Murdo Fraser's review in Holyrood looked at that issue in detail and will provide some ways and suggestions about how that can be taken forward, rather than me taking up more of the Committee's time. That is a good example across the Union of both Parliaments and organisations working together.

On the politics point of political discontinuity feeding through to policy discontinuity, as Garry said, the discontinuity point is the important one, and throughout all of our engagement with our members in drawing up the economic blueprint exercise over the summer, the single point that gained unanimous support is concern over continued membership of the EU.

Chair: Thank you for that. We have a couple of last questions, and anybody just pick them up. I have Jim Cunningham, so Jim.

Q20 Mr Cunningham: Very quickly: what is your view on the apprenticeship levy and what impact would that make on your businesses?

Garry Clark: Yes, we would love to hear more about it. It was clearly announced in the Budget. It clearly intends to apply to large businesses wherever they are in the UK, but there is no clarity as to how the money raised through that levy would be spent in Scotland. I think that raises some very difficult issues. It is one of those areas where, if we want to see the UK Government and the Scottish Government work closely together, we would



love to see those conversations take place before something like that or the roads fund is announced. At the moment, we have a tax that will tax Scottish businesses—or in the case of the roads fund, it will tax everyone who owns a vehicle and runs it on the road—and the benefits that have been defined are benefits to England. Clearly, there will be consequential funding for Scotland, but it would be nice to have that worked out in advance. I think in an ideal we would be able to say, “Here is a new tax. Here is what it will pay for in England; here is what it will pay for in Scotland,” but the Governments need to work together, both of them, in order to allow us to do that.

Chair: Thank you for that. This has to be the last question. Kirsty Blackman

Q21 Kirsty Blackman: Specifically on that: in the absence of clarity and in the absence of current meaningful engagement with the stakeholders, would it be helpful for this Committee to take evidence on the apprenticeship levy and to put suggestions to the Government from Scottish business?

Garry Clark: Potentially. We are not totally in a vacuum. We are meeting with both the UK Government and the Scottish Government in the coming weeks over this issue, and obviously we will find out more in the Spending Review and there is a relatively short period of time there. But I think that influence over the kind of working that will allow businesses to see an announcement and see how it will apply across the UK, that kind of influence in terms of joint Government working is a role that the Scottish Affairs Committee can potentially have in terms of improving the way Government works for us.

Chair: Great. Thank you. I cannot believe it; we have managed to get through most of the questions that we wanted to ask you. We have had some fantastic responses. I am very grateful for the way that you answered the question and we managed to get through as much business as we did. We are going to take all this forward, as you know. We are really keen that we get the views of civic Scotland about the type of issues that this Committee should be looking at. We have fantastic written evidence; your oral evidence will help us shape up the type of priorities that we want to look at. If there is anything further you have in response to some of the questions you might have heard—and please have a look at the written evidence that is published on the Scottish Affairs Committee website—or if there is anything further that you observe, get in touch with us once again and we will be really keen to take this up.

I think I have met a few of you personally as Chair of the Committee. I know that some of my colleagues are also keen to have a conversation with some of the organisations, and I know there have been kind offers to meet up with members of the Committee on an individual basis. I know that some of my colleagues around the table here may take up that offer and you may be getting phone calls to have further conversations, but, for this session, thank you ever so much and we will certainly be in touch. Please, anything further you see just send it into the Committee. Thank you.

Examination of Witnesses

Witnesses: **Ruchir Shah**, Policy Manager, Scottish Council for Voluntary Organisations, **Keith Dryburgh**, Policy Manager, Citizens Advice Scotland, **Sarah Beattie-Smith**,



Consumer Futures Scotland Manager, Citizens Advice Scotland, and **Stephen Boyd**, Assistant Secretary, Scottish Trade Union Council, gave evidence.

Q22 Chair: Good morning. Thank you ever so much for coming along to the Scottish Affairs Committee. As I said to the previous panel, this is the first evidence session of the new Scottish Affairs Committee outside of London. We are very keen to have as many meetings of this Committee as possible in Scotland. We have been asking civic Scotland and some of their representative bodies the type of issues that we should be looking at as a Committee, so that we could put together our priorities and agenda as we go forward. We have received some fantastic written evidence and I know that most people in front of me have given evidence to the Committee.

There are key points that have emerged and we would like you to touch on the things that we are starting to see as the key issues for us to go forward. I will go around the table and maybe you can look at these things and how it refers to your particular organisation or body. The things that have come out as key themes is in-work poverty, digital access and welfare, rurality—which I always manage to pronounce wrongly—insecure employment and, of course, the devolution of wealth. These are the ones that have emerged as some of the key features in the evidence that we have had.

We will come around to you one by one. We started at the right last time, so we will start at the left with you, Stephen. I know that we are seeing Graham later this afternoon in the House of Commons. This is a big day for you with the Trade Union Bill in front of the House of Commons. I know all of my colleagues are looking forward to getting down there and some of us are looking to participate in the debate. You have heard the themes that have emerged. What are the things that we should be looking at as a Committee?

Stephen Boyd: I think we would be very sympathetic to all the themes you ran off there. A couple of them, certainly insecure or precarious employment, are clearly a major concern to us at this moment in time, and that is reflected in our written submission; in-work poverty, which is very much related. It almost impossible to disentangle the two issues, but it is clearly a very important issue.

If I can maybe go slightly off at a tangent to start with because I think, with all of these issues, any effective remedial action is to an extent relying on being able to properly identify the issue and the nature of the problem. I think there is a barrier to doing this and that is the quality of economic and labour market statistics that are available to us at a Scottish level. If we take the labour market statistics as an example, the UK compares very unfavourably to other countries. Last month, the United States announced its labour market stats for July, by 6 August. A couple of weeks after that, the UK then gave average statistics between May and June, and what applies at UK level is doubly true at Scottish level because we do not a smaller set of the UK statistics; we get a partial and incomplete set of those statistics.

If we are very serious about issues, such as precarious employment, we have to properly understand the trends in order to identify effective remedial action. If you look at a key issue, such as zero-hours employment, we had the new statistics—was it last week or the week before last?—a big margin for error around this. There is a huge disparity between the survey that speaks to the employees and that which speaks to the employers. We know things are getting worse and have got worse over a certain period of time, but we are not sure of the figure. The big rise we have seen over the last few years is attributable to people just understanding the nature of the employment contract they are on and that which is attributable



to just a higher prevalence of these. So I think what is true for labour market statistics is also true in other areas: certainly, household income and wealth—the wealth survey is very poor quality—and export statistics. One thing the Committee could think about as well is whether or not the Scottish Government should have the power to compel companies to provide the data that will allow us to generate useable figures on things like capital stock in Scotland and export data, which we do not have at this moment in time.

Sorry, for going off on somewhat of a tangent, but I think the statistical background for some of the wider issues that we are discussing here is very important as it is currently of fairly poor quality in Scotland.

Q23 Chair: We will come to Sarah in a minute. There are a couple of issues still in front of this Committee and we have had a conversation with colleagues in STUC. In the last Committee, for example, we looked at issues to do with zero-hours contracts and the blacklisting—how can I forget that?—and we are still awaiting response to the many recommendations that were put to the Government on that. I know we are keen to look and further explore with the STUC how we can take this up, maybe ranging it with some of the other issues that you have raised there, Stephen. But I know that in-work employment particularly and some of the issues with blacklisting and the zero-hours contract continue to interest this Committee, and we are awaiting the response from Government on the reports that were provided in the last session. Sarah.

