

Scottish Affairs Committee

Oral evidence: Inter-governmental co-operation on social security, HC 1095

Monday 20 March 2017

Ordered by the House of Commons to be published on 20 Mar 2017.

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Members present: Pete Wishart (Chair); Deidre Brock; Margaret Ferrier; Anna Soubry; Craig Williams.

In attendance: Sandra White; George Adam; Alison Johnstone; Gordon Lindhurst; Pauline McNeill; Ben Macpherson; Ruth Maguire; Adam Tomkins.

Questions 1-76

Witnesses

I: Rt Hon Damian Green MP, Secretary of State for Work and Pensions, Mary Pattison, Senior Responsible Officer for Scottish Devolution Programme and Ageing Society & State Pensions Director, Department for Work and Pensions, Angela Constance MSP, Cabinet Secretary for Communities, Social Security and Equalities, and Stephen Kerr, Director of Social Security, Scottish Government.

Examination of witnesses

Witnesses: Rt Hon Damian Green MP, Mary Pattison, Angela Constance MSP and Stephen Kerr.

Q1 Chair: May I welcome all four of our witnesses to the session today? It is a quite historic and significant session of the Scottish Affairs Committee and the Holyrood Social Security Committee: it is the first time ever that a Holyrood Committee has participated in an evidence session in the House of Commons, and it is also the first time that we have had the good fortune of having a Cabinet Secretary and a Secretary of State available to give evidence together. It is a very significant occasion, and we are looking forward to your evidence this afternoon.

Can we start, as usual, with a short introductory statement from the Secretary of State and the Cabinet Secretary? We'll start with you, Secretary of State.

Damian Green: Thank you very much, Chair. I agree on the historic nature of this event. I should start by saying what great importance I place on the work we are doing together to deliver the devolution settlement and to do so safely and securely. What we are attempting to achieve in transferring significant new powers and a range of existing DWP benefits is no easy task. The importance of this work is driven fundamentally by a number of key principles, which I hope we share. These core principles are to protect continuing benefit payments to claimants in Scotland; to provide clear accountabilities for Ministers, Parliaments and Departments; to protect the ongoing delivery of reserved and devolved responsibilities and the associated changes and reforms; and to be consistent with the principles within the fiscal framework.

I know that Angela has previously said that delivering social security is the biggest challenge that the Scottish Government has faced since devolution, and I should say that I agree with her. The Scottish Government is having to start from scratch in many respects. It has committed to building a brand-new social security agency—a new infrastructure which will play an important role in delivering their new benefits and building up their own capacity in what is a new area of responsibility for them. I will make clear again today, as I have in the past, that my Department will support the Scottish Government in the transfer of these substantial responsibilities. I am confident that this is happening at all levels, and it is delivering results.

Through the joint ministerial working group on welfare, chaired by the Secretary of State for Scotland and the Cabinet Secretary, there is a strong and constructive forum for Ministers from the UK and Scottish Governments to oversee progress. As well as attending this Committee, I attended another historic Committee meeting in Holyrood last autumn—the first time a Secretary of State had done that. Following that, my Department's executive team have held a joint planning day with their counterparts from the Scottish Government, and we are making good



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progress on a range of issues. I know that we are committed to continuing that work to support the Scottish Government. We will continue to work to find solutions to common issues where we can, and I am confident that we can do that as the Scottish Government takes on more responsibilities.

Most importantly, and finally, I am sure that both Governments want to deliver the best possible services and support for people across Scotland and, obviously for my Department, right across Great Britain. This is a common goal that, whatever differences we have, unites our work together.

Chair: I am grateful.

Angela Constance: Thank you very much, Convener. Good afternoon to both Committees; it is a delight to be here. I will keep my opening remarks uncharacteristically brief.

The Scottish Government has high ambitions for social security. We come from the position that social security is an investment—an investment we make in ourselves and each other. Our overarching aim is to deliver a fair system that respects the dignity of the individual applying for support. We have embarked upon the biggest programme of change in the history of devolution. We need to set up a new social security agency with robust processes and systems to deliver 11 devolved benefits, comprising up to £2.8 billion of payments to 1.4 million people in Scotland. This will be one of the most complex policy and delivery operations that the Scottish Government has ever taken forward. To put that into context, the spend of £2.8 billion is equivalent to the cost of building two new Forth road bridges every single year. The scale is such that we must design from scratch new technology that will process roughly the same number of payments every week that the Scottish Government currently makes in the entire year. Along with the UK Government, we will ensure that the transfer of benefits is done safely and securely, to ensure that those who need support continue to get it.

However, I recognise and accept that we and the UK Government come to this exercise with different ideological and political perspectives. It is realistic to expect that there will be times when we disagree. It is important that we have the mechanisms through which we can have frank and open discussions as Ministers. We will continue to work with the DWP and the wider UK Government to ensure the safe and secure transfer of important powers, with those who stand to benefit at the forefront of our discussions.

At ministerial level, the joint ministerial working group on welfare gives us space to work closely with UK Government Ministers, to discuss, to debate and to drive forward the key actions that are absolutely necessary for successful implementation of our new social security powers.

Q2 **Chair:** We are grateful to both of you for those concise opening statements. Given that we have both of you here, let's talk about some of the relationship issues we have in the creation of this new service. I was



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quite struck by what you said, Cabinet Secretary, about the fact that at the heart of what the Scottish Government are trying to achieve here, there are different ideological and political perspectives. You talk of social security, while the UK Government talk more of welfare when it comes to these issues. Do the political differences and different ideological perspectives get in the way of trying to create this new service in Scotland? Let's start with you, Cabinet Secretary.

Angela Constance: The important thing to recognise is that we have a working relationship. It is important that, in an adult, straightforward fashion, we are honest and transparent about where there are differences. There are many political differences between our two Governments, not least when it comes to social security. As you say, we very deliberately use the language of "social security", and not welfare. That has been welcomed across the Chamber in the Scottish Parliament, because we want to have more positive language and a more positive dialogue.

As I said in my opening remarks, this is the biggest programme of change in the history of devolution. It is imperative that, irrespective of political differences, we work together, and it is absolutely necessary that, in the interests of citizens, we do just that. Of course there are political differences, which we will not shy away from, but from my perspective, as the Cabinet Secretary from the Scottish Government, where there are differences we will want to intensify engagement as opposed to walking away from those difficulties. We are committed to the process.

Q3 **Chair:** What do you make of all this, Secretary of State—a Scottish Department that puts respect and dignity at the heart of social security, as opposed to this great theme of welfare that we hear more so in the House of Commons? How do you feel the working relationship is going, given that difference in approach?

Damian Green: I am sure that politicians on all sides in this Parliament or the Scottish Parliament put respect and dignity at the heart of all the work they do. The underlying difference between us, it seems to me, is reflected in the title of my Department: it is the Department for Work and Pensions. We think that the most compassionate and effective thing you can do to somebody who is on benefits, the vast majority of whom want work, is to help them get into work and organise a system that allows them to do that. We have been very successful at doing that in recent years; we have seen historically high levels of employment and historically low levels of unemployment. The task we set ourselves, as a Department, is precisely to look at the areas where that is most difficult—for example, on disabled people, we have made progress, but we want to make more progress on reducing the disability employment gap.

In terms of the practicalities, I rather agree with what the Cabinet Secretary just said; we are both committed to making the devolution settlement work in this specific and very difficult area. We have already transferred 11 of the 13 powers that we are committed to transferring under the Scotland Act. The regulations for the final two powers to go will be laid in the next few weeks. So we are absolutely determined to make



this work. As well as that very significant step forward, we have of course jointly set up systems, regular meetings and so on that mean not only that Ministers can discuss what inevitably are often political issues, but that the officials that we both have work together constantly to make sure that we meet the principles I set out at the start of my opening statement, of which the most important is clearly that people who need and deserve benefits should continue to receive them. There should not be any glitches in that system because of the transfer of powers from the UK Government to the Scottish Government.

Q4 Chair: We heard from your civil servants last week that there was good co-operation and working together. Their view was that things were progressing very neatly and no real issues were emerging. What do you both see as the major difficulties and challenges down the line? There will be things that you will necessarily disagree about because of the different approaches taken by the respective Governments. Where do you think the biggest problems are going to lie as we go forward? We'll start with you, Cabinet Secretary.

Angela Constance: For me, Convener, it is where our two systems have to interact. I am conscious of the views of stakeholders in this regard. I noticed that in some of the work prepared by Citizens Advice Scotland for today, they reiterated a viewpoint that is shared by many stakeholders in Scotland about the very practical need for the two Governments to work together. While we are all clear about what is devolved and what is reserved—there isn't any ambiguity about that—where discussions become more complex is where the two systems have to operate together. It is important that in our discussions and debates, we are moving beyond that sort of two-dimensional view: "Well, this is devolved; that is reserved." The key issue is how the two systems interact.

I spoke earlier about the size and scale of the challenge. In effect, what we are doing in Scotland is taking out 15% of welfare spend, doing things differently, building on dignity, fairness and respect and putting that into practice, building a system from the ground up that is formed every step of the way by those who have that lived experience of receiving benefits, and doing something very different with the powers that we have. But we then have to plug our system back into the remaining Westminster system; our 15% has to be plugged back into the 85% that remains reserved, and that is something that stakeholders are acutely conscious of.

