

Scottish Affairs Committee

Oral evidence: [Devolution of welfare in Scotland](#),

HC 892

Wednesday 9 March 2016

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Members present: Pete Wishart (Chair), Mr David Anderson, Kirsty Blackman, Mr Christopher Chope, Margaret Ferrier, Chris Law, John Stevenson, Maggie Throup

Questions 1-78

Witnesses: **Rt Hon Priti Patel MP**, Minister of State for Employment, **Richard Cornish**, Devolution Director, Department for Work and Pensions, and **Pete Searle**, Working Age Director, Department for Work and Pensions, gave evidence.

Q1 Chair: Thank you ever so much. Let us get started because I know that your time is short, Minister. We are very grateful to you for attending this one-off session from the Scottish Affairs Committee to look at the preparations for the devolution of significant swathes of welfare powers to the Scottish Parliament. There are a number of things we would like to explore with you, just about readiness, and your views about the mixture of devolved and reserved powers that will be left with the various Parliaments. How is that all going to work and come together?

First of all, we felt it necessary to have this meeting with you today because I know that our Scottish Parliament colleagues are particularly exasperated and frustrated when securing attendance from DWP Ministers at official sessions of parliamentary committees. Can you explain to this Committee why there has been a reluctance from DWP Ministers to appear in front of Scottish parliamentary committees, and can you give us an assurance it will end? Now that we have the significant devolution of powers, you could give us a commitment at this Committee that you will attend these committee meetings in the future.

Priti Patel: I am very happy to, because I do not see this as a reluctance from our side to engage or meet at all. I had an informal meeting, I think it was in October. Since then I am sure, Chair, the Committee will recognise that from my own parliamentary commitments I have had a Bill to carry through Parliament in this period as well. There have been pressures on diary, but I should also inform the Committee that we have very good and open dialogues. I have offered the Committee the chance to meet with officials and myself in London. We have additional ways of working in engagement with the Scottish Government, but I will not say there has been any resistance.

The second point to make is that we are now at the stage, through the devolution of the powers, where there are lots of discussions taking place. We are very keen and we are working together—and I want to give the Committee absolute assurance on that from the Department's point of view—in Scotland locally and in London as well. That engagement will continue and, where I can, I will go. We are making plans, I think after the Parliament elections, to go and meet the Committee.

Q2 Chair: So could we take it from what you have said that there is no reluctance to—

Priti Patel: There is no reluctance.

Q3 Chair: We have had a series of letters that have been sent between DWP, and particularly the Secretary of State, and the convener of the Welfare Reform Committee in the Scottish Parliament. It does seem to suggest, if you were to look at that correspondence, that there was a general reluctance on the part of DWP Ministers to attend meetings in the Scottish Parliament.

I will take you at your word, obviously, that there is not any reluctance. I think what we are working towards you saying is that in the future, when there are requests, particularly with these swathes of new powers, you will be more than happy to go up to Scotland and speak to our parliamentary Committees in Scotland, and assure them that all the issues of joint concern will be debated properly within these Committees.

Priti Patel: Completely. I can give an absolute assurance that there is no reluctance, so that is point one. Going forward, with every opportunity where I can engage and go, I will certainly seek to do so.

Q4 Chair: We are grateful for that, and it is reassuring to hear that this afternoon. Just before we go on, I am sorry, we should have said: maybe you should introduce your colleagues who are with us. It is very remiss of me.

Priti Patel: Sure. I have, to my right, Richard Cornish, who works with me on the devolution issues and Scottish Affairs issues, and also Pete Searle. My two colleagues are in the frontline of all the discussions that are taking place around devolution. During this session they will be very happy to elaborate and discuss the areas that they have been working on and, importantly, discuss with the Committee the areas of engagement that have taken place, in particular, with the Scottish Government.

Q5 Chair: That is very helpful, because these are the sort of issues we would like to explore in this short session this afternoon. As an opening first section—and your colleagues may want to chip in on this if they feel it appropriate—could you give us a summary and update about where we are on the smooth transition that we offered first to the Scottish Government? What arrangements are in place? What have you observed about the way that this has been conducted?

Priti Patel: I will start, if I may, and I will bring my colleagues in. It is fair to say we have been on a journey, there is no doubt about that, with the devolution of powers. DWP is committed to working together at both ministerial and official level to ensure that we are delivering the right outcomes and the best outcomes through the devolution of powers.

From my personal point of view, as the Minister with responsibility for devolution, my commitment to working with the Scottish Government is very clear to ensure that our partnership and the engagement that takes place, both at a ministerial level and at a Department level, is positive. We are moving forward in the right way to look at some of the issues and the challenges to get a better understanding of capacity and capability as well, because that is incredibly important.

We are working constructively with regards to taking the powers that are being transferred further. There are a number of areas, and I will ask probably Richard first, and then Pete, to give an insight into the areas and the stages. This has been staged engagement, on the basis that we have had a range of teach-ins, there is a lot of co-operation taking place, but giving the Committee a particular flavour of the insights and the work that is taking place on the ground is quite useful.

Richard Cornish: In the last few months, we have created a Scottish devolution programme within DWP, and I am the SRO for that. We have spent a lot of time, almost on a daily basis, working with officials in the Scottish Government. As the Minister alluded to, we have done in the range of over 40 individual workshops, operational visits, sessions with Scottish Government officials, since the start of last year to help their understanding of the areas that they are going to have the powers for and to help them understand the operational workings of how things work at the moment.

We have also created an information-sharing mechanism with Scottish Government officials and DWP. We have had numerous information requests that have helped them gain understanding of how things like employment programmes work, how some of the other commercial arrangements work, and a number of actual bits of information around finance information and live loads, and things like that.

So, quite a range, and that work continues, and the Minister alluded to the work we do at ministerial level. We also have a joint senior officials group that meets every two or three months and will ramp up, I am sure, as we get further down the line, where we are working together, two sets of officials between the two Governments.

Pete Searle: There are a couple of specifics that I am responsible for. I lead on Universal Credit policy and also on carer's allowance, both of which are of great interest to the Scottish Government. On Universal Credit, there are very extensive discussions with the Scottish Government and local authorities in Scotland, both at the operational level, where I would say it is probably a daily occurrence across the organisation, but also some good formal structures. There is a formal Scottish advisory group, including the Scottish Government, Scottish local authorities, a full range of stakeholders up in Scotland. That is an excellent formal arrangement.

Another example is on carer's allowance. I have a colleague here with me today who has been going up to Scotland frequently and talks about very positive, constructive working relationships with colleagues in the Scottish Government, with us helping them to understand the nature of the benefits, how they are delivered, and operational visits. But it is really working together, I think, with exemplary public service on both sides, to try to make sure that we can hand over responsibility smoothly when the time comes.

Q6 Chair: You are probably familiar with the debate that was held in the Scottish Parliament last week on the set up of a Scottish social security agency that will be in existence to deal

with the devolved benefits. I did not hear much about having conversations with this fledgling organisation. I know it was just announced, but I am presuming that that is going to be quite a significant feature in your ongoing conversations and relationships.

Priti Patel: Yes. Also I think we recognise, and all of us recognise, that through devolution the landscape is changing. We have a lot of expertise and capability and there is a great deal of shared learning, which you have just heard about. But importantly, since the announcement of the concepts of the new social security agency, I think it is fair to say that we are very keen. We will wait to hear the further details of the agency so that we can provide the right level of support as well. It is incredibly important from a practical point of view, too. Of course, we will continue the shared working and the shared learnings to make sure that we can provide the right kind of support.

Q7 Chair: Just on the debate that was held in the Scottish Parliament last week, there are a couple of themes underpinning the establishment of a Scottish social security system: words like “respect” and “dignity”, disparaging of words like “welfare”. There does seem to be a differing culture in the approach between the UK and Scottish Governments. I do not know if you recognise that and whether you have any comments to make about some of the different approaches and ways, and maybe some of the baggage that is brought to these debates between the Scottish and UK Governments. How will that work itself out and how do they intend to work together, given there is probably quite a difference in approach when it comes to these issues?

Priti Patel: The starting point that we must all recognise is that we should not just assume we are speaking about systems. We are speaking about people, and how, as respective Governments, we engage with people and provide the right kind of support to people—vulnerable individuals in particular—who need help and assistance. I have to say, from both Governments, that is absolutely the right focus. Of course, as I have said, and my team have said as well, our focus is on how we can provide the right level of support to people, but through developing the right kind of system approach too.

I think it is fair to say, Chair, that you are right about the language and the phrases that have been used. Of course we recognise that, and we will work to make sure that we can support the Scottish Government in the delivery of their systems to achieve the right outcomes for people. That is the same shared objective that both Governments have.