Sarah Beattie-Smith: Thank you, Chair. I should maybe start by saying thank you for having us and you are lucky enough today to have two of us here from Citizens Advice Scotland. We are going to split up what we say to you. You mentioned in-work poverty, digital access, rurality and things around welfare. My colleague Keith Dryburgh is going to cover off issues around social security and employment. I will maybe outline some of our concerns around rural consumers.

Today, we are launching our report, *Remotely Excluded*, which I am sure will give you some useful statistics on the kinds of issues that we are seeing from the CAB service right across Scotland, affecting people living in rural areas. Rural Scotland accounts for about 98% of the land mass but around about 20% of the population. I suspect that some of the things that we will say to you today will not come as much of a surprise, particularly to those of you living in rural areas, but there are certain issues which affect people in rural Scotland much more so than in the rest of the country—and I think more so than in the rest of the UK as well—that we think will be of interest to the Committee.

For example, we know that household budgets in rural areas have to be between 10% and 40% higher than for those people living in urban areas just to get the same quality of life: issues around broadband—we have heard about digital connectivity—landlines, poor public transport, the cost of fuel, importantly the cost of energy, housing shortages, bank closures, online shopping and delivery. All of these sorts of issues are hugely problematic in rural Scotland, and we are of the view that the Scottish Affairs Committee is really well placed to have a convening role in exploring some of those issues and finding ways for both Governments to find solutions for consumers in Scotland.

I could maybe give you a couple of examples there. On energy, for example, we know that in Scotland around 40% of all households are in fuel poverty. That means they have to spend 10% or more of their income on keeping their homes warm. In rural Scotland,



particularly if you look at the Highlands, that figure rises to 50%, and for pensioners in the Highland Council area, 69% are in fuel poverty. That is a pretty astonishing figure, I think you will agree. Some 61% of people in the Highlands are off the gas grid and that is compared with 15% in the rest of Scotland. Being off grid also means that the cost of your energy can be significantly higher; by some estimates, double the cost. We have also found that for consumers that are off grid and dependent on things like oil or coal for heating, there are significant upfront costs involved that can push people even further into poverty. I think we would back the evidence that Scottish Renewables was giving you earlier around the mix of energy being problematic, and certainly Government policy at the moment is not being particularly helpful in this. We have also found on things like food, consumers that live in island communities in Scotland are paying about 50% more for their food.

Also, it is not just the north of Scotland and the island communities, but in Dumfries and Galloway. For example, our Citizens Advice service there looked at the cost of an average basket of shopping and found that in a community, like Annan, a basket of shopping was about £9.95, compared with up the road in Sanquhar, where it was nearly £21—so almost double the cost just for being slightly more rural. In housing, we know there is about a 17% mark-up on rural housing. It is more expensive to live in rural areas. That translates at about a £26,000 premium for people living in rural areas.

This Committee has looked at fuel in the past as well, particularly around the cost of filling a car. That is around an extra £3.36 per fill up. Also, on delivery charges, you might have seen our report last week, we looked at the cost of online shopping and the surcharges that people in the highlands and islands of Scotland are incurring when they shop online for delivery charges that have gone up by 10% in the last three years, while standard charges have actually gone down in real terms.

Finally, I want to draw your attention to banking. Access to banking is obviously important for all of us, but particularly for people in rural areas. We have seen bank closures ramping up quite a lot in the last few months, despite agreements with the British Banking Association. That is really concerning, particularly when you look at the fact that half of customers use their bank on a monthly basis. In rural communities, that impact is going to be felt much more severely. I think it is pretty clear that there is an issue for rural consumers in particular. I think this Committee is well placed to look at working with both the Scottish Government and the UK Government, holding them both to account and getting a better deal for rural consumers.

Q24 Chair: Thank you for that. Just before we move on to you, Keith, for the last Committee, the Borderlands report that we did—I think you are all very much aware of it, and again, this is sitting with Government and we are waiting on a response to the recommendations—touched on a number of the issues that you raised there. Once that comes back, I am sure you will have a look at that and, if there are things that we need to pick up further, get back to us again on that one. Keith, over to you.

Keith Dryburgh: Thank you, Chairman. First of all, I would like to talk about in-work poverty and insecure employment, which I think go hand in hand. We find those in low pay are much more likely to experience poor terms and conditions and practices from their employers. I would like to start with a case—it is not an exceptional case; I use it because it isn't exceptional at all—that came in last week of a client who was suffering severe financial hardship. She works 26 hours per week and asked for additional hours but



nothing is available. The client's monthly rent is 65% of her monthly income and she has to borrow from her friends and family every month just to get by. She has to shower at family members' houses; she has to cut back in heating and food. They performed a benefit check to maximise the client's income, but there was no entitlement to any other benefits. This is not an exceptional case; it is the kind of case that comes into the Citizens Advice Bureau every week, and the kind of people that we would like the Scottish Affairs Committee to be looking to help.

The key statistic in this is that around 50% of those in poverty have at least one adult in the household who does work, and so what we are seeing is it is no longer the case that secure and paid employment is by itself a route out of poverty. The changes to tax credits will only make this worse. I think the statistics are 200,000 families in Scotland will be affected by tax credit changes. I know that the national living wage will benefit some, but there is the report out last week that that is only going to cover about 26% of the losses in tax credits. So, if anything, things are going to get worse over the next few years.

I would like to tie that in with poor employment practices. Last year, the Citizens Advice Bureau dealt with over 50,000 new employment issues. This is an 8% increase from the previous year. You would expect with an improving economy that employment issues would go down but they are going up. This is partly to do with zero-hour contracts; the rise in insecure employment. It is also to do with Employment Tribunal fees, and the number of Employment Tribunals has plummeted by 85% since fees came in. So it is very much the case that people are experiencing more problems at work but have no way of enforcing their rights.

The second area I would like to cover is welfare reform or changes to social security. To give an example, food parcels show the impact that welfare reforms are having in Scotland. Our most recent finding is that 1 in 31 clients that come to the Citizens Advice Bureau have to be referred for a food parcel. That is up from about 1 in 50 last year. The vast majority is something to do with the benefit system, whether it is being sanctioned, whether it is a delay in the benefit system or administration problems. People have nowhere to go in the benefit system. They have to go for a food parcel. So we are very interested in what the Scottish Affairs Committee can do in terms of looking at things like tax credits, things like Universal Credit, which is going to affect 700,000 households over the next few years, and also things like sanctions. We saw the Oakley review last year, but very few of the recommendations of that have been implemented, so we are interested in whether Scottish Affairs could be holding the Government to account on these issues.

Q25 Chair: Thank you. Given that the Smith Commission proposes for the Scottish Government to have responsibility over certain benefits, I think we will want to come back as to how that can link in with the work of this Committee and possibly working with the Scottish Parliament Committee on that, too. We will come back to that, but Ruchir please.

Ruchir Shah: Thank you, Chair. I work for the SCVO, which is the umbrella body for charities and voluntary organisations in Scotland. You talk about civic Scotland there; we estimate there are around 45,000 organisations across Scotland working at many different levels. I think one thing that you will find is that there is a lot of consensus in Scotland between civic Scotland, or civil society, as we like to call it, on a number of the issues that you raise, whether it is about poverty, tackling inequalities, how we approach the digital divide, how we approach energy and community energy in particular, or even support for asylum seekers, as we have seen over the last couple of weeks.



I think for me and for SCVO there is a big emphasis on where civil society approaches all these issues, how we bring people in to bring their own views and to bring their own ambitions to a lot of these agendas that you have listed. For us, this is quite a powerful Select Committee that you are chairing and it is not just the content of what you will be looking over in your programme of work over the next few years, but it is also about how and what approach you take to participation and involving people in your work, which is going to be absolutely critical.