Passporting benefits would be the obvious example, but I suppose one example of where issues in and around the two systems became very live—it is an example where matters were resolved—was employability services and how the devolved employability services would operate in Scotland. We wanted our devolved employability services to operate on a voluntary basis, for a whole host of reasons. The UK Government, in terms of, for example, jobseeker's allowance, have a range of conditions and expectations for claimants. But this was where the issue came alive: if, for example, an individual was on jobseeker's allowance, we did not want that person to be mandated to do our programme. We accept that for as long



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as jobseeker's allowance is reserved, the UK Government can put on the conditions that they see fit, but the issue was that interaction with our own employability programme. We did resolve that, and that is a good example of co-operation. There are of course other matters that are matters of ongoing discussion and debate.

- Q5 **Chair:** I think we will want to come on to that. I think you are possibly referring to the housing benefit arrangements for 18 to 21-year-olds and also issues to do with the bedroom tax. But on the general point, Secretary of State, what do you think are going to be the biggest challenges that confront you when trying to deal with these two very different systems?

Damian Green: It is a very tempting question, to ask us to look for problems.

- Q6 **Chair:** Well, we have to be realistic and assume that there will be difficulties ahead.

Damian Green: Absolutely. If you want to look at it strategically, I think there will be transitional problems of the same type as the one that we have heard, clearly, and others that I am sure the Committee will want to ask about in the course of this session. But in a sense the biggest challenge is to accept that, once these powers have been transferred, then they have been transferred. The Scottish Government has the capacity under the Act to top up any reserved benefits, pay discretionary housing payments and pay any discretionary payments to address short-term needs, and indeed the power to create new benefits in any devolved areas. It seems to me that that will become the heart of the Scottish political debate, but clearly between now and then there is a period which we need to go through.

As I say, in a sense the main challenge is to make that change of mindset: that actually the Scottish Government now has the powers to have a very substantial welfare policy of its own, different from the UK Government's. People can compare and contrast the two as the years go past, but it seems to me that making that intellectual leap is actually the biggest challenge at the moment.

- Q7 **Sandra White:** Good afternoon to both of you. I wanted to follow up on the theme. I think the Convener has covered most of what I was going to come back in on, but you said at the beginning, Mr Green, that you place great importance on working together to ensure that it is a smooth transition. The Cabinet Secretary said, "There will be times when we will disagree"—you have already mentioned that. Are you at liberty to say what you are disagreeing about and how there could be a smooth transition? The Convener has already mentioned the bedroom tax, 18 to 21-year-olds and universal credit. Is there something in those three areas or other areas that will cause you most difficulty?

Damian Green: Which one of them, or are there others—

Sandra White: You can pick one if you like. I am sure the others will



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come up through other questions in that respect. What I am trying to say is that in regard to the bedroom tax, for instance—

Anna Soubry: Sorry, but can we not call it the bedroom tax?

Sandra White: I'm sorry, but we call it that in Scotland. It is called the bedroom tax in the Scottish Parliament.

Anna Soubry: We should call it what it is.

Chair: You can call it whatever you want. We will leave it there.

Anna Soubry: But it's not a tax.

Sandra White: You can call it whatever you like, but we in the Scottish Parliament call it the bedroom tax. Do we have a solution to that? We feel that there is a solution, but unfortunately, Secretary of State, it has not been forthcoming from the UK Government. I can open that to both Ministers.

Damian Green: The issue is clearly the interaction of the removal of the spare room subsidy—as I am sure my right hon. Friend the Member for Broxtowe would prefer to have it called—with the benefit cap. At the moment, there is a practical solution which involves the use of discretionary housing payments of the type that I have already mentioned. That is available to the Scottish Government and they are using it at the moment. Clearly, long-term solutions will take longer to work out, but as I understand it, that is now a satisfactory way in which that particular problem is being addressed.

Angela Constance: I should say as my starting point that what we do not get into in the joint ministerial working group is disputes about language. I talk about the bedroom tax; I think colleagues in the UK Government normally refer to it as the under-occupancy charge or by another label. It is that space where we will have disagreements, but we are not having disagreements about language or, indeed, where we will have meetings or things like that. As a Government Minister, myself and Jeane Freeman, who has specific responsibility for this area, have been working very hard to keep the Scottish Parliament and the Social Security Committee informed of our work and our discussions as appropriate with the UK Government. In terms of the bedroom tax issue, people will know that we currently mitigate in full the bedroom tax via discretionary housing payments.

What we would like to do is abolish the bedroom tax at source. Essentially, that is just because it would be a better claimant journey. We want it to be abolished automatically for Scottish claimants in the universal credit framework. We think that is less bureaucratic, more streamlined, more cost-effective and ultimately better for claimants. The issue for the DWP is that it can't immediately do that for technical reasons. My preference for an automated way of dealing with the issue is not possible at this point in time. Part of my ongoing discussions with the UK Government is to



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establish such things as what we mean when we say, "In the medium to longer term," and to test how the DWP will get to that point.

In the meantime, we have explored together another option—another workaround. The initial workaround was quite messy. I was concerned that the Scottish Government would be paying twice. We would be paying via discretionary housing payments, as we do currently, to fully mitigate the bedroom tax, and then we would have another payment to the DWP. I suppose that the core issue for me—I hope it goes without saying that we will continue to work with the UK Government to find a simplified solution. The most recent solution is better than an earlier solution, but we have got a bit of work to do before we come to a simplified solution.

The crux of it for me is the basis of Smith, the fiscal framework and the enduring settlement, which all made it very clear that we should not be in the position of giving with one hand and taking with the other—that the Scottish Government would not be giving with one hand and the UK Government taking with the other. That, I suppose, is the crux of the issue.

Q8 Sandra White: Just a small follow-up question, but perhaps both of you could say whether there is any particular time scale. The Cabinet Secretary says that the Scottish Government could be paying twice if this does not work out properly. Mr Green, do you have any suggestions of a timescale for when you could come to an agreement?

Damian Green: I can reassure you that we take the view that if the Scottish Government want to pay something extra, it is for the Scottish taxpayer to pay once, but certainly not twice. We will come to a solution—indeed, officials are already exchanging possible costings—so that the appropriate level of payment is made, but not, I agree, double payments. I think it is important to put this in perspective. In Scotland, 4,300 households have been capped since it was introduced, which is the ultimate thing that is affecting the spare room subsidy area, and 3,500 of those are no longer capped. This interaction does affect a very small number of households in Scotland.

Chair: I am grateful. We have got a few questions and supplementaries to come. Sandra, do you want to come back in?

Sandra White: It's fine; I think someone else will probably pick up on that point.

Chair: We have got Craig Williams and then Adam Tomkins. You are next on the list, Adam.

Q9 Craig Williams: We have spoken a lot about the political and ideological differences, but I welcome the underlying language between you both on how you are working them through. I was just wondering whether I could get down on the practical differences between the two systems as these powers really emerge and as you are getting powers. Right now, as we sit here, what are the practical differences between the systems in the two countries? Perhaps we can have the Cabinet Secretary first.

Angela Constance: Given that 85% of the welfare state remains reserved, we as a Government have had the right to express a view on the policies and decisions that the UK Government are making with the areas that are within their competence—

Craig Williams: But if we could focus on yours.

Angela Constance: Indeed. We are pursuing a different approach in Scotland in terms of how we build our system. You may be familiar with some of the work that we are doing with experience panels. We are tapping into the people with that lived experience. DWP was helpful in terms of assisting us to contact people who are currently in receipt of benefits with regard to the opportunity to join or apply to be involved in the experience panels. We very much want to take a human rights-based approach. That is very important as we progress with our legislation. We will have the principles of dignity, fairness and respect spelt out in the legislation. That is a common approach with legislation in Scotland. I am a former mental health officer and social worker. The Adults with Incapacity (Scotland) Act 2000 and the Mental Health (Care and Treatment) (Scotland) Act 2003 have the principles in place.

Q10 **Craig Williams:** I get all that, but what about the practical differences?

Angela Constance: Those are the some of the live issues that we have now. One issue is the bedroom tax and how it interacts with universal credit and the benefit cap, which we have been talking about. A frustration I have had is that only recently have I heard from the Secretary of State a better description and explanation about what the technical difficulties are in reaching the ideal solution that I think we both want to get to. We both want to get to a more automated solution where we can abolish the bedroom tax in Scotland at source. There has only recently been a better description about what the barrier is. My frustration before was that the computer was saying no. As Ministers in this area in Scotland, we really want to be in the guts of it, debating and discussing it. We want to be able to have the space to thrash differences out and get to solutions that are not cutting across either of our jurisdictions.

The other live issue is around housing benefit for 18 to 21-year-olds. Again, the common theme here is the context of universal credit. As a point of principle, we do not believe that assistance with housing costs should automatically be removed from 18 to 21-year-olds. I know there are lots of exemptions in the UK Government's regulations. That, to me, is indicative of a problem with the original policy if you have to tie yourself in knots with lots of exemptions. Again, in Scotland we have a manifesto commitment that we do not want that to happen. We want to reimburse young people in those situations with their housing costs. Again, the debate is about how we do that. We have put forward options; we have yet to put forward an option that the UK Government have accepted. So those are two live areas.

Craig Williams: So in a nutshell, there are not many practical differences. As a politician to a politician, I have got your answer: there are live issues,

but not much difference.

Chair: Could we come to the Secretary of State?

Damian Green: The truth is, we both want to pay the appropriate amount of benefits to the appropriate groups of people. Doing that in an efficient way, week after week, month after month, to large numbers of people is itself a huge challenge. The Scottish Government are going to set up an agency to do that. The DWP has been doing it for a century and more in one form or another. We have a degree of technical expertise that we are more than happy to share.

On the particular issues, the universal credit roll-out has been described to me as the biggest IT project in Europe at the moment. We are anxious not to add unnecessary complexities to it because we need it to work—by “we”, I mean the people, whether in Scotland or the rest of the UK. This is a very important step forward in the benefits system.