Q8 Chair: I am grateful. I want to explore some of the reserved-devolved responsibilities and issues where there will be this relationship. Can I first ask about employment support schemes and what the Scottish Government will now have at its disposal? I think it would be fair to categorise the devolution of employment support as schemes of more than a year. I think that is the basic characterisation that the devolution board will be applying to the schemes that are in existence for more than a year. I am looking at your official. He is saying that that is roughly the case. Why was that put in place? Would it not be more sensible to allow the Scottish Government to manage and be in control of all Scottish employment support schemes?

Richard Cornish: Perhaps I can pick that up to start with. The Smith report was clear about Jobcentre Plus being reserved, and talking about devolving employment programmes. As you try and work through the technicalities of that, and the fact that Jobcentre Plus would still be reserved, there are elements within, as we call it, the

Jobcentre Plus customer journey that are in the employment support space. If we had separated those out from the Jobcentre Plus journey, it would make the job of Jobcentre Plus functioning very difficult. The big programmes, the main programmes, Work Programme and Work Choice, as they were at the time, were very much the way the Bill interpreted Smith.

Things have moved on since Smith with the spending review discussions last autumn, and the DWP in England and Wales will be looking to set up a new health and work programme that is slightly different to the previous programmes, but the Bill gives the enabling power. It is left to the Scottish Government to have the flexibility of how they want to create a new programme in this space, and what it could encompass is quite open for their design.

Q9 Chair: I am also observing that it seems to me—and you can correct this if it is not the right figure—that the Scottish Government will have, after all the cuts have been applied, something in the region of £7 million to deliver its schemes. How much will be delivered on the back of £7 million for employment support schemes?

Richard Cornish: Over the spending review periods it will rise to £13 million a year, and that is the proportionate share of the spending that will be utilised on employment programmes across GB. So it is very much the proportionate share of the GB spending that Scotland will receive.

Q10 Chair: I can imagine the frustration of Ministers who are going to be in charge of this scheme, working with £7 million to try to ensure that people are going to get back into work and be supported adequately with those figures.

Priti Patel: If I may come in on that point. I have the responsibility for this in the Department and, as Richard has just said, we are moving forward now with a new programme development. This will not be the same type of programme that existed previously and that is because, of course, the labour market has changed.

We are recognising, through much of the work that we are doing in the Department—and that members of the Committee would have heard in some of the previous debates that have taken place in the main Chamber through the passage of the Welfare Reform Bill and in Westminster Hall debates as well—that we, as a Department, are very focused on looking at how we can ensure that our employment programmes provide not just employment support but additional support. The Work and Health Programme in particular can join up service provision.

This is not exactly the same programme that existed previously. We are developing this right now. We are developing this across work and across Government Departments, working with the NHS as well, so that we can pull together levers in a way in which we can find a more suitable type of support for individuals. We are now talking about individuals who are furthest away from the labour market who will need quite intensive support.

This is work in progress, but I do not just think it is about the £13 million, effectively. This is about how we can pull together the right resources across Government to deliver almost tailored support for individuals.

Q11 Chris Law: First of all, I would like to touch on this point, because I had a look at some of the figures. We are talking about the £7 million here, which will probably not mean much to people who are watching this Committee discussion now. But I was looking back to discussions that were held last month by one of my colleagues, Anne McLaughlin, who pointed out it is actually an 87% real terms cut to the budget. You have just described to me that this is a new form of support. How can an 87% cut be a new level of support? How is that going to be implemented?

Priti Patel: I would say it is not like for like. Our employment programmes are changing. The labour market has changed fundamentally from when the first generation of employment programmes was developed and commissioned. That was certainly in the last Parliament; over the last five years, the labour market has changed pretty fundamentally. In Scotland, we have one of the highest rates of employment right now.

The purpose of the work that we are doing, through Universal Credit and many of our welfare reforms, is looking now at how we can tailor and bring together the right kind of support for individuals. This is where Jobcentre Plus is so important, through our work coaches. This is why Universal Credit is incredibly important as the gateway of support for individuals.

But the programme going forward will be called the Work and Health Programme—and the Chancellor announced that in the autumn statement—and the focus of this programme is exactly as it is in the title. It is focused on bringing together employment support, but also health support, in a way that has never been provided previously to individuals. We know this. We know this through people in our own constituencies when they come and see us in our surgeries. At a Department level, we know this through people who are in the system right now but there are health barriers to them seeking employment opportunities. We are now concentrating on those individuals who, I would argue, have not really been supported with this kind of tailored support where it has existed previously.

Q12 Chris Law: I take all that on board, but an 87% cut, just to get back to the basics here. I know you have said there is a turn in the labour market. Can you confirm to this Committee that this 87% cut is equivalent to the growth in the labour market we have seen, or what is it based upon exactly?

Priti Patel: I won't, because we are not comparing like for like. The labour market has changed, as will our employment programmes and, importantly, the amount of support that we are providing to individuals in a very tailored way through Jobcentre Plus, Universal Credit and the Work and Health Programme. We are not comparing like for like. I would argue that our resources are being used in a much more effective and efficient way going forward, whereas previously we have had a system that effectively meant that people were very much stuck in a system or going through a process and they were not receiving the right kind of support that they really needed to either move them closer to the labour market or secure employment opportunities for them.

Q13 Chris Law: Can you confirm that if this package you are putting forward is wrong, you will come back to revisit this as soon as it is possible?

Priti Patel: We always say this. With welfare, we are speaking about people and our focus is on delivering the right kind of support for individuals. We test our systems all the time. A good example is the feedback we get from our work coaches, but also Universal Credit. Universal Credit has been designed as an agile system. It is a new gateway that provides much more tailored support for individuals and it has been developed through testing and learning. We can never stand still. We do not believe that there is one approach and that is the only approach.

We work with stakeholders. On the Work and Health Programme, the work that we have taking place right now in my Department with the Department of Health, for the first time ever we have a joint unit across our two Departments looking at tailored and personal support for individuals to help them overcome or be supported through any health issues that they might have, to get them closer to work.

Q14 Mr David Anderson: I am glad that you are talking about cross-departmental work because less than an hour ago, in Prime Minister's Questions, the Member for Mitcham and Morden asked the Prime Minister about the situation where one of her constituents who works at B&Q is going to see a £50 reduction simply because of the introduction of the new living wage. The response from an employer is to basically change terms and conditions.

Could I ask that you can guarantee to this Committee, not just for the bit that we are talking about in Scotland but across the country, that employers should be patently discouraged from things like that, but where they do take place, the DWP try to keep up to speed with these things? People who previously might not have needed in-work benefits or who might be getting in-work benefits might then need more because of the way the employer has reacted. Can you keep on top of that sort of thing?

Priti Patel: You have highlighted a very live case, clearly, if it was raised on the Floor of the House.

Mr David Anderson: What is your answer?

Priti Patel: I will make some points here, because there is work taking place across Government in a way that it has not taken place before. I have mentioned the joint health unit that we have now with the Department for Work and Pensions. We also have underway the development of a cross-Government employer engagement strategy that has not happened previously and that is something that has been initiated in my Department by myself. So we are working across Government. We are working with the Department for Business, importantly. Policies such as the introduction of the new national living wage absolutely have employer engagement aspects to them, along with the apprenticeship levy. There are other Government policies that need to be looked at across Government Departments.

To your point, you are right. We are working across Government Departments, but through having this employer engagement strategy we are able to pick up issues and, importantly, make sure that we are having the right kind of dialogue with employers so that we do not see examples such as the one that you have highlighted today.

Q15 Mr David Anderson: Can I politely suggest that as well as employers, you might want to have ongoing discussions with employee representatives, like all the trade unions, which

will pick up on where their members—not necessarily their members, but people who are not represented at work—are losing out as a result of what ought to be a positive change?

Priti Patel: I completely take that on board. I take that on board.

Q16 Kirsty Blackman: Specifically on the number of people that will be supported by this, the UK Government is saying that in 2016-2017 the Scottish Government will have £7 million in order to support people through the employability support. How many people will this support?

Richard Cornish: The £7 million is from 2017-2018 when the current contract runs out in March 2017. It will be for the Scottish Government to decide how to target the money. We are still looking at the forecasts for payments, but the actual design of the programme, the referral mechanisms, exactly who is eligible for it, will be a decision for the Scottish Government.

Q17 Kirsty Blackman: It is an over 80% cut. The UK Government are looking at providing much more tailored support and are expecting the Scottish Government to do this with £7 million, which is over 80% less than it was previously. How are the Scottish Government going to provide more support and better tailored support with this money, which is far less than the money they were getting previously?

Priti Patel: For a start, for tailored support you have to factor in Jobcentre support and UC and work coach support, which is not going to come out of that money. I think that is an important point to recognise, because that is a crucial gateway for providing the tailored support for individual claimants. With regards to the programme itself, we are not being prescriptive. It is not for us to determine who is targeted through that. That will be something that we will work with the Scottish Government on through the development of the programme. We are very happy to have the discussion and conversation with them as to how they might want to set some of the parameters.