As part of that, we have made a number of suggestions in the paper we submitted to you. We do believe in a much more open Parliament. As a Select Committee, I think you can play a role in being symbolic with the wider Westminster Parliament in becoming much more open and ensuring it becomes a much more open place. Meeting in community halls like this, or community cafes, is exactly the right kind of approach, coming to Scotland and so on. Also, of course, on the formality of interviewing witnesses, I think there are opportunities to open up a bit more to the general public in these kind of venues as well, which might bring you insights that you might not otherwise get from us.

There is also a lot more opportunity for joint work. I think this was mentioned in the previous session: joint work with the Scottish Parliament. There are a lot of areas now where there is going to be overlap, particularly with new powers coming. Between the Governments, we have the joint ministerial committees and so on. We have mechanisms there, but the mechanisms between the Parliaments are less, so I think there could be a trail-blazer approach you could take here in terms of joint-evidence sessions with the Scottish Parliament Committees. That would enrich both Parliaments, and again symbolic to the wider public in how there is joint working taking place there.

Another thing that I was quite keen to touch on is the remit. I have given evidence to the previous incarnation of the Scottish Affairs Committee, and it was made very clear to all of us that the remit was to look at issues as they affect Scotland. What is the impact on Scotland? I think there might also be an opportunity to look at it the other way around. What could be some of the Scottish approaches that could offer a way forward for other parts of the UK? The Select Committee here could offer an anchor point for that in terms of debate across the UK and with the UK Parliament, so looking at it both ways as well.

There are a lot of technical issues; we have put some of them in our paper, in terms of areas that need to be looked at and could be resolved and I believe that you could jointly commission research with the Scottish Parliament. Also there are specific areas that affect charities in particular, which I think nowhere else is it being investigated. There are areas around gift aid and further devolution, for example; areas around impact on community-based energy, on inequalities and equalities, as the work done by the sector itself in land reform and tax. The big issue for many of our members in the voluntary sector and in charities is the effect of changes to welfare, which has been highlighted by previous participants here, so I won't go into those details.

Chair: Thank you ever so much for that. We have all appreciated the submission that the SCVO gave us. Some of the issues in that are things that we definitely want to have a look at and take them forward, so thank you for that.

Q26 Margaret Ferrier: I have a number of questions for the Citizens Advice panel. The sanctions you mentioned, are sanctions real? Because we get told many, many times when we



are in Parliament that there are not that many people being sanctioned at all, so it would be quite good to see it from your point of view. I was also quite shocked to hear that people have to spend 50% more on food bills in rural areas. Consumers are being disadvantaged by the place that they live in. The Employment Tribunal as well, that is something that if you want us to take that forward—and that will tie in to today's debate in Parliament—do you feel that employees are getting less? They are more disadvantaged and they are less well off at the moment, and they will be worse by these things that are being brought in later today?

Keith Dryburgh: On the sanctions point, it is interesting you put it, “Are sanctions real?” They are very much so. In terms of numbers, at its highest between 6% and 7% of JSA claimants were being sanctioned each month, so it is hundreds of thousands of people across the UK each year. Are they real in terms of why people are getting sanctions? A lot of the time the cases we are getting are the smallest indiscretions, in terms of forgetting your appointment book, filling in a form wrong, and suddenly people are without income for weeks and months. That is the other thing that makes it real. For the people experiencing them, it is very real in terms of the drop in income; the fact that they have to go to food banks having never done so in their life. So the impact is very real. We think it is definitely an issue that needs to be addressed with urgency.

Q27 Mr Anderson: As far as I am aware, the Government is proposing £2.5 billion-worth of welfare spending to be devolved in Scotland, and it is from genuine ignorance that I am asking this question. That money was already being spent on whatever particular benefit it is, whether it is Employment Benefit, whatever. If you are still going to spend that anyway, what difference will it make whether it is coming from Westminster or from Holyrood? A specific one for Stephen, if you would. We will be discussing the Trade Union Bill later on today. Quite clearly, what I do not accept by any means is the Government assertion that there need to be changes in trade union legislation. They will argue to people like yourself, “You would say that, wouldn't you?” The justification, as far as I can see, is to prevent inconvenience, for example, to people who are affected by strikes. When teachers are on strike, the kids cannot get to school, so they have to take a day off work, or people who are affected by transport strikes. What is your response to that?

Stephen Boyd: I do not think there is any credible justification for the Trade Union Bill, and if you read the consultations that are associated with the Bill, they are an evidence-free zone. Indeed, the footnotes make it very clear that there is no evidence to support many of the propositions that are contained within those consultations. I think there is a real danger here that we are sending out a huge signal that the UK has an industrial relations problem when we really don't. I think there are problems in industrial relations, but they are of a very different nature from the ones that this Bill is designed to tackle. Around your very specific point about people being inconvenienced, well, people will always be inconvenienced by strikes. Very few people are inconvenienced by strikes in the UK because there are very few strikes. I think we are removing the fundamental right for people to take strike action. It is not the way we deal with this at all. It is a sledgehammer to crack a nut, and it is the wrong nut in the first place.

Q28 Chair: Maybe one of the guys from CAB could pick the first part of Dave's question up. I think it is just a misunderstanding, and possibly a need for clarification, between what has been devolved in terms of welfare for powers to the Scottish Government and how that works in relationship to the general welfare powers in the UK part of it. What is your



understanding of that and is there anything that this Committee could do to look at and demystify some of these particular issues?

Keith Dryburgh: Picking up the point on the spending, I suppose it is not what or how much you spend, it is how you spend it. That is the crucial for us, so I think it is very important that the Scottish Government does not just think, “Oh, it is a more generous system; it just needs to work”. You could transfer the money over and make something more efficient that works better for claimants. In terms of what is being devolved, it is mainly the disability benefits, the carer’s benefits, powers over Universal Credit, powers over the social funds. What we are encouraged by in the Scottish Government’s approach so far is that they have been very inclusive in saying, “Well, what works in Scotland works across the UK? What can we implement in Scotland?” Quite central to this is getting claimants in the centre of this, so it is a claimant-centred approach, so we are much involved in helping that. We have done a survey of over 600 claimants in Scotland to ask, “How do you want benefits to work for you? Is Universal Credit going to work in terms of applying online and in terms of budgeting?” We are holding 15 focus groups across the country on disability benefits to ask them, “How do you need support with your disability?” and we are feeding all that back to the Scottish Government, so that they know how to spend it, not just how much to spend.

Q29 Chair: Just before we lose this, I have already had conversations with the previous Convenor of the Welfare Committee in the Scottish Parliament, and we explored, possibly, I wouldn’t say a joint committee, but some sort of joint working arrangement where we could start to explore some of the devolution of welfare powers. Would that be something that you think would be of benefit, not just to the client group that CAB work with but the wider partnership involved in these issues?

Keith Dryburgh: It is very important and we were very pleased to hear that meeting was taking place. We were discussing this morning that it is very important that when powers get devolved they are not forgotten about. That is a crucial role this Committee can have, looking at the devolvement of the Scottish Government: is it working, is the intergovernmental working, is the transition working? So it is not just, “It’s Scotland’s now; let’s forget about it.” It is still a UK issue in that the ultimate responsibility is to make sure that the powers come over in a way that works for Scotland.

Q30 Mr Chope: Chairman, we have had a couple of suggestions as to what our Committee should be doing to promote and strengthen the Union of the United Kingdom. I wonder if each of the panellists would like to add to that list.

Chair: I think the question is what this Committee could do to strengthen partnership across the Union, if that is paraphrasing correctly.