On the 18 to 21-year-olds, that is a good example, because that was a Conservative party manifesto commitment in 2015, so we have a manifesto commitment to do this. As the Cabinet Secretary said, we have introduced a wide range of exemptions, because we think it is fair that you should have to take the same sort of decisions about whether you stay at home with your parents or not, whether you are at work or not at work. There is something slightly perverse about a system that says, “You are exempt from that decision,” if it is a genuine decision and if you are not at work. It applies only to those who are able to return to their parental home while they look for work. If they can’t return home, broadly speaking, they are exempt from this. We are working away at ways in which both Governments can meet their manifesto commitments. The Scottish Government have a wide range of powers to mitigate the policy if they want to do so before we get to a system where their agency is up and running and they can pay benefits in their own way.

On your last point, despite the political differences between us, there are not a large number of points where the shoe is pinching. I think that is fair.

Q11 **Sandra White:** Secretary of State, you mentioned manifestos. Quite rightly, the manifestos of the Conservative party and the SNP have both entirely different benefits for 18 to 21-year-olds. You mentioned exemptions. Would you, as the Secretary of State in a Conservative Government, look at exempting all 18 to 21-year-olds in Scotland?

Damian Green: It is difficult to justify a purely geographical exemption from a reserved benefit. We have to apply fairness across the board.

Q12 **Sandra White:** You said that there is a range of exemptions. Would you look at that as one of the range of exemptions?

Damian Green: The exemptions boil down to whether it is possible for you to return to the parental home. There could be a number of reasons why that could not be the case—threats of violence, the refusal of parents



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to have you and that kind of thing. As I say, there are 22 exemptions, and they will all apply in Scotland, England and Wales. There is no geographical nature to the exemptions that are in the regulations.

Chair: I have got a long list of people who want to ask supplementary question on the points we have heard from the Cabinet Secretary and the Secretary of State, so I appeal to people to ask short questions. I also appeal to both witnesses to give brief replies, which will help us to get through all the things that we want to ask you.

Q13 Adam Tomkins: Thank you very much for your warm welcome to the House of Commons, Chair.

You both talked about the process of the transfer of powers in your opening remarks. I have a very quick supplementary about those opening remarks. Cabinet Secretary, you said quite rightly that the transfer of benefits must be done as safely and securely as possible, but must it not also be done as speedily as possible? Secretary of State, is it your Department's view that the Scottish Government is proceeding with the process of social security devolution as expeditiously as possible, or are there examples of where you think the process is going a bit more slowly than you might have anticipated?

Angela Constance: In broad terms, we want to make as much of these new powers as possible. We want to do as much as we can as quickly as we can. I suppose, Mr Tomkins, as we have discussed and debated numerous times before, the absolute priority has to be the safe and secure transfer of powers. We can't have vulnerable people who rely on their benefit falling through the cracks and for whatever reason not getting what they are due or what they are entitled to. That has been a consistent message from stakeholders, from people from various organisations and also from people with that lived experience. They want us to get this absolutely right. When we look at the experience of the DWP, particularly in and around the roll-out of universal credit, there are some quite salutary lessons. There are issues in the public sector projects in Scotland that we have to look carefully at and learn lessons from. So as much as we can, as quickly as we can, we have to get it right, and we cannot compromise on that.

Damian Green: You raise the very central question of the speed of transition. Obviously we want it to be as fast as possible in a safe environment where benefits continue to be paid reliably and safely. I have already mentioned the change in mindset to the fact that the Scottish Government now has choices to make and can make them, and if it wants to pay more benefits than the UK Government, it can go to Scottish taxpayers and raise the money to do that. The fact that we are now in that phase and have passed the watershed of passing the powers over is, or should be, a key part of the developing debate in Scotland.

We have been talking about the areas of disagreement. It is important to put them in perspective in terms of the whole benefits system. We estimate that the number of 18 to 21-year-olds affected by the removal of



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housing benefit in Scotland is in the low hundreds in year 1. The number of people who have had the spare room subsidy applied and have had their benefit capped is, we think, about 350. Those two together are less than 1,000 next year. The number of people just on disability benefits is 378,000 in Scotland. I think you can see that these areas of dispute are actually affecting a very small proportion of those who are receiving benefits in Scotland.

Q14 Chair: Are those numbers that you recognise, Cabinet Secretary?

Angela Constance: My understanding is that 5,000 18 to 21-year-olds will be affected after exemptions across the UK, and 1,000 in Scotland. There is a disproportionate impact on young people in Scotland. That is primarily due to our different housing legislation, whereby people have the right to be put in temporary accommodation if they are unintentionally homeless. Housing legislation is quite different in Scotland. We will have to look at how that interacts or does not interact as well as it could with the existing DWP system.

Chair: Could we leave it at that point? We have further supplementary questions. I will come back to you, Mr Tomkins, and then there will be an opportunity to reply.

Q15 George Adam: Good morning—or good afternoon, even; I have been on the sleeper, so I don't know where I am at the moment. Both of you know that I am pretty straight-talking. The Secretary of State is aware of that. This time I haven't brought a book or any presents—I was thinking of giving you a voucher for a book and giving you six or eight weeks to claim it, much like universal credit.

We heard last week from civil servants that there are different cultures in the Scottish Government and the UK Government. You call it welfare, the Scottish Government call it social security. We already had a disagreement earlier about whether it is the bedroom tax or anything else. How are you going to work through all that during a period when there are fundamental differences between the Cabinet Secretary and the Secretary of State?

Damian Green: The answer is that we do work through them and are working through them. As I hope we have both demonstrated, we are doing this with transparency and good will on both sides. We recognise that we have political differences, but what we both care about, ultimately, is making sure that those who are in receipt of benefits get the right benefits.

Q16 George Adam: But Secretary of State, the Scottish Government is talking about dignity and respect and using experience panels. That is not what is happening in the DWP currently. That is not what happening up in Scotland, where people are getting attacked by the welfare reforms from the UK Government.

Anna Soubry: Is that a question or a statement?



Damian Green: I'm sorry, I simply don't agree. We have heard about the very large amount of benefits that are paid out, but at least as important as that are the numbers of people who are getting into work in Scotland. As I said, and this may be a difference between us, I think a really important part of the welfare system, the benefits system—I don't think the name matters that much—is to help as many people as possible get back into work, because it is the possession of a good job that is most likely to give people more control over their own life, and make them feel that they can lead their life in the way that they want to. That I regard as a hugely important part of my job as Secretary of State for Work and Pensions.

- Q17 **Alison Johnstone:** With regard to working together, information sharing is obviously key both in terms of policy making and for administering benefits, so two quick questions, if I may: first, can I ask what information is being shared so that the Scottish Government can conduct its own impact of the benefit cap, for example? That is with regard to policy making. When it comes to information sharing for the administration of benefits, when the Scottish social security agency is set up, a claimant may potentially have to contact the local authority for access to the welfare fund, the Scottish agency for devolved benefits and the DWP for reserve benefits, which seems to go against the grain of a move to streamline the system and make it more simple for applicants. So are there any plans to share claimant information so that it doesn't need to be so complicated?

Damian Green: Can I turn to Mary Pattison, who is our senior reporting officer?

Mary Pattison: We have been sharing quite a lot of information already to work with the Scottish Government, through our workshops and through information that we have passed across, simply about the nature of benefit systems and the way they work at the moment. So we can think about—to use the terminology—the customer journey that people need to go through. I think as we develop and support the Scottish Government in their plans for the new agency and the new benefits we will then look at where we need information to flow easily between the two systems and how might we support that. It will be both information flowing to the Scottish Government about, for example, a passported income-related benefit, and equally, ensuring that information flows back into DWP about, for example, where the receipt of that benefit paid in Scotland might entitle somebody to a premium in their means-tested benefit. So as we develop the systems to support the roll-out of the Scottish system, we will look in all areas at how we can streamline the position for the public.

- Q18 **Alison Johnstone:** With regard to the impact on Scotland of the benefit cap, is it the case at the moment, Cabinet Secretary, that you feel progress is being made to ensure that you have the information you need to mitigate it?

Angela Constance: The most recent information that we have from the DWP is that there are 5,000 households in Scotland affected by the benefit cap.

Anna Soubry: Sorry, how many?

Angela Constance: There are 5,000 households. Obviously that is an area that remains reserved. The benefit cap was reserved to the UK Government, but it is of course an area of disagreement, if you like. I think Ms Johnstone's point about the need to streamline systems—and that is the opportunity that we have with a new Scottish social security system—is that there are some advantages in starting from scratch. You don't have legacy systems. I am told winter fuel payments have 11 different IT systems. Industrial injuries and disablement benefits are paper-based systems. So we have the opportunity to start from scratch with a very streamlined system and to have a system that is streamlined first and foremost for the user of the service. We do not want folk passed from pillar to post.

The issue about numbers is important. We are disagreeing about the numbers affected by the housing benefit removal from young people—I am saying it is 1,000, and the Secretary of State said it is less than that; we think there are 350 people who will be affected by how the bedroom tax interacts with the benefit cap and universal credit. These may be comparatively small numbers in the scale of a massive DWP system, but behind each number and each statistic there are lives of individuals, lives of young people, lives of families. Even where the numbers are comparatively small it begs the question of how we should be getting proportionate, streamlined solutions as opposed to massive bureaucratic workarounds.

I am determined to find the right solutions—streamlined solutions. The DWP may indeed have a wealth of experience spanning decades, but we have a unique opportunity in Scotland to do things differently, so that people are not passed from pillar to post. We can get systems that mean people can be treated humanely, and we should not have systems that people feel they have to fight against; we can have systems that are streamlined and, most of all, that are rational and make sense.