Richard Cornish: If I might just add, there is a real opportunity for the Scottish Government to look at the totality of the employment support that is provided across Scotland. There is some fantastic support that is provided through local authorities, through a number of different bodies at different levels of government throughout Scotland. It is not for us to suggest to the Scottish Government how they would decide to develop a new programme, but there is an opportunity to look at quite a significant amount of funding that is already spent across the employability landscape. One potential could be for them to look at joining up some of those different programmes across different parts of Scotland.

Q18 Maggie Throup: Minister, as you quite rightly said a short while ago, it is not about processes; it is about people at the end of the day. Given that the responsibility for employment support programmes is going to be shared between both Governments, could you outline what you are doing to make sure that the different programmes work together to benefit the jobseeker?

Priti Patel: Richard and Pete outlined the measures and the steps that we have already for engagement. The other really important area of engagement and shared learning is at the ministerial level, particularly through the joint ministerial working group that we have. We

have a timetable for meeting and coming together, probably after the election. But those meetings are critical to ensure that our processes are aligned and that we are working to achieve the right outcomes, shared outcomes, for supporting individuals.

It is difficult to speculate because of the electoral cycle and the elections coming up, but whether it is this Committee or through the work that we do and publish through joint ministerial—we are very transparent about our ways of working—picking up on some of the aspects, whether it is the devolvement of the Work and Health Programme or the implementation of the new powers, and looking, perhaps all around, to get to greater transparency in ways of working and how that can inform the Committee going forward.

Pete Searle: One other thing I would add is that on the ground co-locations are a positive way with Jobcentres and skills people from the Government of Scotland, so an awful lot of co-location will be going on. That is something we would look to build on as part of the overall employment system moving forwards. At the more central level, we have already started seconding some people from the Department into the Scottish Government to help build that expertise there. That is something that with the new agency I would imagine we would try to do more.

Richard Cornish: To add to that, operationally, as Pete alluded to, I think it is around a third of the Jobcentres in Scotland have Skills Development Scotland regularly co-located in the Jobcentres. As a Department, we are looking, with the Scottish Government and Skills Development Scotland, at any other opportunities for co-location. But there is a huge amount of, if I can refer to it as, hiding the wiring that goes on operationally on the ground. Jobcentre Plus colleagues, operationally, will have for years worked with Skills Development Scotland with lots of different local organisations to ensure the support that is available on a local basis is very clear for people, that a lot of the processes can be hidden as much as possible. There is a huge amount of local liaison with local employability forums, and also at a Scottish level we have a number of groups and mechanisms to provide the services.

Q19 Maggie Throup: I am quite interested to explore that a bit further, because you have touched on it in the last question as well. Can you give us any real life examples of where what has been delivered on the ground is to do with all the integration rather than separation?

Richard Cornish: Yes. The co-location is probably the prime example of that, and we have, over the last year or two, developed two new co-locations in Banff and Girvan, and there are a number of others being explored between Skills Development Scotland and Jobcentre Plus as well.

I will briefly explain a bit about the different levels of forums there are in the employability landscape in Scotland. There is a Scottish Employability Forum, which is all the different Governments, including at consular level, coming together at ministerial level, and with employers as well, on a regular basis to look at all of the challenges across the employability sector. There are a number of other forums beneath that. There is a national delivery group, which has all the 32 local authorities on it, and Jobcentre Plus and Skills Development Scotland. That will look at all of the programmes that are in operation, looking at how they are working together, how they can join up and how they can make it a seamless journey for citizens. There are a number of different activities, and every single Jobcentre and Jobcentre area will have regular discussions with its local authority and other partners in the local area to look at what support is available locally.

Q20 Maggie Throup: One programme, the Flexible Support Fund, is available through the Jobcentre. Is that going to be available to people in Scotland?

Richard Cornish: Very much so, and that will be continuing. The Flexible Support Fund is what says on the tin; it does enable local Jobcentres in areas to tailor and fill in any gaps that there are. Before any new programmes would be developed through the Flexible Support Fund, Jobcentre Plus will look at what else is in the local area and then only develop support if there is a real gap there.

Q21 Maggie Throup: I was thinking that with the nature of the demographic in Scotland, with a lot of it being rural, things like transportation costs would be really useful to the population.

Richard Cornish: Yes. The Flexible Support Fund is able to offer things like paying for people to get to a job interview. If someone did not have a shirt for an interview, those are the kind of things that can be funded through the Flexible Support Fund.

Pete Searle: In the previous Parliament, David Mundell went around all of the local authorities in Scotland, I think twice, and I went on many of those trips with him. I was very reassured that every time he was at pains to ask them openly, "What is the relationship like here with Jobcentre Plus?" The first time he asked it, I must admit I was a bit nervous about what the reaction would be, but every single one was extremely positive about that relationship. They may not agree with what they are doing nationally, but at working level it is a very positive working relationship.

Chair: We have a couple of questions specifically on rurality and some of the issues that we have. I represent a massive Highland constituency in Scotland, so I know the challenges and difficulties there are in access to Jobcentre Plus. We have specific questions on that, but I know that Chris Law wants to ask a couple of questions on sanctions.

Q22 Chris Law: As we know, sanctions is not something we will agree upon, and the Scottish Government have a very strong view about the damage it does to society. Quite simply put, you cannot scare or starve people out of poverty. But I want to ask some specific questions. First of all, I want to know what discussions you have had with the Scottish Government about the relationship between the employment support programme and sanctions that will remain reserved?

Priti Patel: Certainly through our joint ministerial working group, we discuss these issues relating to welfare constantly. At the same time, we are much more focused on devolution discussions of late but specifically on policy, which is why we have these meetings. That is exactly why the joint ministerial group is there, to discuss policy as well as the next steps and the way forward with devolution.

Q23 Chris Law: Just to follow up on that, I have been looking at some of the evidence that has been put forward, in particular from the Joseph Rowntree Foundation and also the Scottish Government, but even the Welfare Committee said one of the single biggest concerns is that sanctions will remain reserved while at the same time other parts will be devolved.

Why is this the case, and what do you think the benefits are likely to be from having it reserved when other bodies have said otherwise, that it could be better devolved?

Richard Cornish: It was a decision of Smith, not either Government, to keep sanctions and conditionality reserved. I think the rationale for that is that conditionality and sanctions operates with working age benefits that are remaining reserved. It is the interface between the working age benefit system and employment programmes. They do interact together, so that is why the conditionality is still reserved.

Q24 Chris Law: That does not answer the question. Specifically with Scottish benefits, why is a Westminster sanctions regime being applied to specifically Scottish benefits?

Richard Cornish: I am sorry, I might be bringing up the question the wrong way but, as I understand it, the benefits that will be devolved will not have any UK sanctions and conditionality. It will be for the Scottish Government to decide any sort of conditions of entitlement for those benefits that will be devolved. But the conditionality and sanctions remaining reserved is linked to the benefits that will remain reserved, so it is part of that kind of reserved system.

Q25 Chair: Under the rights and the responsibilities that the Scottish Government now have to create new benefits, these would not be covered by UK Government sanctions?

Pete Searle: It links primarily to Universal Credit moving forwards. That is largely remaining reserved, with the Scottish Government having some powers over the housing element. That conditionality needs to be held within UK Government to be able to control spend on that.

Q26 Chris Law: Just to nail it down a bit, upon devolution of the Work Programme, can the Scottish Government be truly accountable for its performance when providers will be expected to apply the UK sanction system run by DWP?

Richard Cornish: The Minister referred to the ongoing discussions we are having with the Scottish Government. As the development of the Scottish Government's plans become clearer, we will continue those discussions about to what extent all customer groups will be part of the conditionality regime. Sometimes if you have voluntary customers they are different to the mandatory customers. We have not got to that level of discussion with the Scottish Government yet, so it is a live discussion ongoing.

Priti Patel: No, exactly.

Q27 Chris Law: What you are saying is that the Scottish Government are still playing very much a consultative role in this?

Richard Cornish: Yes, they are very much talking to us. We are trying to understand their plans and I am sure discussions will continue in the coming months.

Q28 Chair: With the Scottish Government's role in some of the administration of Universal Credit, will there now be a bigger onus on UK Government to fully consult the Scottish Government about the sanctions and conditionality?

Pete Searle: Around Universal Credit generally, where we make changes then we would expect to consult the Scottish Government and similarly where the Scottish Government wish to make changes to the housing element within Universal Credit, they will want to consult with us. All of that has been explored fairly fully. In terms of the sanctions and conditionality, that will be part of the overall discussions that the Minister has referred to and I think those conversations will continue.