Sarah Beattie-Smith: I will jump in first if no one else wants to. There are some pretty clear issues for consumers and for consumers in rural areas—which is obviously the focus of my evidence today—where the two Governments can usefully work together more effectively. We have already touched on digital access and digital infrastructure, and clearly the UK Government has responsibility for telecoms more generally, but the Scottish Government has responsibility for the rollout of broadband and for overseeing that. There is clearly an issue for consumers in rural areas not getting broadband fast enough—not getting fast enough speeds once they do get it—and clearly this Committee is



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well placed to bring those two Governments together and to hold both of them to account on what they are doing on that kind of rollout.

Another similar issue for me would be around energy. Energy policy generally is still reserved to the UK Government, but energy efficiency—which is one of the key measures for tackling fuel poverty—is devolved to the Scottish Parliament. With fuel poverty levels at 40% there is clearly something going wrong there. I would suggest, based on Scottish Government figures, that energy prices are a large part of that and there is more that could be done between both Governments trying to alleviate fuel poverty. On digital infrastructure, digital access and energy, there is definitely more that can be done to strengthen the way that both Governments work together.

Ruchir Shah: I suppose two things come to mind. It is an important question and I want to think about it a bit more, but one area is around human rights. That is an area that has come to the fore in recent weeks with the refugee crisis. We are all realising now there is a lot of shared interest in the principle of human rights across the UK but also the wider international relevance of that. That is something that I think can strengthen and bring people together. It can bring Governments together and Parliaments together if there is a shared focus on how we strengthen human rights across the UK and internationally.

There are a number of conventions and conferences coming up. There is the Sustainable Development Goals and there is the Paris climate change accord, both of which are taking place at an international level, reflected in the UK they can provide a focus for strengthening and bringing together different parts of UK Government and civil society and Parliaments and so on.

The other area I thought that is particularly worth mentioning is devolution. If there is one area that we need to look at from a UK-wide perspective it is, how do we make devolution work? How do we make it work better? Some of the approaches we have taken to devolution in recent years have been very rushed, have not been satisfactory and have not been very participative. In Scotland, we had the referendum last year, and behind the referendum there was a lot of community activity, a lot of people getting involved for the first time in bigger decisions about their lives and their communities. There is an opportunity to think differently about how we might configure devolution, how we might open it up a bit more to people, and that is certainly a UK-wide project.

Q31 Kirsty Blackman: I want to ask—specifically to the STUC—about some of the evidence that you gave. You mentioned poor employment practices in the offshore industry and in the caring sector. I wonder if you could expand a little bit about that and what specifically is it you think the Committee would be able to look at in relation to those.

Stephen Boyd: Going back to the question that Margaret asked earlier on, there has been quite a load of statistical information that is not clear and sometimes contradictory. I think the asymmetries of power within the workplace, which lead to poor employment practices and lead to inequality of incomes and so on, have been exacerbated since 2008. The trends are clear and I think these are particularly manifest in some sectors. It is certainly true and clear that the pressure on care budgets has led to all manner of cost cutting and cutting of corners. The costs tend to be borne by the individual. We have seen this around the travel to work times in particular. One of the concerns at the moment is with the Chancellor's national living wage applying to the care sector. If additional funds are not forthcoming to that sector to fund that increase then where does that leave the position of employees, and,



yes, they will be earning more money, which is good, but we wonder about the wider terms and conditions of employment; what that will mean for them.

I think there has been longstanding concerns in the offshore sector, on which I am not an expert, and I have to say I have colleagues who are far more expert on that area. Again, these have been exacerbated by the recent collapse in the oil price. Where in the past, in terms of organisational change in job design and working time and so on, there has been a decent level of management and worker co-operation on these issues, we are seeing increasingly now these changes being forced through, forced through quickly and ill-advisedly. We have seen this in the three week on, three week off scenario, where unions have some real concerns about what that means for health and safety. Again, that has been very much driven through on the back of the falling oil price.

These are both complex sectors that I am not personally involved in, and if the Committee is interested in these, then I would certainly be happy to put you in touch with the genuine experts and their affiliates.

Chair: Thank you for that.

Q32 Chris Law: I was looking at some of the numbers with regards to the Trussell Trust and there has been a fortyfold increase in the use of food banks in as little as six years. One thing that has jumped out at me is the key factor, which I thought was going to be benefit changes; it is actually benefit delays. I wonder if the panel could answer two questions. The first one is: do you see the changes for Universal Credit getting rolled out in Scotland complicating that further and, therefore, exacerbating the situation? The second question is: how do the voluntary sector groups organise themselves in coping with the rapid increase in people finding themselves making use of food banks and in terrible poverty?

Ruchir Shah: We carried out research last year, which I am happy to share with the Committee, looking at the impact on voluntary organisations working on the frontline when it comes to welfare demand. As you would appreciate, the demand that has been created as a result of welfare changes—everybody would agree with this—not just food banks but to a whole range of organisations, from advice organisations through to parent support organisations, children support organisations, disability and so on, has been massive. A lot of that has fallen to voluntary organisations on the frontline.

We carried out research last year that looked at this issue and we did find there were lots of muddles in terms of information awareness about the changes. There were two effects: one was the actual effect of welfare changes and the other one was the perceived effect of the impact of welfare changes, and both were creating additional demand for many organisations on the frontline. It is a tough ride for many voluntary organisations and the organisations that support them. The changes are still rolling through. With the delays that you mentioned, the continual pushing back of the implementation around Universal Credit is all creating its own momentum for problems for both the people that are supported by it as well as the organisations that support them.

Q33 Mr Cunningham: Is there anything the Scottish Government could do to mitigate the impact of these cuts, particularly in relation to help people regarding food banks?



Keith Dryburgh: The Citizens Advice Bureau have been funded to provide an extra 50,000 inquiries a year, mainly on benefit issues but also on debt issues, so we have been provided with what they term as mitigation funding. That was drastically needed because the demand was clearly there and I think that was 50,000 people, or something like that, who would not have had that advice had the Scottish Government not provided the funding at the time.

Q34 Margaret Ferrier: Very briefly, the first one is just an observation and I am afraid it is to Stephen again. Dave mentioned strikes earlier on. Well, surely this would be a last resort and it is all about negotiation and dialogue between the unions and Government. Have you seen membership—and I think the answer will be yes to this—of trade unions fall over the years and why do you think that is? Also, on Employment Tribunal costs, do you feel that that has been a barrier for employees to access justice?

Stephen Boyd: On your last bit first, yes, it is transparently the case that the number of Employment Tribunals has fallen since costs were introduced, and I think there is a widespread acceptance that the quality and security of employment has not increased with the economic recovery.

In terms of trade union membership, yes, over the longer period of course trade union membership has fallen. There are a range of reasons for this, but we really do not have the time. These are to do primarily with structural economic change, particularly the number of manufacturing workers in the economy that has fallen precipitously since the 1970s. Again, much of that has happened in all countries. I would argue that some of it is specifically due to the way we have managed the economy in the UK. But of course the legislative and regulatory environment in the UK is particularly hostile to trade union organising, which of course exacerbates things. Trade union membership in Scotland has been pretty steady now in the 12 years since I have been at the STUC. It has fallen slightly since the recession, but what you tend to find in recessions is a lot of workers join unions and a lot of workers lose their jobs, so it tends to be neutral in effect.

The thing that is important to stress to this Committee is what we are trying to do at the moment in Scotland is something different around industrial relations. You have seen that the Scottish Government have established the Fair Work Convention. There has been a lot of activity taking place, and what was really instructive I think was the way the two Governments responded to the Ineos dispute a couple of years ago. The UK Government introduced the Carr review, which collapsed because neither the unions nor employers wanted to co-operate with it. It was clearly a politically motivated review. The Scottish Government established an independent Mather review called “Working Together”, which again looked at what was good about industrial relations in Scotland and tried to learn lessons about how we could promote and disseminate that good practice, and that is what they are all engaged in at the moment. Again, our concern is that the Trade Union Bill is going to undermine what is a very positive scenario in Scotland.