Damian Green: Can I just try to clear up any confusion about numbers? About 4,300 households have been capped since it was introduced in April 2013. The latest figures I have are that in November 2016 about 700 households were capped.

Anna Soubry: 700?

Damian Green: 700. I was talking about the other number, whether or not that is in the low hundreds—in '17-'18, when universal credit is fully rolled out, the study states it may well get up to being 1,000 or so. I hope there was no confusion there. Those first figures I gave are my latest figures for the benefit cap.



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- Q19 **Chair:** Would it be possible to get a note so that there is absolute clarity on the numbers and so that we know exactly what we are talking about when it comes to this?

Damian Green: Certainly.

- Q20 **Ben Macpherson:** This relates to Craig Williams's questions on practicalities. One of the Scottish Government's commitments on social security is to use the flexibilities around universal credit to give claimants the option of being paid UC twice a month rather than monthly, and the option of having UC housing elements paid directly to landlords, particularly social landlords. I know that the Scottish Government have started that process in laying regulations. Will the Secretary of State give a clear guarantee today that the Scottish Government's timescale of the autumn will be committed to and delivered from a DWP-UK Government perspective as well?

Damian Green: We do anticipate that, as you correctly say. We have been working closely with, and enabling those flexibilities for, the Scottish Government in the universal credit roll-out up to now. The safest and most sensible thing for me to say is that there is no reason to believe that we will not be able to meet the timetable that we have said we want to meet. Clearly, we are rolling out the full service—what will be the steady state service of universal credit, where it is fully digital and using all its capabilities—gradually, and are learning as we do so. There is no reason to believe that we will need to delay that timetable.

Ben Macpherson: Thank you for that commitment to those flexibilities as well.

- Q21 **Chair:** Just on universal credit, while we are on the issue, there is a debate this evening about the pilot programme in Inverness, and we have been hearing, in evidence given to this Committee, about the sheer difficulties that have been encountered and the arrears that have accumulated, not only in Inverness but in other pilot areas across the United Kingdom. I wonder what your response is to that, Secretary of State. Are you aware of some of the real and live difficulties that have been encountered in pilot areas such as Inverness?

Damian Green: Well, "pilot areas" is a strange phrase. It is out in what we call the live service—the best analogy for that is the analogue service. The digital service is what we are rolling out, and we have now got that in the highlands and in Musselburgh as well. As I say, we are learning as we go along. We have learned that the key is early and constant communication, particularly with landlords; it seems to be the housing area where the provision of early information is the most important. I have asked specifically about what we are doing in the highlands and with local agencies. We have had a lot of forums—universal credit officials have attended the MPs' roundtable with other stakeholders.

- Q22 **Chair:** And do you recognise the figure we have here that shows that the average housing arrears to the Highland Council are now £900 and rising? Is that a figure that you recognise?



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Damian Green: I haven't seen that particular figure, but we would need to know what the housing arrears were before universal credit was introduced. Also, a landlord may expect to be paid weekly, but you get paid monthly under universal credit, so there will be a change there. People will say, "Oh, hang on, I'm in arrears because it's not being paid weekly." Fortnightly is how you want it paid, isn't it?

Angela Constance: Yes.

Damian Green: So it will be paid fortnightly rather than, say, weekly. There is an issue with whether that is defined as arrears or not, but absolutely key to this is that landlords need to be confident that the tenant is going to pass over the money or, if they are being paid directly, that the money will come. We find that the more we go on, the more that happens. Indeed, I have seen—there are reliable figures, because we have enough jobcentres around the UK doing it now—that over three or four months, housing arrears actually start to come down. There are inevitable transitional issues, as people may not be familiar with the new system, but our experience so far is that they do go away in a few months.

Chair: Let's hope so, because these are quite shocking, appalling figures. I think you are going to hear tonight from the local Member of Parliament that the roll-out in Inverness should be abandoned until these issues are resolved, because these are quite alarming figures—housing arrears of £900. We are hearing that in Glasgow, where this is starting to get rolled out, 73 homeless people in total are on UC, and they have racked up £144,000 in arrears between them. Something has obviously gone fundamentally wrong with this roll-out.

Anna Soubry: Mr Wishart, I'm not being rude, but first, I didn't think we were asking questions about this—it is not on my list—and secondly, I don't mind talking about these things, but I would like to know some more information, please. I would like the Secretary of State, if possible, to provide this Committee with a proper analysis of these figures before we come to any conclusions, especially as he does not have them and has never been told about them.

Q23 **Chair:** I am certain that the Secretary of State would be more than happy to provide that. On that point, is there something fundamentally going wrong with the roll-out of universal credit?

Damian Green: No. Well, the live service, if you like—by analogy with the analogue service—is now operating for some types of new claimants in every jobcentre in the country and has been doing so for some time, so the teething problems there have indeed been worked through. We now have the best part of half a million people on universal credit, and the key finding is that they are finding work faster and staying in work more than under the legacy benefits, so it would be absolutely wrong to stop the roll-out, because that would be stopping people finding work, which I'm sure we all agree would be a bad thing to do.

Chair: Pauline, did you have a quick one on this issue?



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- Q24 Pauline McNeill:** The Minister was quite correct to make that point, but this is too good an opportunity: I must just point out that our Committee has been hearing evidence that it is the six-week waiting period that is causing a lot of difficulties with housing arrears. I have to plead with you to have a look at that, because the problem for a lot of people who already have arrears is that that six-week waiting period makes it almost endemic. That would be my worry, if it is not looked at.

Damian Green: Well, as I say, we are learning in every new place we roll it out. We roll out the digital service—the full service—to five different jobcentres a month; every time, we are getting better. One of the things we are getting better at is the speed.

Chair: Not to test Ms Soubry's patience any further, we might just leave it at that. We will come to you in a minute, Ms Soubry, but first—

Anna Soubry: Well, I did have a supplementary question.

Chair: We have Margaret Ferrier first and then questions from your good self, which we are all dying to hear, obviously.

- Q25 Margaret Ferrier:** Thank you, Chair. Secretary of State, is it not the case that the co-ordination and communication between yourself and the Scottish Government sometimes fall down? One spectacular example of that was the announcement of the jobcentre closures in Glasgow. Apparently the Minister for Employability and Training in the Scottish Government knew nothing about it until it was actually out there in the media. Why did you not consult with the Scottish Government before announcing these closures, because presumably they have an impact on the Scottish Government's aims and policies surrounding social security? How can we ensure that that never happens again?

Damian Green: We are ensuring that. I am sure you would acknowledge that the first people we need to talk to in the circumstances we've got, in terms of the number of jobcentres, are the staff; they should be the first to know. In that instance, information clearly passed to the media before what was clearly a planned period of communication with the Scottish Government, local MPs and so on. Again, this is obviously a UK-wide programme that has gone on, with very satisfactory communications. I should put this in context: the purpose of all this is to make sure that we spend all the money we spend on the things it should be spent on, whether that is extra work coaches or simply paying benefits. I don't agree with all those who say, "We must keep every building we've already got," because what we are doing is renting a lot of space that we don't need. We have empty floors; we have empty offices, and paying rental payments to property companies seems to me not a good use of taxpayers' money that they think they are paying for us to run a welfare system.

There were 20-year contracts signed under a previous Government. That is far too long for a property contract, and they have become very, very out of date. As a result of the change programme we have introduced, we will be saving the best part of £200 million a year. That is money that can



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be spent much better than on renting unnecessary offices, so I hope that the whole debate over the right number of jobcentres and the right positioning of jobcentres can be put in that very important perspective.

- Q26 **Margaret Ferrier:** Is it not the case, however, with regard to Glasgow, that you are closing 50% of the jobcentres? The figure that the Government had given was 20% of jobcentres. In Glasgow, the number closing is disproportionate to the number of jobcentres; you are closing 50% of them. Your colleague said, "Just rip it up and start again," I think. Was that not the case, Ms Soubry? You thought the whole exercise needed to be rethought and started again—

Anna Soubry: Exactly—because you've got too many, even with eight.

Chair: Can we—

- Q27 **Margaret Ferrier:** Chair, can I just ask one more question with regard to jobcentres? One of my colleagues has asked me to bring up the jobcentre—the back office—in Cumnock. I think there are 84 jobs there. Can you confirm what is happening with the people who work at the Cumnock back office? Are there jobs for these people?

Damian Green: Let me start with Glasgow. As you know, there is a consultation going on about that; the consultation has ended, but we have not yet come to a final conclusion on what we are going to do in Glasgow, so I ask everyone to be patient for a short time. The idea that in some way Glasgow is being treated differently is simply factually wrong. It would, even under these proposals, have a higher provision of jobcentres than other cities with comparable populations around the country, including Bristol and Leeds.

There is the wider point that we are doing much more of our work online now. We are not hauling people in to fill in application forms in a jobcentre. Universal credit has very, very high levels of online application. The result of this is that more constructive things happen in jobcentres now than used to. There are work coaches actually helping people get back to work. That is the bread and butter of the jobcentre activity now. It is not the handing out of benefits, because obviously that is almost always done electronically. We are moving a lot of the forms, so that people can fill in forms to apply electronically. As a result of that, we need to spend less taxpayers' money on office space than we used to, while providing a better and more convenient service. Some of the money we are saving we can recycle into hiring more work coaches. People—perhaps those with a disability—could have a work coach in their home, which would be more convenient for them. Absolutely, we are saving money and trying to provide a better service. That is what lies behind this.

Chair: I can see that the Cabinet Secretary is itching to get in—

- Q28 **Margaret Ferrier:** Chair, I am just wanting a response to the Cumnock question.