Q29 Chair: When you are looking at potential problems down the line with all of this, I think this is probably one that could emerge as the most likely flashpoint about conditionality and sanctions, given that we will be given large responsibilities when it comes to the administration of Universal Credit. Conditionality and sanctions are solely in the hands of the UK Government and the fact that we have responsibilities over areas of benefits means we take a different view about conditionality and sanctions. It is going to be incumbent upon you as the Minister and the officials to ensure that there is full consultation and conversations with UK Government and the new agencies to ensure that there is not going to be massive political fallout about this.

Priti Patel: Our starting point is not one of conflict. Ours is one of wanting to achieve the right outcome through the processes and the fact that through devolution and benefits and powers being devolved to the Scottish Government we all are focused on the right outcomes. Our discussions are ongoing; I would say our discussions are positive. Even in a previous capacity when I was a Minister in the Treasury and I was involved in the joint working group, the ministerial working group meetings and discussions there, we have always come to the table on the basis that we want to find the right outcomes and the solutions. We will continue to work in that vein.

Q30 Margaret Ferrier: Just on the point of sanctions. I recently visited a local DWP office and it was the Universal Credit department where we spent most of our time. What was a bit unnerving to me was that there seemed to be no joined-up approaches. It is an outside agency that makes a decision about the sanction and they do not feed back the decision as to how they came to the point that they were going to sanction someone. It was like a call centre rather than the actual Universal Credit department themselves. I would like to know how that works, because obviously the people in the Jobcentre have built up a rapport and they know the history and the background to the people coming in to see them on a regular basis. This agency, wherever they are based, have no knowledge of the people. I would like to know that that has been taken into account and that the reason for the sanction is fed back to the office.

Priti Patel: First of all, I think we should be very clear about the conditionality system and the claimant commitment in particular. As you rightly highlighted, people in the Jobcentres are work coaches who will sit down with the claimant and, through the claimant commitment, agree the right support or the right conditions for the individual when it comes to work search and requirements and things of that nature. May I ask which office you went to?

Margaret Ferrier: It was one in Hamilton.

Richard Cornish: There is not a separate agency that deals with the decisions, but I can see where you are coming from in terms of it is a separate person. It is deliberately that way so that the decision-making process is independent from the people that are making the referral about the raising the doubt, as it were.

Margaret Ferrier: I understand that.

Richard Cornish: That is why it is independent. They have to look at all the evidence based on what is in front of them rather than any sort of anecdotal evidence they would have picked up.

Priti Patel: But it is important to stress as well that through the claimant commitment the requirements of the individual would have been agreed with the individual and the work coach as well. It is right, as Richard has said, that somebody independent looks at all the evidence and makes the assessment and that it is not just the work coach doing that. That is right and proper and that is the system that we have in place.

Pete Searle: The original referral comes from the Jobcentre so they would know what the sanction is for because they made the original referral. They did not make the decision but they made the referral.

Richard Cornish: Then the individual can ask for a reconsideration if they are not happy with the decision that has been made.

Q31 Margaret Ferrier: Do we know what the percentage of appeals are? If it gets overturned how many—

Pete Searle: We could supply the Committee with that. We do not have it to hand but we will write with that.

Priti Patel: We will find that out, absolutely, yes.

Q32 Maggie Throup: The Smith commission recommended that the two Governments establish formal mechanisms to govern the Jobcentre Plus network in Scotland. How far has that got and what progress has been made on that?

Richard Cornish: I touched on a little bit of this earlier. We have had discussions with the Scottish Government and those are continuing. There are a number of forums and boards that exist already. I mentioned the Scottish Employability Forum as perhaps one of the prime examples. From the DWP perspective, we think there are a number of different forums that do provide oversight—not just on Jobcentre Plus, but the entire employability landscape in Scotland. We are very keen to hear from the Scottish Government what their proposals are for strengthening this if they feel that we need to have something additional to that, but we have not had any suggestions put forward so far.

Q33 Maggie Throup: We keep talking about the joint ministerial working group. Do you think it is an effective forum for discussion and decision-making?

Priti Patel: I think it is a very important one, it really is, on the basis of sitting down with Ministers, identifying any issues but identifying ways of working going forward. Things are slightly more complex right now because, as we have touched on, we are heading into

the election period. But I think the face-to-face engagement is vital and I am sure perhaps after the elections, once we review the group, perhaps look at ways of working, there will be other things that we can perhaps look to change or even communicate differently in terms of the discussions. We are open to suggestions.

Maggie Throup: Take the opportunity post the elections to see how it is moving forward with it?

Priti Patel: Yes.

Q34 Chair: Can I ask how many times this joint ministerial working group has met and when was the last time you met?

Richard Cornish: Four times so far since it started early last year and the last meeting was before Christmas, although the Minister has had bilateral conversations with Ms Cunningham from the Scottish Government since then.

Chair: This is presumably Minister to Minister?

Richard Cornish: Yes, and the officials group has met four times as well. Indeed, it just met the last time about two weeks ago.

Q35 Chair: So the Minister has met Scottish Government equivalents four times in the past year. Would that be right?

Richard Cornish: Including the Minister's predecessor.

Priti Patel: We have calls too.

Q36 Chair: As we go forward, is there a plan to up these meetings, keep them roughly the same, or—

Priti Patel: I am sure we will because we will be very focused on delivery now as well, so absolutely.

Pete Searle: The clearer it becomes what plans the Scottish Government have to change the system, the more there will be to talk about in terms of implementation planning, so I imagine it will be more frequent.

Priti Patel: It is exactly that. It is worth emphasising as well that my nine months in the role has been very much focused on legislation, obviously the Bill. There has not been a great deal about a blueprint coming forward. That is now changing and we are in a different landscape of course, and we are doing much more, as you have heard already, through the officials in particular. But once we are in that position to hear, as we have said we are open to suggestions with forthcoming proposals, and we will be meeting much more frequently.

Chair: This fits into the initial conversation and discussion about meeting the committees of the Scottish Parliament. There is a real sense of frustration that Ministers have not been available to these Committees to give a view and to take questions from Members of the Parliament. We always have to be very careful—just like we are in this House—that there

is the Government and there is Parliament. The Committees talk on behalf of Parliament and they are constructed very much like committees in this House. Your commitment, Minister, to now appear—and I have no issue whatsoever from the Department for Work and Pensions to appear in front of Committees—in the future is really helpful and this will help deal with some of the outstanding frustrations. I have looked at the correspondence that has gone from the convener of the Welfare Committee to yourself and to the Department, and they might start to be allayed and dealt with efficiently.

Q37 Kirsty Blackman: Just carrying on the theme about consultation, if the UK Government are going to be making changes to welfare policies or making a new policy, for example, that is going to impact on the devolved powers, will the Scottish Government be a formal consultee in that process?

Priti Patel: Of course.

Q38 Kirsty Blackman: Good. The next question is specifically in relation to Jobcentre Plus. In Aberdeen there has been a large number of redundancies and Scottish Enterprise reckons that there have been about 10,000 direct redundancies in oil and gas across Scotland. Some of my constituents have been experiencing problems when they go into Jobcentre Plus because it is not set up to deal with some of these types of redundancies and it has been struggling a little bit in dealing with some of the people who have been coming through the doors. Would it be possible for me to get a meeting with somebody in relation to Jobcentre Plus specifically about this? I do not want to take up too much of the Committee's time, I appreciate—

Priti Patel: We will set that up, absolutely. I think it is fair to say that we recognise that in Aberdeen in particular there is a particular skillset that is presenting itself to our Jobcentres. We would be very happy to pick this up.

Richard Cornish: The Jobcentre there has been working very closely with Skills Development Scotland through the PACE arrangements, but we can definitely explore that.

Kirsty Blackman: Thank you for your indulgence.

Q39 Mr David Anderson: In a note we have had from the Scottish Welfare Reform Committee—which is probably the understatement of the world—they say, “The Scotland Bill will create a more complex system of social security in Scotland. It is absolutely vital this new system is as coherent as possible. We believe this cannot be achieved without very good inter-government relations”. Given that the Chair started with the worries about the failure, as some people have said, for you to engage with the Scottish Parliament, what is being done to try to improve the relations?

Priti Patel: I do not believe that relations are negative or unconstructive and, as I have said, there has been no reluctance to have engagement. Our Department has shown throughout that we have been working constructively with the Scottish Government. We have been working together to help take forward the powers that are being transferred to Scotland through the Bill itself. You have heard already from Richard and Pete today the extensive ways of working in terms of the teach-ins, the amount of time that is spent with officials, so I would argue and suggest that there has been very positive engagement. Going forward, clearly as we get into the details of development phases, implementation—we are not there

on implementation yet but developing ways of working programmes and initiatives—we will obviously spend more time together and look to provide support in the right way for delivery.