Q35 Chair: Thanks for that. We are about to wrap up. I just want a last question, if I can, certainly from the four of you. I thank you ever so much for your oral evidence; it certainly helps shape up our agenda as go forward. The key points that have emerged from this is there is a body of work for this Committee to do, perhaps collaboratively with colleagues in the Scottish Parliament, about the welfare reforms that we are seeing, how this will impact on the Scottish Government and what can be done to massage that relationship and ensure that we



are as effective as possible and that that devolution is successful. Secondly, it is the terms of insecure employment. We have outstanding issues with blacklisting and zero-hour contracts from the previous Committee. I think what we will want with you, Stephen and the STUC, is perhaps to have a further conversation about how that could be built in to some of the wider concerns that the STUC have brought to us today.

Rurality is a real issue for this Committee and we have heard this and this sort of impacts also into the renewable obligation side of things. I represent the 12th largest constituency in the UK, and I am obviously familiar with the closure of the bank issues and all the other things to do with rurality. These are the sort of things that we are hearing from you guys today, and I think some of the stuff that we have heard from SCVO, particularly about this Committee having a particular interest in bringing and shaping up relationships. These are the sort of themes that we have been hearing from you today. Is there anything else that we have missed, in terms of getting the welfare employment side of this together, like, “We should be looking at this.”?

One last thing to think about, if anybody wants to answer that, is that we are charged to scrutinise the work in the Scotland Office and we have the Secretary of State coming in front of this Committee in a few weeks’ time. Is there anything in particular we should be putting to him about some of these themes that we have discussed this morning?

Sarah Beattie-Smith: If I can, Chair, just briefly. There is an important point that ties together both rurality and some of the other issues around employment and benefits that we talked about today. It is clear from our own evidence that the cost of being poor in rural areas is higher. It is not just about living in rural areas costing more; it is about being poor costs you more. For example, if you want to get a bus from Nairn to Inverness for your jobcentre interview, to attend your weekly or fortnightly interview with the jobcentre, that is going to cost you about 10% of your jobseeker’s allowance. It costs you more to poor in rural areas and I think that is a really important thing for the Committee to bear in mind.

Q36 Chair: Does anybody else have a final remark or comment about their work?

Stephen Boyd: I am not going to let the statistics thing go, I am afraid. I should have said in my opening comments that, in the Chancellor’s summer Budget, he announced a review into UK economic statistics. Submissions are required by 24 September. This is a new opportunity for as many voices in Scotland as possible to make their voices heard about allowing us to assemble an evidential base in Scotland, which is going to allow us to go over all the issues we mentioned this morning much more effectively.

Ruchir Shah: Sorry, I have one last thing that has occurred to me, particularly the issues about trade unions and the events taking place today. In the same way as there is a sense of a bit of a war against trade unions going on in the political world in the UK, there is also a sense of a bit of a war on charities going on, and particularly the campaigning activity of charities. The one point I would raise is, even though that is an area that other committees may well look at, one thing that is worth being aware of is that many organisations can and often are much more able to speak up about this kind of issue—about the attack on charities—within Scotland than might be the case elsewhere, mainly because they are much less constrained by the relationships and bridges that they need to maintain. You might get some bolder perspectives and voices through this Committee than might be the case through other committees.



Chair: Thank you for that. Bold voices is what we like to hear from this Committee. We managed once again to get through all the questions that we had for you, so thank you for your brief, concise answers. Again, as I said to the previous panel, if there is anything that you have observed from the conversation you have had with this Committee or feel that you want to add further, please get in touch. We are in the business of looking for evidence and making sure that we have an agenda that is shaped to the requirements of serving Scotland and the bodies of which you represent, so thank you ever so much for coming along this morning.

Examination of Witnesses

Witnesses: **Susan Hunter**, Senior Development Officer, Policy and Research, YouthLink Scotland, **Lorna Kettles**, Research Advisor, Scottish Women's Convention, and **Tanith Muller**, Policy and Campaigns Manager, Scotland, Parkinson's UK, gave evidence.

Q37 Chair: Thank you ever so much for coming along this morning. You have seen the remit of this inquiry—it is the work of the Scottish Affairs Committee—and I think we have received written evidence from all of you, which we are very grateful for. We have grouped you together as a demography. I hope that shows no sign of disrespect for the other views you have on a whole range of issues, but I thought it was good to hear from representative bodies to do with the different sort of interests that they have when they come to these things.

Some of the key issues that have emerged, in terms of what we would range as the demography sector, would be—it would surprise you that there is a commonality between some of the other interests on the other panels—welfare reform, insecure employment, the devolution of welfare and voter engagement. These are the things that have come up and have been a real feature of the evidence that we have secured thus far. These are the things we have heard thus far and it may be you want to expand upon this or tell us what should be the priorities of this Committee. We started at either side last time, so we will start in the middle this time, so Susan please.

Susan Hunter: That was me thinking I was smart for sitting in the middle there. No, thank you, Committee, for inviting us along. I work for YouthLink Scotland, and YouthLink Scotland is a national agency for youth work in Scotland. We are an intermediary and we have 100 youth work organisations as our members. We are quite unique in the sense that our membership comes from both the local authority youth work services and voluntary and third sector organisations.

Our primary concern is obviously for the security and sustainability of the youth work sector, but in giving evidence in this Committee, we would like to also look at issues for young people as our constituent body and who youth work works with, and making sure that there is a sense of fairness and justice for them across all aspects of their life. We suggested a few areas in which the Committee may want to consider around young people in their lives. In particular—I have sat in on your last two panels—making some of those connections across the themes but particularly around young people's democratic participation and engagement.

YouthLink Scotland and many of our members have been longstanding advocates for votes at 16 and we have given extensive evidence, as have others, to the Scottish Parliament around the extension of franchise to 16 and 17 year-olds. The question colleagues here have asked this morning about where can the Parliaments and Governments work together, this would be



an area. Particularly because young people in Scotland have now had a bit of a democratic renewal, this first experience of voting that is going to create a drop off. Obviously, it did create a drop off in terms of engagement in the general election and otherwise. So 109,000 young people registered to vote in the independence referendum last year and we want to make sure that becomes a habit for life and believe that that can start young. We have evidence that Edinburgh University have produced, as have the Electoral Commission, on all aspects of young voter engagement and the benefits that has to a sense of fairness in society.

But there are other ways in which young people can be actively and meaningfully engaged. One of our members, the Scottish Youth Parliament, recently celebrated its 16th birthday. In their last round of manifesto development, they engaged with 43,000 young people. They are currently working on Lead the Way, which will set a manifesto set of priorities leading up to 2021. The outcome of that piece of work I think would be of great interest to this Committee to hear directly from young people as to issues that are emerging and are of interest to them.

Linking into that there are obviously opportunities for young people in the future, and one of the areas of concern for us is about the place of young people in Europe. Obviously, with the European referendum, we have a strong indication that young people—16 and 17 year-olds—are not likely to be democratically engaged in that process, but that does not mean that they do not have views on the matter. We think that would be a great area of work for this Committee to consider—young people in Scotland and potentially young people in the wider UK and their place in Europe—and for the youth work sector that have access to a considerable amount of funding through being a member of the European Union and through Erasmus Plus and other social mobility programmes for young people, and for the personal development and professional development of our staff.