Damian Green: Sorry, I haven't answered that, have I? It is not a question of looking for any compulsory redundancies in this. We are



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consulting staff, and we want staff to move around if they want to. We have a huge footprint all over the place, and we will still have more than 80 centres in Scotland at the end of the process. Absolutely, this is not a way of cutting jobs. As a Department, we are recruiting at the moment.

Chair: Cabinet Secretary?

Angela Constance: I wanted to talk about the Jobcentre Plus proposed closures in the context of the inter-government working that is the focus of your evidence session today. The way in which Scottish Government Ministers found out about these proposals was obviously highly regrettable. We have been pressing the UK Government for a good, thorough consultation. We in particular want people who currently use jobcentres to be consulted and for their views to be front and centre in all of this.

There is actually an important opportunity in terms of joint working. Earlier discussion with the Scottish Government could have facilitated discussions about sharing services and co-location of services. We also felt that it was not in the spirit of the Smith agreement; paragraph 58 spoke about the Governments trying to work together with respect to joint governance of the Jobcentre Plus network in Scotland. At the last meeting of the joint ministerial working group we agreed to bring forward, explore and discuss a joint operational working framework. That is good and positive, but it is after the horse has bolted, after significant announcements have been made about potential closures, notwithstanding the Secretary of State is still ruminating about the consultation findings.

Q29 **Chair:** Does the Secretary of State want to respond to that briefly? Anna Soubry's fingers have been in the air for the past five minutes, so we will then come to her immediately.

Damian Green: If I may ask her to be patient. I want to read out the first line of paragraph 58 of the Smith commission report: "As the single face-to-face channel for citizens to access all benefits delivered by DWP, Jobcentre Plus will remain reserved." We were absolutely in line with that. We are going to do co-location in some cases; I am all in favour of it.

Chair: We will leave that one there.

Q30 **Anna Soubry:** I don't want to pre-empt the inquiry that this Committee has quite properly been conducting into what happened in Glasgow with the proposed closure of the eight jobcentres, but I think that there is a very good chance that there will be unanimity here that it has not been handled in the best way possible. I am a bit of a free radical on this, because I think they should have all been closed down—but, I quickly add, then a proper appraisal should have been made to meet the needs of the city, and forgive me, Secretary of State, but I do not think that that has been done. Another concern I think we all have—I wonder if you would be so good as to confirm it—is that there does need to be better communication when these important decisions are at least being considered and, perhaps in due course, actually done.



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My other question is to the Cabinet Secretary: would you agree that there is a need to look at the estate of Jobcentre Plus, to make sure the jobcentres deliver a great service for users and better value for the taxpayer? That may well mean that it needs to be a smaller estate.

Damian Green: Obviously, a huge amount of thought went into the Glasgow proposals and into the wider national proposals. I am sure that the Committee would recognise that in the end, at least at one level, these are commercial negotiations that we have to have with private companies, so that requires a degree of privacy. Secondly—I repeat this point, because it is so important—the first people who ought to hear anything are staff. That is clearly the sensible and sensitive way to proceed, and it is what we have tried to do. We are absolutely doing our best to make sure that all our staff who can have the option of moving only a short distance—as well as those who use the jobcentres.

In Scotland, our plans involve moving from 97 jobcentres to 83, with 78 sites retained and 11 sites moving to nearby locations. Three of them are moving within the city or town. The single straitened site—we are straightforwardly divesting Larkhall—has not been used for two years. Three new sites are co-locating services—in Wick, Fort William and Lanark—to join one co-located site, at the moment in Banff. We are opening a new jobcentre in Stornoway, so we are trying very hard to make the estate much more rational, given our ambition, which I am sure we share with the Scottish Government, of improving our services to the customers of the jobcentres—or indeed, the direct customers of the back offices that we have in Scotland—at the same time as getting the best value for taxpayers.

Angela Constance: I think Ms Soubry asked me a question as well. I agree wholeheartedly that there could have been better communication. No one is disputing that the Jobcentre Plus network remains reserved, but others will be better informed than me about the discussions in and around the Smith commission about this being an area in which we should be exploring joint governance and joint operations. There is a huge missed opportunity. In Scotland we have our national skills agency, Skills Development Scotland. Why were we not sitting around the table at an early stage talking about how we could get better alignment between Jobcentre Plus—the job search agency—and our national skills agency? That would have made pragmatic sense.

On the first people to be informed, we have to respect those who work in organisations if they are about to receive devastating news, but that implies that the Scottish Government cannot be trusted with sensitive information, and I take great exception to that.

Q31 **Anna Soubry:** Forgive me, but my question to you was whether you accept that there is a need to reduce the estate to improve the service to users and provide value for money for the taxpayer. That was my question to you; do forgive me.



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Angela Constance: With respect, I have not been involved in that decision, or been presented, as a Minister, with the full range of facts. I certainly accept that from a user perspective, we could have a better, more joined-up system for people who are seeking to work. For example, we could have joined up the work of our national skills agency with Jobcentre Plus—the work search agency—far better, and it would have provided not just better value, but better outcomes for those who are seeking work.

- Q32 **Anna Soubry:** As we have established, cities that are much smaller than Glasgow—like Nottingham—have one Jobcentre Plus, and cities that are bigger than Glasgow have fewer than the eight that are proposed, so as a point of principle, do you agree that it is wise that we look at the estate and reduce it to improve the service and provide value for the taxpayer?

Angela Constance: With respect, why would I give you a view on a discussion and a decision that I, as a Government Minister, have been excluded from?

- Q33 **Anna Soubry:** It is a point of principle. Forget the mistakes that have undoubtedly been made. As a point of principle, do you agree that it is right to look at the estate and shrink it, so that we provide a better service for the user and better value for the taxpayer?

Angela Constance: I am not going to agree to that point of principle with respect to the situation in Scotland. I obviously cannot comment on the situation south of the border. I can only comment on what I see, on the basis of information that has been shared with me. From a Scottish perspective, it seems that Glasgow has been disproportionately affected, in that half the jobcentres in that city are due for closure, or face the prospect of closure. I do accept that if we are serious about better outcomes for citizens and those who seek work, we should look to join up services and have services that are aligned.

- Q34 **Anna Soubry:** I agree with you, but would you not close any in Glasgow?

Angela Constance: I would have to look at that on its merits. It is not my decision—*[Interruption.]*

Chair: Order. Enough. I don't know if Pauline and George would like to ask supplementary questions on this. If they do, can they be very brief? Pauline first.

- Q35 **Pauline McNeill:** May I say what I think is the problem here, Chair? I appreciate that this was meant to test the relationship, but the subject has steered away. These two Glasgow MSPs here, who cannot—

Adam Tomkins: Three.

Pauline McNeill: Three, sorry. The Minister said that there would be more of a service for estate users online. If he has not already considered this issue, can the Secretary of State consider it? I mean, Glasgow is one of the poorest cities in the UK. It is a very successful city, but there are huge pockets of deprivation. One in four people in Glasgow doesn't even have



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access to the internet. Is that a factor that the Secretary of State would consider in examining the size of the estate? Surely you cannot just compare Glasgow with Leeds, without looking at the levels of poverty and particularly the levels of access to the internet, which universal credit and the new system rely upon so heavily.

Damian Green: Obviously there has been a wide range of considerations, of which that is clearly one. Others are obvious ones like levels of unemployment, which have come down. That will enable us to plan sensibly what size of estate we should have and what facilities are available. Absolutely one of the things that we provide in all jobcentres now is internet access, precisely for those who may not have it through any other way.

However, as I say, we have done an extensive consultation on the Glasgow proposals, which has now come to an end, and we will soon come to a final decision on the basis of a consultation that received 290 responses all together.

- Q36 **George Adam:** We heard earlier how you perceive that you are all working together and having a wee cuddle, and how everything's okay, but the one time we actually need a bit of communication between both Governments it doesn't happen. The Employability Minister reads about it in her local Scottish newspaper. Call me cynical, but it actually comes out in the news two weeks before Christmas, almost as if it could be hidden in the festive season.

From my perspective, I have a back-of-house service in Paisley that was in the second announcement. That is 300 jobs that will be lost from Paisley. Surely, that is not good for a town like my constituency and the plans have not been looked at properly.

To look at the process, we heard that some of your officials were using Google Maps to work out the distance between DWP office and DWP office. Surely that is not the way to do business, Secretary of State?

Damian Green: It's not, and we don't do it that way. You say, rightly, that this is one of the areas where communications need to be good. Of course communications need to be good and they are constant between the UK Government and the Scottish Government across the piece of the various responsibilities that the two Governments have in the welfare space. As I say, we have constant communications.

On the issue of back-office systems, I can only repeat that this is not a job-cutting exercise at all. We are recruiting this year. We are—

- Q37 **George Adam:** How does that help my constituency when 300 jobs have gone, Secretary of State?

Damian Green: They aren't necessarily going. They are—

George Adam: From the town centre they have.



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Damian Green: We are trying to make sure that jobs are available for people who we employ now. We are talking to them all individually and finding out what the most convenient way of achieving that is for each individual.

- Q38 **Sandra White:** Can I come in quickly there? Obviously I am a Glasgow MSP, but I am concerned about closing jobcentres all over. George mentioned back offices. I have two back offices in my area—Portcullis House and another office—where people go for a medical. I am just asking for some guidance or clarification. People go there for a medical for their PIP and so on. We have not been told where those people are supposed to go once those offices are closed.

You mentioned jobcentre closures at the very beginning, and you did—the Chair stopped it—mention the fact that jobcentre closures were a reserved matter, so it was a wee favour that you eventually told the Scottish Government, but that is by the by; we know now. Will you speak to the Scottish Government and the Scottish Parliament when you are closing a centre in the middle of Glasgow where people from all over have to go for a medical for PIP? We do not know anything about what is happening there yet.