Richard Cornish: Just this morning I was having a coffee with the Scottish Government's head of intergovernmental relations, so that gives you a flavour of how regular the contact is between us.

Q40 Mr David Anderson: When we respond to the Scottish Welfare Reform Committee, we can tell them you are already having a cup of coffee?

Priti Patel: We have extensive engagement.

Richard Cornish: We have a lot of extensive engagement, formal meetings. I alluded to earlier the over 40 workshops that have taken place over the last few months. We are having that regular engagement in lots of different ways at all levels from ministerial engagement to senior official and working level engagement.

Q41 Mr David Anderson: Is there anything planned that we could give back, a note saying this is what is going to be—is there going to be a new committee set up? I know it will develop.

Priti Patel: Following the Committee today, we will write to the Chair and explicitly put in writing the amount of engagement that has taken place at official level and ministerial level, the type of dialogue that has taken place, and some of the things that we know are already in the pipeline, whether it is joint ministerial meetings or even dates that we are looking at to go to the committee.

Q42 Chair: I went through some of the correspondence when Ministers have been asked to attend Scottish parliamentary Committees and there has been 11 requests, all of them refused. I do not know if you know that: 11 requests in the last few years to DWP Ministers and there has been no attendance from DWP Ministers at all. That is what we are dealing with and this is why there is a real frustration among Scottish parliamentarians about the availability of UK Ministers.

It is not just the DWP; it is that practically every request that is given to UK Ministers is never complied with to the Scottish parliamentary Committees. This has to change. It has to particularly change with the Department for Work and Pensions and I am really grateful, Minister, for your comments saying that will happen. But to be told by the Secretary of State, for example, "As you are aware, social security is a reserved matter. Therefore, ministries are accountable foremost to the UK Parliament", as if you do not matter and you are of no concern to us, that is the type of message that is in the correspondence. I encourage you to look at the correspondence that has been exchanged between conveners of various Committees and UK Ministers. I am taking you at your word. You sat down and you said this will not happen anymore, but I want you to recognise that this has been an issue and has been a problem in the past.

Priti Patel: What I would say, Chair, is I hear you, I recognise the point that you are making, but I would like to state to the Committee that there is no reluctance for engagement. Also for us there is this balance. I will go to the Committee, but it is

important to emphasise again the extensive work that is already taking place on the day-to-day side and looking to the future on the operational side, whether it is through officials or whether it is at ministerial level. Of course there is a balance there but we are committed as a Department, and obviously I cannot speak for other Government Departments. I feel that our approach is one that is engaging. We are very positive and we are very proactive in our engagement, and I am sure, as I have already said, after the elections there will be more dialogue and more appearances going forward.

John Stevenson: Have we all seen sight of this correspondence, as Committee members? We have? Thank you very much.

Richard Cornish: I might just add to what the Minister is saying. I think a number of the invitations predate Smith, so they have been over the last period. The Minister alluded to the fact that we are into a different phase now of the relationship between the two.

Q43 Kirsty Blackman: I am pleased to hear that we are into a different phase of the relationship. The Welfare Reform Committee wrote to the Minister on 2 February and received a response on 26 February saying that you could not make it, which seems like quite a length of time to reply saying, “No, I am sorry I can’t make it”. But I welcome the commitment and I am just checking that there is going to be a new culture of respect between UK Government Ministers and Scottish parliamentary Committees.

Priti Patel: I will reiterate again for the benefit of the Committee, and I have emphasised it several times, that that is exactly the case. I should also just say as well that notwithstanding my commitments to the Welfare Reform and Work Bill, taking that through Parliament—which is exactly what I was doing during that particular period and that period was the House of Lords ping pong of the Bill as well so obviously I was very limited in time—there are no issues and absolutely we will be looking to work together more going forward.

Q44 Chair: We are extremely grateful. There is one other thing perhaps you could clarify for us too, and hopefully you will be as equally reassuring. When Members of the Scottish Parliament raise concerns on behalf of constituents and write to the DWP, they are almost contemptuously dismissed that it is none of their business and they should get in touch with their Member of Parliament. That is the experience for Scottish parliamentarians and it is a total frustration. Many of us have shared offices and people do not know the MP or the MSP. The MSP is trying to do the job on behalf of their constituent and they are being told by the DWP that it is not really their concern and they should go to their MP.

Priti Patel: It is disappointing to hear that and I know through my own correspondence that I have certainly communicated—hopefully not in those terms—to MSPs. Again, I would say if there are any particular cases or examples MSPs or Members would like to raise with me then I have always said—

Chair: You will be deluged now after this meeting.

Priti Patel: I have been very clear, whether it in Westminster Hall debates or on the floor of the House, I have offered consistently to have cases brought to me. Not many do come to me and if people do want to deluge me, they are very welcome to do so.

Q45 Chair: I am encouraging you ever so gently to move on towards telling this Committee that in the future when MSPs write to you, particularly when there is the devolution of welfare powers, they will get an appropriate response that will address their concerns.

Priti Patel: We will address the question or the concerns in the best way that we can, obviously.

Q46 Kirsty Blackman: Just to expand on that, I have worked in parliamentary offices for the past 10 years and MSPs have very rarely got any kind of satisfactory responses from the DWP because the DWP just says, “Go to your MP”. Even if the letter in this case is coming not direct to the Government Minister, is it possible that, for example, the hotlines and the e-mail addresses that we have as parliamentarians can be used by MSPs, or is that not ever going to happen?

Richard Cornish: We would certainly look at that. I was under the impression that they were available and we have often invited officers in MSP and MPs, with the local Jobcentre Plus staff, to understand that liaison and how the information can be shared. We can definitely follow that up, I can’t see any reason why—

Priti Patel: It might be worth us writing to all MSPs and putting them in touch with the local contacts and things of that nature. I would be very happy to do that.

Kirsty Blackman: I would really appreciate that. That would be very useful. To be fair to the DWP, you guys are not the worst Government Department for this.

Pete Searle: That is encouraging.

Priti Patel: I think our frontline does a very good job.

Richard Cornish: I would add that I do know that the Jobcentre Plus director from Scotland has written to all MPs and MSPs inviting them all to come into Jobcentres, so that invite has been extended to MSPs locally.

Chair: I think we are getting there in terms of a better understanding and this Committee is grateful for what you have said. But I think it is right for us to share these concerns because that is what our colleagues are telling us and that is their real experience in dealing with the DWP. I think what we are hearing from you today is a very helpful response to this, acknowledging that it has not been good, we are getting there, and in the future it is going to be significantly better and these concerns will be addressed. We are grateful for that. I do not want to dwell too much on this.

Q47 Mr David Anderson: Some benefits such as PIP act as a passport to other benefits and there is a worry in Scotland if the eligibility criteria are taken by one Government and not the other. What discussions have you had about how to manage those situations?

Pete Searle: That is one of those conversations that will need to follow once we are clearer about what the Scottish Government plans to do. Certainly we are very much alive to what the Smith agreement said, which is there should not be any detriment on either side from changes that are made. We are very mindful of any passporting arrangements, in either direction, that apply.

Our expectation would be, for example, if the Scottish Government makes a change to one of the benefits it is going to be responsible for that we would work with them on how the passporting might work in relation to, say, Universal Credit or UK Government responsibilities and come to an agreement about the best way forward. But it is very difficult to say in the abstract what that should be. We need to start looking at the specifics of what the Government want to do.

Q48 Mr David Anderson: The conversation we just had reflects the fact that there is a different view in Scotland and there is a lack of confidence in what is being done between the Scottish Government and Westminster. I want to ask you, Minister, directly that as you are now a Minister for Employment, do you still share the view that you espoused in 2012 that the British are among the worst idlers in the world, and what can that do to build confidence?

Priti Patel: For a start, I have never said that and so that is an assumption that has been made.

Q49 Mr David Anderson: So the book you have authored is not true?

Priti Patel: Let's put this into context. With regards to employment, look at the great employment story that we have across the United Kingdom and that is through much of the work that the Government have done in dealing with some big economic challenges but also supporting more people back into work. That is a good thing because—as I started off saying earlier on to the Committee—we are not about systems and processes, we are about people and supporting people back into work and that is incredibly important.

Going back to your question about passporting and systems and ways of working, our ways of working with the Scottish Government are very clear and, as I have said, we will write to the Committee and give a full outline of the extensive work that has been taking place. We are going forward, through the delivery of Smith, looking at ways in which, through the development of systems and processes, we can ensure that we are supporting people in the right way going forward.

It is fair to say right now that we have not seen extensive details because we have been focused on the passage of the Bill and delivering Smith. We have not seen the details of what the Scottish Government plans to do with its new powers. That is why our ways of working going forward will concentrate on what these details would look like, how we can support the Scottish Government in the delivery of welfare going forward, and of course our outcomes are shared outcomes, that we continue to support people in the best way possible.