Lorna Kettles: Thank you very much. Good morning, everyone. I would like to thank the Committee for asking the Scottish Women's Convention to be involved in this. We think it is important that you want to engage because that is what we are all about. The Scottish Women's Convention has been in existence for about 10 years now. Our primary focus is going out to women within the local communities to talk to them about issues that affect them. We then use that information that we gather, and have been gathering over the years, to inform our responses to any piece of work that we put forward so—for example, the evidence that you received, any evidence we submit to Scottish Parliament Committees, to Scottish Government consultations, that kind of thing, all informed by the voices of women in Scotland.

We try to be as rurally inclusive as we can. For example, this year we have been to Benbecula, to Nairn, to Ullapool, and then to Falkirk and Hamilton, so again kind of close and far. As you will have seen from the evidence, there is a lot of the issues that are within the remit of Westminster that have a significant impact on women. We are quite often described as a minority group, which is quite ironic given that women make up 52% of the population. It is something that the Scottish Women's Convention is always quite keen to vocalise. We are not a minority, but still decisions are made that adversely impact on us.

In terms of our priorities for the matters that are reserved, obviously I was in on the last session and welfare reform loomed large, as it does and as it will continue to do. Studies have shown that women have been more adversely affected. We are concerned about the potential for conflict with the Smith recommendations. On the one hand the Scottish Parliament has been given power over when the payments can be made, to whom the payments can be made, but things like sanctions will remain reserved, so there could be a real conflict there.



Sanctions are obviously a big issue for women who are being sanctioned for things like not turning because they cannot get childcare, or not turning up because they live in a rural area and the bus has broken down and there is no way to get where they need to be.

Obviously, there are also issues around women being asked to go back to work when their youngest child is five. That particularly impacts on lone parents. We are concerned about the type of work that they are being sent to do, the hours that they are undertaking, whether it suits them, because that does not seem to come into things. Many also have to claim benefits and struggle with childcare. Although childcare is pretty much devolved there are still issues that are not, such as funding through tax credits that a lot of people rely on.

Obviously, we also have concerns about zero-hours contracts, which I think has probably been spoken about, because they tend to be in jobs in which women predominate—low paid, low skilled, customer service jobs, retail, that sort of thing. We also have a bit of an issue around the use of the word “exploitative” because it is as if some are okay and some are not okay. They are all pretty bad to us. If you are not guaranteed wages or hours on a weekly basis then you are being exploited as a worker. Obviously, there are issues with young people. They tend to be more prone to zero-hours contracts. Again, that is exacerbated in rural areas. We also have to remember that, in terms of employment, a lot of women work for the DWP, so while obviously the welfare reform is having an impact on women who are on the receiving end of the benefit, with the women who work for the DWP, a lot of them work part-time, a lot of them rely on tax credits and a lot of them are having increased stress in the workplace.

Also flexible working, maternity leave, are all things that you can ask for and that in practice work very well, but we are being told that women, perhaps at higher levels, who are coming back into management, find that their jobs are being reclassified. They are working part-time, that kind of thing, and they are not seen as being as committed, so that is an issue. We have done a bit of work with the Government Equalities Office on the gender pay gap and the way that women are treated in what is considered the child bearing age has a big impact on that as well. So there are a lot of concerns that we are concerned about and that we think we could positively with you on.

In terms of engagement, women have told us that they feel quite a disconnect with Westminster. They realise that the decisions may have an impact on them, but especially with Scotland and especially with geography, there is such a big stretch in terms of engagement, going out and speaking to people in the local communities, things like this, but going right out and being a visible presence because you are accountable to the people, as much as people are to you, so yes.

Q38 Chair: I know Margaret Ferrier has a question, but just on that last point, which is interesting, we have heard anecdotally that there seems to be a bigger disconnect between women and the Westminster Parliament than there is with women and the Scottish Parliament. Is there any evidence that supports that? Are there any studies that have been done?

Lorna Kettles: I could not tell you off the top of my head, Chair. I do not know. I know that, for example, as an organisation we hold an event in the Scottish Parliament every year to celebrate International Women’s Day, so we take over the Parliament, which means that about 400 women come and are able to sit in the debating Chamber of the Scottish Parliament, be involved in the work, see the Parliament from the perspective of the elected



Members. Even with small things like that, there is much more of a connect with Holyrood than there is with Westminster. I think it is seen as kind of an ivory tower, but in terms of official studies I could not say.

Q39 Margaret Ferrier: On that point—and I am sure that everybody will agree—obviously we are keen to engage with organisations like yourself, and we have a lot of women MPs in Westminster now in our groups. If you want to engage, we have an open door policy, so we do not want that disconnect to continue.

One of the things that interested me, which you brought up just briefly there, was the child-bearing age and also being asked to do the same long hours that other people have, even when they have a family, but the bit—and I am going to read it out—“women often find themselves stuck in the ‘marzipan layer’ at work”, which I loved, which means that they can progress to a certain level but are unable to be promoted to attain the icing benefits worthy of their talent, so that is maybe something that we do need to look at.

Chair: Thank you. Tanith, our last guest this morning, please.

Tanith Muller: Parkinson’s UK is glad to have been asked to come and give evidence to the Committee. We looked at our evidence, in terms of raising two points that really matter to people who are living with Parkinson’s. First, the welfare reform agenda and the real issues for people who look like they are going to be stuck between two systems, which are possibly moving in different directions, where a number of key issues have not been resolved and the impact that that has on people who are probably claiming multiple benefits is of great concern to us. We think that the Committee is well placed to try to provide some clarity and maybe push Governments into working in an evidence-based way, to look at the impact of plans on claimants as they are going through.

The other issue that we want to highlight are specific issues around medical research, which are noted in the evidence, and are bounded in the experience of people who are living with an incurable degenerative condition and the real need and commitment they have to see researchers in Scotland, and throughout the UK, working to make a difference to the treatments and the care that they can receive and live with. But I think the main thrust of where we are coming from is picking up on a lot of evidence that was presented in the last panel, about the interface between the reserved benefits and the devolved benefits going forward, and the impact that has on disabled people who are—as the Scottish Parliament’s work has shown—disproportionately being hit by the impact of the reforms, particularly when they are claiming multiple benefits. Clearly, what we do not want is a perverse system where people in Scotland, who are perhaps only claiming benefits that are devolved, get a better deal than people who are probably objectively on much lower incomes who are claiming a number of benefits and finding that money is being clawed back by the UK Treasury or that the benefits cap is applying in a way that disadvantages them.

We are looking at it from the point of view of our claimants. We have about 40 local groups in Scotland of people who are living with Parkinson’s, and a pretty unique Parkinson’s local adviser service, which involves our workers going out and working one to one with people affected by Parkinson’s, both with the condition and with their families, carers and those close to them. Benefits work is a key part of the work that we are doing. We are hearing a lot about how the changes are coming in and also the anxieties and concerns that people



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who are depending on these benefits are feeling about the things that are coming down the line.

Q40 Mr Anderson: Thanks very much for coming this morning. Can I ask, notwithstanding the huge issues around rurality, which I think is a big issue in this part of the world, is there anything in particular in Scotland that is different in terms of the welfare reform changes from the rest of the United Kingdom? Is there anything different; the impact?

Lorna Kettles: Well, something that the Scottish Government have begun in terms of employment support, work choice and with the Work programme, is they have engaged in a national conversation around what that would look like. So, while the concept might not be different, the approach is feeling very, very different in terms of this is a grassroots conversation, speaking to people who have experienced work programmes or work choice, speaking to practitioners in the third sector who support people who are in these initiatives and also looking at alternatives. Scotland are the lead delivery for activity agreements, which is a model for engaging those furthest away from the labour market, aged 16 and 17, and that is something that we are sharing with the Scottish Government as an approach towards employability.

Q41 Mr Anderson: That is how you deal with it when you get there, when it comes down. Sorry, I was not very clear before. What I was meaning was the impact—and I think there are negative impacts on people across the country—is it any different to what it will be, for the sake of argument, in the north-east of England?