Mary Pattison: In all those areas where we are closing things that the public go to, the important thing is that we are looking at how we ensure those services are available close by. Some of this is about bringing activity that is going on in several different sites together in single sites. I don't—

- Q39 **Sandra White:** I am sorry to interrupt, but do you have a timescale? At the moment, people are on universal credit, and they are finding it very difficult. There is digitisation and computers and now, all of a sudden, they are told that the offices where they go to present themselves will be closing, but we have no knowledge to be able to tell our constituents exactly what the timescale is or where they will have to go.

Mary Pattison: I don't have the precise date, but I think it is in 2017 that some of the changes happen. We would have to write to you.

- Q40 **Sandra White:** So 2017, which is just now. Is it a couple of months or so?

Mary Pattison: Sorry, it is 2018. I am in the wrong year.

Damian Green: Move forward a year. It is 2018.

Chair: I think we have exhausted the issue of jobcentres. Thank you for taking those questions, Secretary of State. Can we move on now? Deidre Brock.

- Q41 **Deidre Brock:** I want to ask a couple of questions about the fiscal framework, if I may. Cabinet Secretary, at last week's joint meeting, we heard from Professor Nicola McEwen on the bedroom tax/benefit cap dispute, which has already been raised by colleagues. She said that it seems to be a clear breach of the fiscal framework agreement. Could I



ask what your thoughts are on that comment?

Angela Constance: This refers to what I mentioned earlier. Our starting position in terms of the bedroom tax vis-à-vis the benefit cap/universal credit issue is to go back to the fiscal framework, the enduring settlement and the Smith agreement, and paragraph 56 in particular, which states: “The UK Government’s Benefit Cap will also be adjusted to accommodate any additional benefit payments that the Scottish Parliament provides.”

It is with regret that myself and the Secretary of State, or UK Government Ministers and Scottish Government Ministers, have a different interpretation of Smith, the fiscal framework and the enduring settlement. I actually think that it is quite clear. What I would have appreciated more is if we could have quickly got to the position where the Secretary of State, as he did a few days ago, was able to lay out the technical difficulties for the DWP in abolishing the bedroom tax at source. The danger in having a dispute about Smith in this context is that it causes needless anxiety to service users and stakeholders who think that we will get into this dispute every time the Scottish Government do something different.

In my opinion, Smith, the fiscal framework and the enduring settlement are very, very clear. We should not be in the position of giving with the one hand and having things taken with the other. I regret that we are not quite on the same page in terms of interpreting Smith. Needless to say, we will work together in finding solutions. I just hope that they are not messy solutions. We are trying to build a new, streamlined, user-friendly system. If we are having debates about the meaning and interpretation of Smith and the fiscal framework, it raises unnecessary anxiety about the way ahead.

Damian Green: My understanding is that Smith is clear that universal credit and the benefit cap remain reserved, so although payments made by the Scottish Government, such as discretionary housing payments—DHPs—are outside the cap, additional payments of universal credit are not. On a sensible interpretation of Smith, we have come to the conclusion—and it may be a short-term solution—that the use of discretionary housing payments absolutely satisfies Smith and the fiscal framework, allows the Scottish Government to do what they want in terms of the individuals concerned, and does not break the benefit cap, which is a UK Government policy.

Q42 **Deidre Brock:** There was a commitment in the Smith commission that there would be no clawback of benefits as a result of payment or eligibility decisions made by the Scottish Government. Are the UK Government committed to that principle of no clawback?

Damian Green: I do not see this as clawing back. As the Cabinet Secretary said, we have found a way of doing this that does not break either the fiscal framework or Smith, and allows us to continue the roll-outs of universal credit. There are technical reasons, as the Cabinet Secretary said, and I have been able to explain them. The problem is—



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inevitably it is a technical, computer-related problem—that the application of the cap is an intrinsic part of the payment calculator that lies within the core service of universal credit and, understandably, since we are merging six benefits into one, that core payment calculator is extremely complex. The service is built in line with UK Government policies, so there is no identification of individuals who may hit the benefit cap because everyone within that system will be hitting the cap—it does not need a separate identification.

- Q43 **Deidre Brock:** I certainly appreciate that—thank you, Secretary of State—but can I just ask whether the UK Government are committed to the principle of no clawback?

Damian Green: Yes, we are, but as I say, I do not think this is clawback.

- Q44 **Deidre Brock:** So any mitigations, top-ups or new benefits created by the Scottish Government will not be subject to the benefit cap. Is that what you are saying?

Damian Green: Broadly speaking, yes, but, as I say, clawback is itself an interesting phrase. I have already said that certainly we do not want to add unnecessary administrative costs, or indeed payment costs. If the Scottish Government want to create a new benefit and the Scottish Government want to take the money from Scottish taxpayers to do it, that is fine. If there are technical reasons why they might end up paying twice for that, as they might appear to do—

- Q45 **Deidre Brock:** But, broadly speaking, you are in agreement.

Damian Green: Absolutely. We will not let that happen.

- Q46 **Deidre Brock:** Cabinet Secretary, can I ask one last question? How much flexibility do you think there is in the fiscal framework for the Scottish Government effectively to introduce new social policies that will differ from those of the rest of the UK? What are your views on that?

Angela Constance: Before I answer that question, I think it is important for the record to say that we do not, as yet, have an agreed solution for how we are going to deal with the bedroom tax issue vis-à-vis universal credit. I hope I have made that clear. We are continuing to discuss that, and we are committed, as always, to continuing discussions and finding the right solution.

In terms of the fiscal framework, it is all about calculations and adjustments to the block grant. What it is here is the Scotland Act, which determines the powers we have and the powers we don't have. The Scotland Act is very clear. For example, we do not have powers over sanctions. There are some things that we can't use. DHPs are more an issue in terms of the housing benefit issue for young people. So I think it is more about the Scotland Act.

My final point is that I want both Governments to get to the position where we can quickly engage on the detail, irrespective of how technical or complex it is, and not waste time disputing the Smith agreement. I



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think the Smith agreement is clear. It causes undue anxiety if we have disagreements of interpretation in this terrain. I want to be getting into the guts of this. If I have one frustration, it is about the length of time that it has taken for us, as Ministers, to engage in the detail and the guts of it. This ultimately is about how the two systems interact. We all know what is reserved and what is devolved—the debate is not at that level; it is about how the two systems work together.

- Q47 **Margaret Ferrier:** I have a quick question for both the Cabinet Secretary and the Secretary of State. Has a discussion taken place around this six-week wait time for universal credit, bearing in mind that this could actually place many claimants in severe hardship?

Angela Constance: As a Government, we are deeply concerned about some of the implications of the roll-out of universal credit. If I had to pick out my No. 1 concern—I have many—it would be the six-week period. I cannot understand why there is a six-week wait to process an application. Frankly, it is just not right. It is the type of situation that will push people into poverty. It will have an impact on rent arrears. I know East Lothian Council and Highland Council have been producing reports for their councillors in relation to rising rent arrears. People's rent arrears rising also puts pressure on the Scottish welfare fund.

- Q48 **Margaret Ferrier:** So, Secretary of State, why is there this six-week waiting time? Is it the process or the system? Is it a lack of staff?

Damian Green: It is certainly not a lack of staff. Don't forget that one of the points about universal credit is that it seeks to replicate, as far as possible, the sort of financial life that people have if they are in work. Given that most people are paid monthly and most people in work, if they pay rent or a mortgage, will pay that monthly as well, it is based very much on a monthly cycle. Obviously, for the first payment, there needs to be a period when the application is validated. That is why it may well go a bit beyond a month.

But as I said in answer to previous questions, we are rolling this out on a test and learn basis, and we are learning, in particular in the housing area. I take the point that the Cabinet Secretary and others have made on this point. We are introducing new features that make it much easier for the system to know what the appropriate level of rent is to pay and much easier for landlords to contact directly and say, "Look, this is the rent I'm expecting." All these are being introduced literally now—over the past few weeks or so—and they do bring down some of the delays that people have been seeing. As I say, I expect those improvements to continue in the coming months.

- Q49 **Margaret Ferrier:** You said you are learning, but the problem is that you are learning at a slow speed and at the expense of these claimants having to live with the consequences. You mentioned a monthly salary. That is four weeks, not six weeks. That is a month and a half that people are going without the help that they need. Surely, we need to look at this six-week period, get to grips with it and do away with it.



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Damian Green: There are obviously hardship payments and advances. We have the systems to ensure that people don't go through what you have just described. As I say, inevitably, in any system, everyone gets better—both the people running it and the people responding to it—but we do have in place significant mitigations, including hardship payments and the possibility of taking out an advance against rent if that is necessary.

Q50 **Margaret Ferrier:** Is it the UK Government they get that from?

Damian Green: That is a UK-wide policy, yes.

Q51 **Gordon Lindhurst:** This is a question for the Cabinet Secretary. We have heard something about the differences in approach between the UK and Scottish Governments, on two issues at least. Are there further areas in which the Scottish Government plan to introduce differences between the UK and Scottish approaches by introducing additional benefits in Scotland?

Angela Constance: Our priority, as you know, Mr Lindhurst, is the safe and secure transfer of the new powers over the 11 devolved benefits, then to deliver on our manifesto. Our programme of work is set out in our manifesto, including topping up carer's allowance and increasing benefit take-up. You will know the work that we are doing on that and the recent announcements by the Social Security Minister, Jeane Freeman. We have a commitment to a job grant, which is a new benefit, and a commitment to reform Sure Start grants to expand them into Best Start grants. Our plans at this point in time are laid out in our manifesto, and obviously we will keep the Committee and indeed the Scottish Parliament well informed.