Q50 Mr David Anderson: That was a really long answer to the question I asked previously that had already been answered. Can I come back to what I asked you: do you still stand by what you said in 2012 or are you denying that you wrote that in a book?

Priti Patel: I co-authored a book. That is a fact; I co-authored a book.

Mr David Anderson: Do you still believe the British are among the worst idlers in the world?

Priti Patel: If you put that quote in the context of the book, the book was about productivity, our place in the world and being globally competitive. Alongside that comes a challenge of skills in particular; how we can make sure that our education system is exactly doing what this Government has been focused on doing; making sure that we are getting great educational outcomes, more good and outstanding schools; but importantly, equipping our young people to be global citizens in a highly skilled world and being much more productive. That was the context of the book.

Chair: We will leave it there, David, if that is all right. Thank you, Minister.

Q51 John Stevenson: The Scottish Government, in their wisdom, have decided to set up their new social security delivery agency. Can you see any benefits in them doing that and what the reasons behind doing that would be?

Priti Patel: As we have been saying, we are at the stage now where we have not seen full details of what the Scottish Government are going to do with their new powers. We have only heard in the last 10 days or so about the new agency. But, importantly, we need to understand—and we have not heard the real details yet about the agency itself—how it will function, how this will work, when this will be introduced. This will be part of our ongoing work with the Scottish Government, understanding where they are going with this and how we can support them in delivery, effectively.

Q52 John Stevenson: As you will appreciate, people could potentially be claiming both a reserved and a devolved benefit and there is potentially two agencies if the Scottish one is created. Isn't there a danger of duplication, added cost and it being more complicated? How are people going to deal with that?

Priti Patel: We are in hypothetical territory right now, but obviously these are important points that you are raising. We will ensure through our ways of working, through the work that officials undertake from both Governments, that there is no duplication but the process is simpler. The point here as well is that we have the Universal Credit gateway. We are doing a lot to share data and information, which is crucial as well when it comes to the administration and the operational aspect of systems. It is incumbent on both parties that we work together to not complicate the landscape but make sure that we are providing support directly to individuals through the right systems, the right gateway.

From the Scottish Government's point of view, we will need to understand in particular—for example with the agency—how the agency will work alongside the reserved systems and reserved benefits, but also I would suggest that timelines, introduction, any crossover and things of that nature will all be addressed through the work that we do at a Government-to-Government level.

Pete Searle: It goes back to some of the discussions we have already been having that the relationship is at official level as well as ministerial level. As officials, we—and I am sure the same is true of Scottish Government officials—will be determined to try to make the experience of the customer and the claimant citizen on the ground as smooth as possible. Having different agencies makes that harder. I can understand why the Scottish Government might want to do that, but I am confident the officials of this Department and the Scottish Government will look to work really effectively together to try to make that customer journey, claimant journey that we talked about earlier on work as smoothly as

possible, whatever the delivery landscape. It will not always be easy, but that is certainly a commitment I will make on behalf of this Department and I am confident the Scottish Government will do the same.

Q53 Chair: I am going to ask a couple of questions about the different approaches that will underpin the Scottish Government to the UK Government. I do not know if you recognise that there will be a different ethos and perhaps a very different culture in how they approach this. For instance, Minister, you will know the bedroom tax. We spent £360 million having to mitigate the impact of the bedroom tax because it was not a feature of the Scottish community that I think the Scottish parliamentarians felt they could tolerate and so something was done about it. Already, with the new powers we have announced, we will increase the carer's allowance to JSA levels, for example. These are the sort of things that we are hoping to do with the powers. Do you recognise that, given Scotland's perhaps different political culture and community values, we are going to approach this significantly differently to the UK Government?

Priti Patel: I think it is important to recognise with devolution this is not about central control constantly as well. Smith was set up with that very clear commitment to provide new powers to the Scottish Government on behalf of the Scottish people, and of course the UK Government respects that. We completely respect that. I think the important point to make here is that we are fulfilling the Smith commission and we are working with the Scottish Government on the delivery, in partnership. We are partners as well, and it is important to reflect that and recognise that. This is not about two conflicting systems and hostility in terms of policy approaches.

We are all working to the same objective, which is to support people and to support individuals, many of whom are vulnerable and have difficult circumstances, and acknowledging that and recognising that in terms of outcomes is incredibly important. But I think, quite rightly so, it will be for the Scottish Government—that is why we have devolution—to determine the approach and their way of delivery. That is not for us to provide a commentary on. As I said, we all work in partnership.

Q54 Chair: There will be ongoing conversations and hopefully there will be a commitment from your good self to attend this Committee as we discuss these things as we go forward. But given that there is likely to be a different ethos about how we approach some of these issues, is there going to be this spirit of proper engagement and respect to the Scottish Government in the way that they want to try to create their own social security system, and the Scottish Government will be allowed to get on and create that?

Priti Patel: I would not question that or doubt that at all, absolutely. That is why we are devolving these powers and the money as well. That is the right thing to do. That is absolutely the proper thing to do, and of course we will respect that but also, as I have said, we will continue to work in partnership.

Q55 Mr Christopher Chope: Minister, did the Scottish Government consult with the UK Government on its plans to set up a new social security delivery agency? On the face of it, it seems as though it might not have been necessary; it might be a waste of money, duplication, bureaucratic, all those issues. Was that discussed at all with you?

Priti Patel: We work together in the joint ministerial group and with officials as well. Specifically to the agency, we have not had a discussion directly on the creation of the agency. But I think it is important to say that the agency has been announced but we have not seen the real details yet about the functioning of the agency, its administration, how it will work, when it will be introduced and how much it will cost. This will be part of the ongoing discussions that we will be having at ministerial level through the joint working group going forward.

Q56 Mr Christopher Chope: Has anybody entered into discussions about things like the practicalities of co-location, which were referred to in the Smith commission, at the moment?

Priti Patel: The Department for Work and Pensions has been working on a whole programme of co-location. There are, as you have already heard, some good examples of co-location that has already taken place and been established. That is part of our ongoing work programme and dialogue that we are having with the Scottish Government.

Pete Searle: Jobcentre Plus is actively having conversations with Skills Development Scotland on co-location opportunities as we speak.

Q57 Mr Christopher Chope: Can I turn to the issue of data sharing? The Welfare Reform Committee's report on the future delivery of social security in Scotland raised a number of issues about data sharing, particularly in relation to Universal Credit and housing benefits. What do you think about that? Do you think there is a sufficient amount of co-operation at the moment?

Priti Patel: We have been sharing data, so we continue to honour our commitments when it comes to data sharing, because that is important. We need to be able to. As we have said, we are working in partnership and co-operation in terms of information is very much taking place.

Pete Searle: There is a balance to be struck on the sharing of data, obviously, personal protection, protection of data, but also trying to provide the best joined-up service across organisations that we can. It is constantly part of the discussions at working level between for example, Jobcentre Plus and local authorities about Universal Credit delivery. Sometimes things do not go smoothly, but I think the key thing is the partnerships, partnership working that we have talked about, to try to address problems when they emerge and find the best way through.

I think some of the difficulties around Universal Credit have been an expectation that the same data that we have had on existing systems will be available immediately, but because it is new, it is taking a while for some of that data to come through. I would expect very much that things that local authorities, for example, are used to seeing from the past, give it a few months, a year, they will get used to seeing from Universal Credit, but it is bedding in at the moment.

Q58 Mr Christopher Chope: Can I ask you specifically about data relating to non-UK EU nationals? It does not seem as though the Department has the most basic information about the number, for example, of new people with national insurance numbers: how many of them are resident in the UK, how many are in employment, how many are self-employed, how

many are jobseekers. It certainly cannot break that down in other parts of the United Kingdom. Is there a problem with a lack of collection of the basic data relating to non-UK EU nationals?

Pete Searle: I will admit personally and I suspect that none of us on this table are experts in exactly what data is collected, but we are happy to come back to the Member to respond on that point.

Mr Christopher Chope: It is just that the Minister answered a question from me on Tuesday, 8 March about these very issues relating to the number of national insurance number registrations, the number resident in the UK, the number in employment, the number seeking employment, and so on. The answer was that the information requested is not available and could only be provided at disproportionate cost. There is a slight contradiction in that, because it is either not available at all or it is available but it would be expensive to get access to it.

Priti Patel: It is probably the latter.

Q59 Mr Christopher Chope: It seemed to me it is all pretty basic stuff. If we are talking about implementing a regime negotiated by the Prime Minister whereby EU migrants in our country, if they have not obtained employment within a certain number of months, are going to be required to leave, how are we going to begin to enforce that if we do not have access to the data?