Lorna Kettles: Notwithstanding rurality, I think that is probably the biggest issue and one of the biggest impacts. I certainly could not say whether there are more significant impacts here than there are anywhere else down south because I am with you and I think it is all pretty bad. But the rurality issue is without a doubt the biggest issue. We had a woman who lived in Skye who had to go for a DWP assessment and was told to go to Stornoway because on the map that was the closest place. The person phoned and she said, “But I cannot get to Stornoway,” “Oh, but you can because I can see it on the map.” So it is little things like that that we have certainly had feedback that that is the biggest issue.

Q42 Chair: We will move on, but I don’t want to lose this either. There is something in your evidence there that you mentioned, Susan, which is the thing that concerns this Committee, and that is the votes for 16 and 17 year-olds. I think unfortunately we have failed to convince this Government that 16 and 17 year-olds should get to vote in the European referendum and there does not seem to be any real impetus about getting 16 and 17 year-olds to vote in general elections. So we have a situation where the young people in Scotland are in and out when it comes to the democratic franchise. Is there anything that we could do or anything that perhaps this Committee—given that we are a Scottish Committee at Westminster—could do to ensure that we do not lose that interest and that engagement, when it comes to referendums and elections that are under the control of the Westminster Government?

Susan Hunter: What we would urge the Committee is to look at Jan Eichhorn’s work that was done by the University of Edinburgh, which is around where young people were having conversations around political education and political literacy, and the role of schools within that. We work exclusively within Scotland, but we have partners who advocate for votes at 16 in England, the British Youth Council being one of them, and they



are desperately keen to work with this Committee as well. So we have put that in our evidence. Please don't just think you have to work with Scottish organisations because there is—and I think Ruchir made that point—learning from Scotland that could influence the work of the Parliament as a whole.

The gap is in young people's attitudes and it is concerning that in any poll of young people in England and Wales's attitudes towards votes at 16, there is this feeling of, "We don't know enough. Why would you ask us? Please don't give us that responsibility." That is a very, very different level of confidence to young people in Scotland who are saying, "Yes, we are ready. We are part of this society; let us have our voice be heard." So there is something of a grassroots' aspect potentially around parliamentary outreach and other aspects. We put in our evidence the UK Parliament's outreach team, all the school resources are tracked to the English key stage curriculum. There is no tracking to curriculum for excellence. So if this is truly about engaging and making young people, as well as other groups, feel part of the UK Parliament, it has to start locally at grassroots.

Lorna Kettles: Just briefly, Chair. To echo what Susan is saying, that applies to woman as well. We have seen a massive rise in the number of women who want to actively engage. Statistically, we know that women are less likely to vote or were less likely to vote. That seems to be very different now. It is changing. It is great. Because we have done a lot of events over the years, "Make sure you use your vote," "This is why you need to use your vote," and now they are redundant, which is wonderful. Yes, it is that sort of grassroots up; it is that visibility. If you want to show how you can make a difference then you need to be in people's communities.

Q43 Chair: Before we lose this—and I know Chris wants to come in—again, if you could come back to us with your suggestions. I am thinking primarily maybe this Committee could meet up with the Scottish Youth Parliament, for example, and we get their views and we could share that possibly with colleagues in Westminster. I think that may be something that would possibly interest the Committee, because it is going to become such a key issue and factor as we go forward. Would that be a reasonable way to use the time of the Committee?

Susan Hunter: I think that would be a really good thing to do. Also, the other organisation is the UK Youth Parliament who have the opportunity to sit in your benches at Westminster and there are young people elected from Scotland to be part of that forum. So certainly, please come back to us to find ways to do that. I think you will find that young people in Scotland would be very, very keen to speak to you directly.

Q44 Chris Law: To touch on both women's engagement politically and also 16 and 17 year-olds, in particular, would you agree that largely due to the referendum that very often it was young people who were engaging older people through the information they were able to engage through social media such as Facebook and Twitter?

Susan Hunter: Yes, we certainly found that there was creation of spaces for new conversations and a lot of intergenerational working, both for young people who were involved directly in the campaigning groups but also young people who wanted to say, "We need to use our vote." I did some work with partners in the Youth Parliament and local authorities around young voter registration but young people were out making sure that young people were registered to vote. They were asking everybody that came past, just to make sure that there was that connection and connectivity. I think, from that input again



in the study that Edinburgh University did, they showed that young people use multiple sources of information to inform their views, and I think that dispels the myth that young people will vote the way their parents did or do because young people were seeking multiple ways, either online, through conversation, in school and in the media. They were being very astute to gather their sources.

Q45 Chris Law: Just a second question on that: are you getting feedback about levels of frustration about the EU referendum or the UK general election, about not being able to vote, from young people?

Susan Hunter: As we are an intermediary, we have not heard that direct, but we certainly would be anticipating that around the EU referendum. I think potentially the timing of the general election happened quite quickly after the independence referendum, so there was still potentially that high of that experience, but I do think that we might get a second wave of young people saying—

Lorna Kettles: We have had feedback on that massive frustration because we have a young women's network and do quite a lot of work with young women as well. Very much so; they were so energised, and then it was like, "All right, so—" There is just a danger of it being stilted, but because they are so energised, it has driven them further forward, but we certainly have had that feedback of a real level of frustration among young people who got the vote and then it was snatched away from them.

Q46 Mr Cunningham: Is there anything in the Scotland Bill that would allow the Scottish Government to deal with some of the worst aspects of insecure employment? I am thinking about women in particular who, because of zero-hour contracts, are not able to get tax credits and things like that? Is there anything in the Bill that would help that way?

Lorna Kettles: Obviously, we have massive issues with things like zero-hours contracts for that particular reason. With the Scotland Bill, what came out of Smith and what came out of the Bill obviously, as you are more than aware, are two completely different things. We are hoping that the way in which the Scottish Government has treated a lot of the stuff that is happening just now—you mentioned, Susan, the employability stuff—they are looking at doing that in a different way, which is great, but it is bigger companies; it is legislation that really the Scottish Parliament will not have an awful lot over, unfortunately. There was a real sense of frustration around the women that we consulted with on the Smith recommendations in the brief time that we had to do it that there is not an awful lot going to change because, although the Scottish Government can have great things, like no compulsory redundancies in the public sector and a living wage—and that is really positive—the type of work that a lot of women have to do because of the way that their benefits are, or just because they want to work, is that insecure, zero-contracts, low paid, low skilled, non-changing in workplaces, so they do not have that protection as well.

Q47 Margaret Ferrier: On the point of what we were discussing, I think it is important to reach out to the UK Youth Parliament as well. Westminster does a great job, in so far as you see lots of school children turning up and they do lots of visits for primary school children and secondary. So that is great, but I was at an event a couple of weeks ago and a member of the



Scottish Youth Parliament approached me to advise that they had all been asked to contact their local MPs after the general election to start working along with them. Based on what you said about votes for 16 and 17 year-olds, it did feel as if the rug had been pulled from under their feet when it came to the UK general election because they had been so engaged, there were so many grassroots movements during the referendum where women got independence, Generation Yes, and now they were back to not being able to vote again. As you say, it is very, very important. Any time I have campaigned, one of the things I say when I go to doors and women say, “Well, I am not going to bother voting,” is, “You should always use your vote.” It is very, very important. So maybe the UK Parliament can learn and put in some best practice from Scotland’s experience during the recent referendum.

Susan Hunter: Yes, I think that does seem to be true and the Youth Parliament’s membership has changed in its lifetime. They are elected for two years and I do not think it will go away. As I say, they are engaging on their manifesto and I am very confident that it will remain as an issue, because they do feel that it should be across all opportunities to engage.