Q52 **Gordon Lindhurst:** To follow up on that, the Secretary of State has talked about raising taxes. How do you propose to pay for these: by raising taxes, cutting other services and/or both? What about the anxiety of those who are using services provided other than the services that we are talking about, or indeed the anxiety of taxpayers?

Angela Constance: There is a well-trodden path in terms of resource transfer. There is an agreement as part of the fiscal framework that in the year before the particular benefit is transferred, there will be a resource transfer to the Scottish Government. Given that we have committed to increasing the take-up of benefits, I certainly do not envisage us spending any less on the 11 devolved benefits. Of course, our Budget has just been passed, and it will be for the Finance Secretary to lay out to the Scottish Parliament what our plans are in and around taxation in future.

Q53 **Gordon Lindhurst:** That is more about the spend; I am interested in where the money is going to come from.

Angela Constance: As the powers transfer, there is also a resource transfer.

Q54 **Gordon Lindhurst:** But it will not cover it if in fact there are additional spends in Scotland that are not arising in England.

Angela Constance: Yes. If there is additional spend over and above the £2.8 billion, that will of course be met from other resources.

Chair: We have got the Secretary of State for, hopefully, another 20 or so minutes, and we are coming quite close to the end of the session. I have been very generous in allowing some short intervening questions to go on into multiple questions, but now, if there is an intervening question, please make it one short one, so that we can get through all the questions that we have down to ask.

Q55 **Ben Macpherson:** A quick point on the point raised by Margaret Ferrier around advances. Secretary of State, the Committee wrote to you suggesting, in the majority, that advances be non-repayable. Although you rebuffed that suggestion on 14 March, I urge you to reconsider it. From our experience on our trip to Musselburgh, it is something that has been stated clearly to us would make a considerable difference.

Damian Green: That advances should be grants rather than loans—so, not advances?

Ben Macpherson: Indeed.

Damian Green: We just had a question about proper allocation of resources. We find that in some cases, advances are clearly necessary and work, but the idea of writing that off is unrealistic.

Q56 **Ben Macpherson:** The philosophy behind the suggestion is that a vulnerable individual, potentially with other vulnerable individuals around them, could have that payment made in a way that is empathetic and forthcoming. If they are entitled to that payment, why would the state feel the need to recall that?

Damian Green: It would be clawed back over time, so that it fit in with a wider payment schedule.

Q57 **Ben Macpherson:** But is the individual not entitled to the money within the period in which they are waiting? That is the key point.

Damian Green: I'm not entirely clear about the point you are making. You are saying that if you want the advance—

Ben Macpherson: You are given an advance for something you are entitled to, so surely you should just be given that money—

Damian Green: Well, you will end up getting the amount of benefits to which you are entitled.

Ben Macpherson: But only six weeks after you were entitled to them.

Damian Green: Not if you got an advance, because you would have already got it. I'm sorry, I am genuinely confused about the point you are making.

Chair: One last chance to try to clarify, and then we are going to have to move on. Explain to the Secretary of State what you are trying to get from



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him.

- Q58 **Ben Macpherson:** I didn't mean to burden the point. In that period in which you are getting the advance, you have an entitlement to the benefit because of your circumstances. If that benefit is then repaid, effectively you are making a statement that, within that six weeks, you are not entitled to it. That is the key point.

Damian Green: No, no, sorry—you will get in total the amount to which you are entitled. I am assuming that what happens is that you get the advance, and then at the end of six weeks or whenever it is you get the full entitlement, so your advance will in effect have been on top of that. That is the assumption I was making. If it is on top of that, obviously over time, at a time that allows you to continue to pay the rent and that kind of thing, that would be clawed back.

Ben Macpherson: That wasn't the understanding of the people who spoke to us.

Chair: I think we have tried that one as best we possibly can.

- Q59 **Craig Williams:** Can I go back to Mr Lindhurst's excellent question about where the money is coming from for this? We are talking about more powers coming down, but 10 of the 13 are enacted. You have the power for them. I am just trying to tease out what you are doing with them, if anything, or is it always easier to ask for more powers than actually to use them?

Angela Constance: No, absolutely not. It is for the Scottish Parliament to make its own financial decisions. As a Government, we have manifesto commitments to meet. We have a very clear policy in and around taxation. We are already implementing some of the new powers. Discretionary housing payments are the first new power, and we are consulting on universal credit flexibilities. We are now approaching the transitional year for our new employability services, so progress is indeed being made. We have just had a consultation that was absolutely necessary to inform our Bill, which we will introduce to the Scottish Parliament before the summer recess. We are now moving from the commencement regulations of the Scotland Act to that period of transition. This is proceeding in an orderly, planned fashion in accordance with our manifesto.

- Q60 **Craig Williams:** Everyone always looks at the first 100 days. What is your most proud achievement in the first 100 days since you had these powers?

Angela Constance: Actually, what you are missing is that this is a process, not an event. It is not an event for a very good reason.

Craig Williams: Because you would get judged on it.

Angela Constance: I am happy to be judged—we are always judged. My point—members of the Social Security Committee will have heard this time and time again—is that we will not open the social security agency on one day and have all 11 benefits go live at once. Everything we have learned



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about programmes and projects in Scotland and south of the border in the DWP points to the fact that that would increase the risk, rather than manage it. Our first priority is to have a safe and secure transfer of powers. We started with DHPs and the consultation on universal credit flexibilities. We are making progress with our devolved employability services. We have to introduce our legislation so that we can have a delivery mechanism and an agency in place. I am sure my colleagues in Scotland will understand the process that we have to embark upon.

Chair: We are down to the last 15 minutes, and I have lots of questions that need to be asked, so I think we are going to have to forgo supplementary questions and see if we can stick to the questions we want to ask.

Q61 **Pauline McNeill:** I will cut to the chase, then. A lot of what I was going to ask about the clawback has already been covered, so I will move on to something that is related to that but that has not been asked about. The Scottish Government have not yet applied the powers, but they have a manifesto commitment to use them. Some of us would prefer that you used them now rather than later, but you have given your reasons.

I have a question for the Secretary of State in relation to that. The Scottish Government stated in evidence to the Scottish Parliament Committee that they would seek to top up some of the benefits prior to acquiring the powers. I suppose that is a test of the relationship that is meant to be the subject of discussion this afternoon. I am really interested to know your view on that, Secretary of State—would it be practically possible, if you had a request? Are you already discussing that possibility?

Damian Green: Oddly enough, we have been discussing it, in terms of discretionary housing payments and so on, which are a possible solution to one of the relatively few—and small—issues between us. As long as it is in the legislation, we are happy to look at it, and there are innumerable sections of the legislation that allow that type of thing. The Scottish Government has the power to create new benefits in devolved areas; to top up, even in reserved areas; and to make short-term payments if it feels that they are necessary. It has very large powers.

Q62 **Pauline McNeill:** I know that, but would you co-operate with the Scottish Government to administer the top-up benefits before they acquire the powers? That is what I am really getting at.

Damian Green: It depends on the feasibility of each one. As I said, we think that discretionary housing payments could work in some areas. For example, we have done a feasibility study on carer's allowance, which the Scottish Government wants to introduce at a higher rate, but we have not yet had a detailed proposal. Some of them are practical and some of them are not, so we have to take this on the level of practicality. I very much agree with one of the points that the Cabinet Secretary made in response to Mr Williams's point: making sure that you roll things out carefully so that you do not make the system fall over is actually a very basic hurdle that we all have to get over with every benefit.



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Q63 Ben Macpherson: I want to come back to a subject that was touched on earlier around housing support for 18 to 21-year-olds. It is the Scottish Government's desire to continue to provide support for housing costs—that is a different policy from the DWP's, of course—and the timescale at present is 1 April. Officials last week described this area as being "in a bit of a transition". Secretary of State, can you provide clarity on whether or not assurances have been provided to the Scottish Government that changes to housing benefit for 18 to 21-year-olds will not be introduced until the two Governments have agreed a solution?

Damian Green: They will be introduced from 1 April this year. The timescale remains. It was a manifesto commitment for us as well.

Q64 Ben Macpherson: Given that, there are two potential options in the Welfare Reform Act 2012: one is around calculation and the other is around eligibility. Cabinet Secretary, could you discuss why calculation is your preference? Secretary of State, perhaps you could say why you are not in favour of that.

Angela Constance: I shall be as quick as I can. Our first option was indeed to make our own regulations to address this issue. We made a request to the UK Government to use section 11(4) of the Welfare Reform Act, which gives us a concurrent power around calculations of a benefit. There was much communication between Ms Freeman and Ms Nokes—I was glad that after I spoke to the Secretary of State, Ms Nokes agreed to meet Ms Freeman. None the less, the UK Government would not use section 11(4); they have opted to use section 11(5), which is based on eligibility. That means that we cannot make our own regulations.

What we were proposing in terms of section 11(4) of the Welfare Reform Act 2012 was that we could make our own regulations and do what we wanted to do in Scotland—thus something different, not interfering with what the UK Government were doing. We felt it was a win-win situation. I am saddened that the UK Government could not agree to that. Again, it has taken a fair bit of work to try and unearth their objections to doing that, because we got into the issue around UK Government legal advice and they were not prepared to have that broader discussion around the legal advice.

Our second option is exemptions, as suggested earlier. The UK Government have made lots of exemptions in the regulations. Given that this policy disproportionately affects Scotland, because of our different housing legislation, Scottish residents could be added as an exemption. A new benefit would of course be an option, but that requires new legislation and a delivery mechanism. Plus, it is also a very poor journey for a claimant. It would mean that a young person would have to exhaust DWP processes and then come to a Scottish agency to make a claim. The Scottish welfare fund cannot—nor can discretionary housing payments—be used to replace housing benefit. That is our position as clearly as I can give it.