Priti Patel: For a start, with regards to data and the Prime Minister's deal on renegotiation, after the referendum there will be an approach in Government when it comes to looking at the implementation of any deal. That would be a piece of work that goes across Government in terms of data: data-gathering, data sharing, and information. It is hypothetical right now, but that is a piece of work that will take place.

Q60 Mr Christopher Chope: I will finish on this point. The deal is being presented as delivering a reduction in the number of migrants who will be attracted to the United Kingdom, and I just wondered whether the Minister had any data that could substantiate that claim.

Priti Patel: I do not think it is for me to comment on the Prime Minister's deal, and also data with regards to claims associated with the Prime Minister's deal. The point to make about, in particular, the emergency brake, which I think is the point you are referring to, is that the brake will apply to any EU worker who claims in-work benefits, having recently arrived after the brake has been introduced. In terms of data, and the implementation of the policy, that will come much later and I do not think it is appropriate for me to even comment or speculate on how that would work or the application of that today.

Q61 Chair: Nevertheless, we never doubt Christopher Chope's ingenuity in being able to introduce a conversation about European Union and migration, and I am grateful for your answer, Minister. But getting back to Jobcentres in Scotland, are we looking at plans for co-location with the new agency? I know you are looking for details about how all this is going to work out, but I am presuming there would not be a difficulty if there was a request from a new agency in Scotland to share premises with Jobcentre Plus? I know the Jobcentre, you

have said, and we have heard again today, is going to be exclusively reserved and the Department for Work and Pensions will be responsible for the delivery of Jobcentre Plus, but are we sensing any difficulty, if there was a request to come in, in order that there would be a co-location with the new Scottish agency?

Priti Patel: No, absolutely not. Co-location is a very good example of how we can unify public service delivery, and pull the right levers together, the right kind of support for the benefit of supporting individuals. It is fair to say we have a programme of co-location that is being undertaken anyway. It might be useful to share with the Committee some of the co-location options that might be considered over the next few months through the discussions that we have with the Scottish Government. We are very positive about co-location, so I would not foresee any issues or concerns associated with that and we would be very happy to keep the Committee updated in terms of progress on that front.

Richard Cornish: Perhaps I can just add, we have not had any formal approach from Scottish Government in relation to the agency to co-locate in any Jobcentres but we have, as I alluded to earlier, talked about co-location with Skills Development Scotland so far. But I think we would look at it on a very pragmatic basis with Scottish Government. There will be some Jobcentres that have more space than others, and a lot of it will come down to the operation on the ground, what makes sense for everyone.

Q62 Kirsty Blackman: We have raised concerns about Universal Credit, and we will be receiving some powers in the Scottish Parliament in relation to Universal Credit. We have already said that we are going to offer to pay it directly to social landlords and to offer fortnightly payments to recipients, rather than monthly payments, if they so choose. A lot of the concerns that have been raised about Universal Credit have been about the administration and some of the lack of transparency and lack of ability to find answers about some things in terms of Universal Credit.

I have spoken to people who have been trying to find out things like the timeline for when Universal Credit is going to be rolled out and queries about the five-week waiting period that people have before they can receive Universal Credit. That has had a direct impact on rent arrears and has meant that people who are in receipt of Universal Credit are more likely to be in rent arrears because they have that five-week period before they can receive benefit. I recognise that the Government have made a commitment to trying to make sure that the data is more open and transparent around Universal Credit. Are the Government listening to these concerns that have been raised, and going to make sure that the administration of this is done a bit better and that it is a bit more open and transparent?

Pete Searle: We are trying to be as open and transparent as we can be and trying to deliver it effectively, and I think we are delivering it, implementing it, very effectively. A key part of our approach with Universal Credit is not to set plans years ahead and head without any further thought towards those plans. We need to test and learn as we go along, and if we can do things a bit faster, then we will do things a bit faster. If we learn that something needs to go a bit more slowly, then we will do that. The key thing is that it lands smoothly and safely on the ground when it does land.

On implementation timetables, over the last month or so Ministers have released a set of plans for the rest of this calendar year for the rollout of Universal Credit. It goes to Musselburgh later this month, I believe, and then programme Inverness in June or July this year, the rollout of a new digital service, and then a series of further Jobcentres and areas

in the Highlands in the back of November time this year. That has all been set out quite clearly over the last few weeks. As that plan progresses later in the year, we will give further details of what the plan is into 2017, but we do want to try it, test it, implement it, and then move on to the next stage.

Richard Cornish: Those site details are in a written ministerial statement from 11 February.

Q63 Kirsty Blackman: Yes, I will have a look at that, I really appreciate that. In terms of this, it has been quite difficult for people on the ground who are providing advice to people because they did not previously have that. It would be very useful if the one for 2017, for example, could be released well in advance, or as far in advance as possible, so that people who are providing advice to folk who are coming through the door about applying for benefits and their entitlement to benefits are able, as early as possible, to explain to them how Universal Credit is going to work so that they know what forms they are going to be faced with filling in, for example.

Priti Patel: I think it is worth saying, Chair, with regards to Universal Credit, obviously it is a system that has been developed over the last few years. It is a test-and-learn system; it is an agile system. We have worked with our stakeholders, third parties, and co-located locations and things of that nature, to take them through the system and, importantly, prepare them for the engagement, and of course that applies to our Jobcentre staff as well. So, absolutely, we will continue to do that. May I suggest to the Committee that if it has any particular concerns about the practical delivery of Universal Credit, and Committee members feel that those delivering, partners that we work with, are having problems on that basis, I would be very happy to pick up any concerns.

Q64 Kirsty Blackman: I can see the benefit to Government, for example, of having this agile system and having this ability to change things in the run-up to implementation, but for people on the ground, for people perhaps with mental health difficulties who need a long run-in in order to be able to cope with filling in a certain form and things, the longer they can have, the more information they can have further advanced the more able they will be to cope with this process, so for them the long lead-in time is really useful. I appreciate that it is easier for Government to have a system that can change but for folk on the ground a long lead-in period is really handy.

Priti Patel: To your point on claimants with mental health conditions, they will get the type of support that they have not previously had through the work coaches and through Jobcentres when it comes to using the Universal Credit gateway. Of course, it is not a complicated system compared to what existed previously, and I emphasise the personalised nature of Universal Credit and the support that people will get from work coaches, and are getting from work coaches as well. I think that is a huge difference compared to the systems that have existed previously.

Pete Searle: I take the point about trying to give as much notice as we can, and certainly we will do that. I think at the moment, and for the rest of this year, we are talking about new claims essentially. In a way that is a change of circumstances. Some would not see that coming. Particularly I think your point is even more valid when we get to movements

from existing benefits across. That will be more than a year down the road, but I take your point about trying to give as much notice as possible.

Kirsty Blackman: Thank you.

Q65 Margaret Ferrier: A change brought in by the introduction of the Welfare Reform Act 2012 was the move to online application for benefits and Universal Credit, claimants being told that they had to apply online. What assessment has the DWP made of the impact of the online-only application for Universal Credit for people without home internet access?

Priti Patel: It is important to say that those who cannot claim by using the internet or have access to online facilities are supported through other channels. We are very clear about that and very committed to that. Many of those other channels include our phone line but also, I think importantly, it comes back to the importance of being co-located, where you can join up services and people have the ability to engage with people, whether it is in a local authority setting, a co-located setting, in the way that they did not previously have. Of course Universal Credit again is not only online. We spent a great deal of time and effort in our approach to take account of the different levels of familiarity that people have with technology and circumstances.

Richard Cornish: I could perhaps add that the vast majority of Jobseekers Allowance customers have been applying online now for a number of years. It is important from a digital inclusion point of view, given that the labour market these days is online and so many jobs have to be applied for online, that over the last few years Jobcentres have put in some extra computers for customers to use and Wi-Fi in Jobcentres so that customers can use their own devices when they come in, not just Jobcentres but other agencies locally as well. I am sure that that support for people being able to get online, having the training and support to get confident online is very much part of the wider digital inclusion point.

Q66 Margaret Ferrier: I would like to come to the point you mentioned that there is a helpline, but I believe the costs are between 8 pence and 40 pence a minute, depending on whether you use a landline or a mobile. That can be a lot of money to somebody who is claiming Universal Credit. You are talking about £4 for a 10-minute call if it takes that long, so my question is: should that service not be free for these people?

Richard Cornish: We always have the option if anyone comes on to the phone and says, “I can’t afford to stay on this phone call with my bill. Can you call me back?” they can receive a call back.

Q67 Margaret Ferrier: The problem is if they cannot meet the initial call then will they be able to do that in the Jobcentre?

Richard Cornish: Yes. There are phones available in Jobcentres for people to do that.

Q68 Margaret Ferrier: I would like to ask just another question. In 2002 the Scottish Government found that over 20% of people living in rural Scotland lived more than a 30-minute drive from a Jobcentre, with over 7% living more than 60 minutes away. Is this still the case?