Can I go back to your question there about the Scotland Bill? One of the areas of concern that we have is around age discrimination for younger people within developing the social security and benefits landscape, and particularly—it has been longstanding—with the minimum wage. But the opportunity of a national living wage, to still have age discrimination within it seems counterintuitive to the concept of it being a living wage because it suggests that those under 21 have a different life or expectations than 25s. They produced about £6,500 less earnings for those 16 and 17 compared to those at 25.

Q48 Mr Chope: Can I ask Tanith about the evolution of welfare. Parkinson’s UK have expressed a strong concern and opposition to integrating disability benefits with local health and social care arrangements. You draw attention in your evidence to the convention of Scottish local authorities and I wonder to what extent the concerns you have expressed have been taken on board by the Scottish Government?

Tanith Muller: I do not know the answer to that question. We submitted very similar evidence making that point to the Scottish Parliament Welfare Reform Committee, which is doing an inquiry, as we speak, into the impact and the future of social security delivery in Scotland. So it is very hard to tell. What I would say is that I do not think that the concerns that Parkinson’s UK raised in our submission about integrating welfare benefits into health and social care arrangements are unique to Parkinson’s UK. I think that many, many organisations that work with disabled people and people with long-term conditions would have very similar concerns, not least because of a huge number of the people that we work with are not in the social care system yet. There is an implication that to receive these benefits that money would be being taken essentially out of the pockets of people with long-term conditions and disabled people to pay for care, which is really a separate area and not why these benefits were set up. They were set up to meet the additional costs that people have as a result of being disabled, and we believe that it should stay that way. As I say, I do not think that we are alone in the sector in thinking that. I am sure the Scottish Government is hearing this from many different directions, not just us.

Q49 Chair: Can I just ask, before I go to Kirsty Blackman, all of us as constituent Members of Parliament see a number of people with severe disability and disability needs and with welfare reform progressing through the House of Commons, just now, impacting DLA to PIP



and ESA, is this becoming an increasing feature in your organisation and organisations similar to yours? Is there a concern about the difficulty of these arrangements and is there a fear that that voice is not being heard when they are turning up to parliamentary surgeries or getting in touch with Ministers?

Tanith Muller: Parkinson's UK's experience is quite interesting. We are a UK-wide charity, but we work in communities throughout the UK and have a large committed team in Scotland, of which I am part. So certainly the perception that I have is that people who are living with Parkinson's find it easier to deal with the Scottish Parliament. There is more of a sense that the issues that are being raised by us and by other organisations are actually being heard within the Parliament. I think that the work of the Welfare Reform Committee is a big part of that. I am glad to hear from the evidence this morning that there may be some joint working moving forward, because I think that would be really positive.

Parkinson's UK at a UK level is generally quite disappointed about the fact that there is not a perception that the Department for Work and Pensions is really listening to the concerns that organisations like us are raising. We can see that in the fact that the Scottish Government and the Scottish Parliament have both done work on the cumulative impact of the benefit reforms, not just for disabled people but for other demographic groups as well. We are disappointed that that has not happened at a UK Government level, because what we are seeing is a situation where basically there is not enough evidence across the piece about how the reforms are impacting on people to make reasonable decisions about what needs to be devolved, what needs to be reserved and what the interface is between those two things.

Q50 Kirsty Blackman: There is quite a lot of evidence coming from quite a lot of people today about the fact that Westminster—and not just this Westminster Government, but in general—is more remote and is more difficult for Scottish people to engage with. I wonder if there is something that we—not just as the Scottish Affairs Committee, but as a Parliament—could do. Would it help if other groups within the Parliament, other Committees and the Cabinet maybe, were to meet in Scotland more often? Would that make us more accessible for people?

Lorna Kettles: Yes, definitely. One of the things that we get a lot of positive feedback on as an organisation is the fact that we go to people and that we do not expect women who live in the Highlands to travel to Glasgow to talk about things that are impacting on them right now in their busy lives. I think that that sort of engagement is important, not just, as you say, Kirsty, as a Scottish Committee but the other Committees that are dealing with the big issues that will have impact on people in Scotland. When we were in Ullapool the other week, the Scottish Cabinet had met there either the week before or the week after. There is such a difference in their wanting to engage, it seems, at a Scottish level by the Scottish Parliament and the Scottish Government than there is down south. So I would say from an organisational point of view, absolutely.

Susan Hunter: The model that the Scottish Parliament has taken of the Cabinet moving around communities has built into a full education programme, engagement with local high schools and visits from Ministers to attend community projects, youth organisations, and that sense of being able to host Parliament. It does not feel like they are coming to you; it is a community hosting a meeting of Cabinet, and I think the Finance Committee and others have come as well. So I think that is particularly important.



There is a challenge. We are Scotland-based. For us to engage across the spectrum of Committees at a UK level is quite a difficult thing for us to do with limited staff and resource, but there is also a trend, and maybe something you ought to follow up with Ruchir from SCVO around national organisations leaving their Scotland bases to just have—

Chair: I am keen to bring Margaret in in a minute, but, just again as a suggestion, we are very keen obviously as a Committee, as you have seen by this evidence session today to be here as much as possible, so we don't have to ask you guys to come down to London, which is a massive inconvenience and I think it is right that the Scottish Affairs Committee meets in Scotland regularly. A suggestion that we could maybe look at—and it is something I would like to explore in this Committee—is if we can get a panel of people from different Select Committees to come here to have a conversation about some of the issues that impact, so you are not just hearing from us in the Scottish Affairs Committee with an interest in this but maybe colleagues from—like a member was talking about rural obligations—the DWP Committee, from the Welfare Reform Committee, and we could have these sorts of conversations again. I think we are all keen in this Committee that we are as responsive as we possibly can be to civic Scotland and we can be in a position to pick up some of the issues. So we will take that one away and thanks for that. But Margaret Ferrier, you have another question.

Margaret Ferrier: That was an excellent idea from Kirsty there about the Cabinet moving about and coming up to Scotland, because I think that is the case that Departments like the DWP and Immigration are very, very far removed and it is a phone call away, and sometimes even for MPs it can be very frustrating trying to get through to these Departments and getting any sense from them. I think it would make them more accountable and possibly more approachable. So that is certainly a great idea. Whether or not they will do that, and you did make the point that is one thing that the Cabinet of the Scottish Government have done—they move about and they have included the islands, so that people can feel they are more approachable and can put their concerns to them.

Chair: Thank you ever so much. That was a fantastic session and we are grateful to you for your evidence. There are lots of suggestions and ideas here and we are grateful for your comments. We have been here to listen to your concerns and you had an opportunity to speak to the Scottish Affairs Committee. Certainly, the key things seem to be the welfare reform issues, which we want to pick up, but I think there is some important stuff there about votes for 16 and 17 year-olds and how we, as a Committee, retain that engagement and don't lose it for Westminster elections. There might be something we could look there about how we continue to make sure that interest is not diminished.

I remember, and I have been a veteran of these debates—as my colleague Christopher Chope has—about whether the Westminster Parliament should be opened up and whether all these upstart young people should even park their posteriors on the green benches of Westminster. It is a debate we have every single year and it always seems to be the same themes that emerge. I don't even think there was a Division last time around, but on all of these occasions I think Westminster is warming up to youth involvement and participation. So let's see if we could maybe learn something from the lessons from Scotland that we can bring to the rest of the UK. But thank you ever so much for that and we enjoyed listening to you this morning. Again, as I said to all of the panels, anything further that you have heard today that you feel is of use to this Committee in terms of taking their work forward, give us that and we will make sure we respond to it. Thank you ever so much.