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Damian Green: Very straightforwardly, it is because we took legal advice and were told by our lawyers that, as the policy is about removing an entitlement, section 11(5) is the correct section—that we have to use that to make regulations under this power. Section 11(4) does not provide the appropriate power, because that section provides for the determination or calculation of housing costs, and this policy is not about the calculation of amount, because that award is there.

- Q65 **Ben Macpherson:** All of that considered, and given the tight timescale, there was reference earlier to the list of exemptions. You said it would not be appropriate, but given all the different factors at play here, surely that would be a way of finding a solution—to widen the eligibility criteria to geographically consider particular individuals in Scotland.

Damian Green: I am conscious that we are up against time, so I will not repeat what I said before about purely geographical exemptions.

- Q66 **Ben Macpherson:** But is it possible?

Damian Green: The exemptions have to be fair. Everything has to meet the test of fairness.

- Q67 **Ben Macpherson:** But it is possible?

Damian Green: It is not possible between now and April, I think.

- Q68 **Chair:** “Is it possible?” is quite a fair and reasonable question.

Damian Green: Governments can pass laws, but I think it would not fit in with the list of exemptions that we have currently got.

- Q69 **Ruth Maguire:** I want to focus a little bit on the relationship and talk about transparency. I know we have covered lots of ground this morning. Last week we heard that as a Committee we were a bit restricted in our scrutiny of the joint ministerial working group, and Scottish Government official Stephen Kerr agreed that at an official level more could be done to improve transparency, essentially, and he agreed to organise some forums between officials and stakeholders. I just want to hear whether, as Ministers, you would support that, and what role there might be for Government Ministers within that, and from Stephen if any progress has been made. I realise it is only a week.

Angela Constance: Yes, we would support that. Mr Kerr, after his appearance at Committee last week, came as he should and discussed that matter with me directly. There are lots of examples of stakeholder forums with ministerial participation across a whole range of policy areas in the Government. So we will take that forward.

Damian Green: Fine—I mean, straightforwardly, yes. It seems a perfectly sensible idea. I would be quite happy to have officials have a joint forum.
[Interruption.]

Chair: We are coming to you soon Anna, on the list of questions, so if you could wait a moment—



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Anna Soubry: I wanted to know what time the Secretary of State was going.

Chair: What time are you going?

Damian Green: I am in your hands, Mr Chairman, but 10 minutes ago you said 15 minutes, so I assume we have got another 5 minutes.

Chair: We are getting there, as close as we can get to the questions. We have one from Alison Johnstone.

Q70 **Ruth Maguire:** I just wanted to ask Stephen Kerr if any progress had been made on that.

Angela Constance: I thought I had answered that question. He came and discussed it with me. I approve of it, and we will make progress on it.

Q71 **Alison Johnstone:** This question is about co-operation between officials. We have had the unfortunate example of the jobcentre announcements. Whether or not a service is reserved, if a service is a gateway that allows people to access important services, we need to have far better communication. There has also been the change from DLA to PIP. I appreciate that the relevant section of the Scotland Act has not yet been commenced, but that change has caused great concern. Citizens Advice at one point asked that the change be stopped. I would like to ask the officials how they feel—is the example being set helpful to your co-operation? If we look at, say, devolved employment programmes and the issue of sanctions, will the DWP guarantee not to sanction people for non-attendance or under-participation if they are participating in a Scottish programme as part of their claimant commitment?

Mary Pattison: As the Secretary of State said, the agreement is that people will not be sanctioned; it is a voluntary programme. Obviously DWP continues to be able to use sanctions if absolutely required, in the view of the Jobcentre Plus member of staff, but not about taking part in the programme.

The reality as well is that in working with the Scottish Government to support the introduction of the new employability programmes, Work First and Work Able, there was a lot of joining up between the jobcentre managers in Scotland in the programme, with joint communication and working on the ground to make sure that it worked properly. That will continue.

Some of the work we do will be about implementation of change. As important, if not more important, will be how the memorandum of understanding progresses from implementation into business as usual. I know that in Scotland there is a lot of active work with Scottish Government colleagues on the exercise of the employability programme, which starts in April and will be monitored closely. As we work through to the next stage of that in 2018 and the plans progress, we will be working with Scottish Government and will no doubt learn from what we have implemented this April to support that work in 2018.



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Damian Green: I will add a sentence on sanctions. The last figures we have, for the year to last September, show that jobseeker's allowance sanctions halved in GB as a whole and fell by 62% in Scotland; 70% of JSA claimants and 60% of ESA claimants say that sanctions make it more likely that they will follow their agreed commitments. There is a genuine debate to be had here.

- Q72 **Alison Johnstone:** That is an issue we could debate further. Do you agree that any response to non-participation or under-participation in a Scottish programme should be the preserve of the Scottish Government?

Damian Green: We have done that for the employability programme.

Angela Constance: It is an example of getting to a good place despite difficulties and coming to this from completely different political perspectives. As I hope I made clear earlier, anybody referred to a Scottish employability programme who is subject to a UK Government benefit will not be sanctioned for underperformance or non-compliance. Even if the referral is from the UK Government, participation in our programmes is completely voluntary. It is an example of two systems coming together, where we have got there in the end.

Alison Johnstone: Thank you.

Chair: I have Anna Soubry, Craig Williams and Adam Tomkins wanting to ask questions.

- Q73 **Anna Soubry:** Thank you, Chair. Secretary of State, you are probably the least ideological member of the Government—

Damian Green: Don't tell anyone.

Anna Soubry: And that, of course, is a great compliment. I have sat here now for an hour and a half. Would you share my analysis that we have heard a lot of excuses as to why these powers—which I believe the Scottish Government were desperate to acquire—have not been delivered on when, frankly, they just need to get on, stop making all these excuses and deliver on the powers that they so desperately wanted?

Damian Green: I am glad that you have asked me that question, because it is not an area of my responsibility. I suspect it is one that could perhaps be better addressed to the Cabinet Secretary. I can say, as a non-ideological Secretary of State, that I am doing my best to implement the laws that have been passed by Parliament, including and specifically in this case the Scotland Act, which gives all these powers to the Scottish Government. I am sure that the Scottish people are agog to see what they are going to do with them.

- Q74 **Anna Soubry:** Yes, but I want to be sure that you are not doing anything to hold up this process.

Damian Green: Absolutely not. There were 13 powers that we could pass over: we passed over 11 of them in September, within six months of the

passage of the Act; and we will do the remaining two next month, within a year of the passage of the Act.

Chair: I think it is only fair to hear the Cabinet Secretary on that one.

Angela Constance: I of course have ideological objections to the inhumane and irrational policies of this Government in terms of welfare reform, but I am sure that Ms Soubry is not here to listen to that. In terms of the progress we are making, we have just ended the very important first stage—we have ended the commencement process, and we are now heading into transition. Members who sit on the Scottish Social Security Committee understand that we are indeed anxious to do as much as we can as quickly as we can, but in a manner that is safe and that means that no one will fall through the cracks.

As I said in my opening remarks, this is the biggest programme of change in the history of devolution. It is one we relish and it is a huge opportunity. It may be only 15% of the welfare state, in terms of spend, that is coming our way—it is only 11 benefits—but we relish that challenge and the opportunity. We are making headway with our Bill—we need to have legislation in place and a social security agency in place.

I understand people's impatience. It is of course important that people are always cracking the whip at Government Ministers, but we have always said that this is a five-year programme of work. First and foremost, we need the safe and secure transition of benefits. I do not want anybody to fall through the crack. That is the responsible approach from this Government. We are working together on that approach and, I think, are in agreement on it.

Q75 **Anna Soubry:** And you wouldn't play party politics with this, would you?

Angela Constance: Me? No, never. Earlier, George Adam was talking about giving folk a cuddle. I do not give anybody a cuddle and I certainly do not give Mr Adam a cuddle, but there is a job to be done here.

Anna Soubry: I am not surprised, if I may say so, although I have only just met him.

Angela Constance: There is a job to be done here and that is what I am focused on every day. It is what our Social Security Minister is immersed in every day. The safe and secure transfer of the new powers will make a huge difference to the people of Scotland, because we will make different choices and different decisions as a result.

Q76 **Craig Williams:** We have spoken a lot about MOUs and things changing. I cheekily ask, when in this five-year journey will you have the full switch-on and be able to change things at your whim without any of these technical points?

Angela Constance: I will be keeping the Scottish Social Security Committee and the Scottish Parliament fully informed of when we expect to reach our next important milestones. The Minister for Social Security

will go to Parliament at some point in the near future to update Parliament on where we are with the operating programme of the new social security agency, so we will be as forthcoming as possible.

Craig Williams: Thank you.

Chair: Great. We are almost right on quarter past 3, which is fantastic timing. I won't, as Chair, take any credit for that result; it is down to the generosity of Mr Tomkins in not asking a further question.

This has been a fascinating session. It has been really helpful and useful to hear from both of you together, in front of the respective Committees. Again, if there is anything that you feel we have missed or that needs to be emphasised, please provide that information to these Committees.

We are going to consider how we assess the evidence that we have acquired in the course of the last two sessions. What we are thinking about, which might be suitable for both of you, is a letter and placing some of the evidence that we have secured in both the Library of the House of Commons and SPICe in the Scottish Parliament, so that everybody can see the type of questions that have been asked and the things that have been said in the course of these inquiries. I hope you would find that useful and something that would help you in the process of building the new agency in Scotland and working together in a productive relationship. Thank you ever so much for attending the session today.

Angela Constance: Thank you.

Damian Green: Thanks to both Committees.