Richard Cornish: I am not familiar with the 2002 figures off hand, but I do know that since then we have introduced a lot of alternative channels, so we didn't have online services then. We have many of our services over the telephone, so a lot of our services are now done over the phone that people can do without travelling to a Jobcentre. Also we do have a visiting service that DWP operates, particularly for vulnerable customers, particularly older customers, perhaps pensioners. If they cannot get to an office then we have a visiting service that can go and visit them at home.

Q69 Margaret Ferrier: What more are you doing to ensure that people living in rural Scotland can access Jobcentres? Internet access is an issue as well, even if they don't need to come into a Jobcentre if they use a computer, because we all know there are slower internet speeds or none at all. It is not just rural areas in my constituency. There is an area where there is very poor internet connection and broadband. What more are you doing to ensure that these people don't feel that they have to drive to—

Priti Patel: Obviously the landscape has changed quite dramatically since 2002—hopefully in a better way when it comes to social inclusion—and from our point of view, working with other organisations is absolutely crucial. We do a lot on our own through our Jobcentres and access to Jobcentres but working with third parties.

As you said, it is not just going to a Jobcentre, it is co-location of services and integrating our services. I can only speak from the last five years but, from my role as Minister over the last nine months, a great deal of work has taken place in integrating services and making our services much more accessible. I cannot speak specifically to your constituency and the rurality in your constituency, but we are mindful and very conscious that working in partnership is one of the best routes forward to deliver service provision and bringing more social inclusion—because that is important for access to public services—and we see ourselves within that public service landscape.

Q70 Chair: I think that there is not a clear understanding from the DWP about some of the challenges that are faced by individuals in rural settings. I represent the 12th largest constituency in the UK, nearly all of the Perthshire Highlands, and I know how difficult it is, particularly when there is a concern about conditionality, that JSA claimants, for example, have to turn up to Jobcentres. As we have found, this can be between a 30 and 60-minute drive for some of my constituents. Is there a clearer understanding from the DWP about the difficulty in rural situations and the rural environment about some of the conditionality that is placed particularly on JSA? Will there be a further examination looking perhaps at a range of solutions that could be put in place for people who are expected to make these sort of journeys to get to Jobcentres?

Richard Cornish: I know that managers operationally on the ground, particularly those in the more rural parts of Scotland, will always consider this kind of issue in the local offices and very much work within the bounds of what is reasonable for the public transport there is locally. All of those local travel options are always very much part of the consideration when an individual claimant is signing up their claimant commitment with the work coach, and the work coaches often have all of the local travel times. Those work coaches are local people working in their communities in the local Jobcentre, so they will be very aware of how the transport options work.

Q71 Chair: This is one of the things that we will have at our disposal—and I hope you will confirm this is the case—with the devolution of powers of the administration of Universal Credit. Will this allow the Scottish Government to look at and examine these things a bit more sympathetically when it comes to the administration powers they have for Universal Credit? Is this something that we would be able to deal with a bit more sensitively and acknowledging our particular geography and environmental issues?

Priti Patel: I think we are providing the right kind of considerations, but I come back to the point that we work in partnership with the Scottish Government on challenges such as rurality and access to services, and we will continue to work with the Scottish Government to make sure that we can deliver the best service provision for the Scottish public.

Q72 Chair: Lastly from me on Universal Credit, the new agency in Scotland has already stated its intention, with the powers that it has, to have fortnightly payments and to pay directly to landlords. I don't know if you are familiar with that but that is something that has been said by the Cabinet Secretary. It is an intention with the powers that it has. I am presuming you are relaxed about that. That would not be an issue and you will be quite happy to ensure that the Scottish Government is supported in its endeavours and attempts to customise Universal Credit where it can in order to meet Scottish priorities and Scottish needs?

Pete Searle: Those things were explicitly part of the Smith agreement, so absolutely, and my officials, more or less as we speak, are working with Scottish Government officials about what it is they would like to do, what their specifications are for that, and how and when we can deliver it.

Q73 Chair: Could you tell me why the UK Government are not tempted to administer Universal Credit on that basis of fortnightly payments, direct payments to landlords? These are the things that we hear in our constituencies all the time, that there are real difficulties. Why are the Scottish Government doing it, which seems a sensible way to manage this, and the UK Government are going to stick to monthly payments and put a significant sum in the hands of an individual family once a month?

Pete Searle: The thinking behind the UK Government's decisions around monthly payments and payments direct to individuals is very much to make Universal Credit part of that transition into work, so the more that payments are made in a way that is consistent with the world of work the less of a barrier the move into work is. That is the thinking behind it and the early evidence of Universal Credit is very positive in terms of the additional movements into work, so that is the evidence we have. That is the thinking behind it. The Scottish Government are taking a different view. That is their right.

Priti Patel: We would be very happy to share with you the findings and the evidence that was published in December.

Chair: I think we have already seen some of that.

Q74 Kirsty Blackman: A quick question about the changes that were made to the Access to Work scheme. Local people in Aberdeen used to have much more access to the people that administer the Access to Work scheme. It was moved away from there to somebody in

Glasgow and the way that that it is administered has changed a bit so that, for example, there is one employer in Aberdeen who has a number of employees who are all in the Access to Work scheme and receive Access to Work payments. The employer used to be able to speak to Access to Work on behalf of all of those people but now has to hang up the phone and phone again for each individual person in order to speak about each of their cases. Have you received much feedback on the changes that were made to the administration of this and are there any proposed changes in relation to those? If you don't know, I am quite happy for you to get back to us later.

Richard Cornish: We do not have that detail with us today on Access to Work. I know that a lot of the improvements that were made were to try to ensure that there was a consistency in the ability of people to get hold of someone over the phone rather than it all being dispersed locally if sometimes people were not there to answer the phone. It was to try to improve the accessibility of getting through to people, but we would be very happy to pick that up.

Q75 Kirsty Blackman: On consistency, there are three people who have grants for very similar things and the level of grants are all different now. They were more consistent in the past. There is an issue with the people that they are employing to help and assist them doing their work. They are now all being paid a different rate despite coming through the same employer so it is less consistent and more difficult.

Richard Cornish: Right. If you send us the details we will look at it.

Q76 Mr Christopher Chope: Mr Searle has just given what was to me a persuasive explanation as to why it is better to pay Universal Credit on a monthly basis. Can I ask him whether there has been any discussion with the Scottish Government on the merits or otherwise of going over to a fortnightly system? If there is a fortnightly system, surely that has to involve some cash flow costs for the UK Government, or is that cost going to be borne by the Scottish Government?

Pete Searle: On the first part of the question, I have been working on Universal Credit for many years and I have been in numerous discussions between UK Ministers, Lord Freud in particular, and Scottish Government Ministers about the reasons for the decisions the UK Government have made on monthly payments, for example. In the end the Scottish Government have decided to take a different approach in spite of those arguments. As I say, that it is their prerogative. On the cost of implementing that, under the Smith agreement to the extent that it does add administrative cost, and it will add some to the UK Government, then that cost should be borne by the Scottish Government. That is absolutely part of the Smith agreement and will be part of our conversations with the Scottish Government.

Q77 Chair: If we had these powers in place there would have been no bedroom tax in Scotland. Is that right? If you had had these powers in place, say, five years ago there would have been no bedroom tax in Scotland.

Pete Searle: Yes. Well, put another way, if you look forward five years to when you have full control over the housing element within Universal Credit then, yes, you can and the Scottish Government will be able to—

Q78 Chair: The Scottish Government had to spend large swathes of their budget militating against a bedroom tax that we did not want in our communities. Do you not feel there is a case for the UK Government compensating the Scottish Government for that?

Priti Patel: I would say that policy changes, decisions are made and obviously decisions were made in the last Parliament through the Welfare Reform Bill as well, so I don't think we can sit here today in 2016 and make a judgment like that.

Chair: We never wanted the bedroom tax. We made it very clear we did not want it to feature—

Priti Patel: That is not the point right now through devolution. Devolution is delivering the Smith commission. We are delivering exactly what Smith said. Scotland and the Scottish Government will now have new powers and obviously with those powers will be able to take forward the policy approach. It is the prerogative of the Scottish Government to do so in the way that they see fit and we will—as I have said and the team have emphasised many times—support and work in conjunction with the Scottish Government to do so.

Chair: I thought I should try my hand anyway to see if we can get some money back, but thank you for that. I think we are all very grateful, unless anybody has any last questions or if there is anything further that you would like to add, Minister.

We are really grateful today for the more positive and encouraging things you had to say about better communication and working together. If it is all right, I think there will be further requests from this Committee to have further conversations just to see the progress with the transfer of these powers. As this is ongoing, it is something that will interest this Committee. We are very grateful that you came along this afternoon, at short notice, to take questions from this Committee.