



OFFICIAL REPORT
AITHISG OIFIGEIL

Social Security Committee

Thursday 9 November 2017

Session 5



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Pàrlamaid na h-Alba

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SOCIAL SECURITY COMMITTEE

22nd Meeting 2017, Session 5

CONVENER

*Sandra White (Glasgow Kelvin) (SNP)

DEPUTY CONVENER

*Pauline McNeill (Glasgow) (Lab)

COMMITTEE MEMBERS

*George Adam (Paisley) (SNP)

*Jeremy Balfour (Lothian) (Con)

Mark Griffin (Central Scotland) (Lab)

*Alison Johnstone (Lothian) (Green)

*Ben Macpherson (Edinburgh Northern and Leith) (SNP)

*Ruth Maguire (Cunninghame South) (SNP)

*Adam Tomkins (Glasgow) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Ben Haynes (Scottish Government)

Robin Haynes (Scottish Government)

CLERK TO THE COMMITTEE

Simon Watkins

LOCATION

The Adam Smith Room (CR5)

Scottish Parliament

Social Security Committee

Thursday 9 November 2017

[The Convener opened the meeting at 09:30]

Subordinate Legislation

Council Tax Reduction (Scotland) Amendment (No 2) Regulations 2017 (SSI 2017/326)

Council Tax Reduction (Scotland) Amendment (No 2) Amendment Regulations 2017 (SSI 2017/357)

The Convener (Sandra White): Good morning, and welcome to the 22nd meeting in 2017 of the Social Security Committee. I remind everyone to turn off their mobile phones, as they interfere with the recording system. Apologies have been received from Mark Griffin.

Agenda item 1 is on two negative instruments. I welcome from the Scottish Government Ben Haynes, head of policy on the council tax reduction scheme, and Robin Haynes, head of council tax. There is no relation, I believe.

Ben Haynes (Scottish Government): That is right.

The Convener: I understand that you want to make some opening remarks.

Ben Haynes: Yes—thanks very much, convener.

The instruments do three things. First, they mean that bereavement support payment is disregarded when a local authority is calculating someone's level of council tax reduction, and that is done on the same basis as happens with housing benefit. Secondly, as the United Kingdom Government has abolished the work-related activity component in employment and support allowance, the regulations make some changes to the council tax reduction scheme so that those who would have received the work-related activity component in ESA will continue to receive the relevant premium in the CTR scheme. Thirdly, the regulations ensure that any income from the charitable funds that were set up after the terrorist attacks in Manchester and London earlier this year is disregarded when a local authority is calculating someone's level of council tax reduction.

We appreciate that it is not ideal to make those changes to the scheme mid year but, given the nature of the issues involved, that is unavoidable

in this case. We have kept local authorities, the Convention of Scottish Local Authorities and those who write the software that processes council tax reduction applications up to speed, and they are aware of the changes and when they are coming into force.

The Convener: Thank you. I was intrigued to find out about the funds for people who are affected by the terrorist attacks. Is there anyone in Scotland who will be affected by that part of the regulations?

Ben Haynes: There may be some people affected by the funds, but it is difficult to know whether those individuals will get a council tax reduction. If anybody south of the border who receives payments from the funds was to move into Scotland, they would obviously still have that income, so it is important to make sure that the issue is covered.

Robin Haynes (Scottish Government): We certainly know, just from reading the newspapers, that quite a large number of people from Scotland attended the Ariana Grande concert, so it seems reasonable that, if the fund is dispersing payments, some of those might come to Scotland.

The Convener: Would the Department for Work and Pensions know about that, with regard to the instrument?

Robin Haynes: That is an interesting point. Because council tax reduction is now no longer part of the benefits system, although we have always been quite open, the DWP has not really shown much interest in what the Scottish Government is doing on it, at least since 2012, when the UK Government sought some assurance about the nature of our scheme.

The Convener: I believe that, in December, the minister will appear before another committee that has made recommendations on the instruments, to give further evidence. Is that correct?

Ben Haynes: Yes, that is correct. The Minister for Parliamentary Business will appear before the Delegated Powers and Law Reform Committee in early December, and I know that that committee intends to raise the matter of these regulations with him then.

Jeremy Balfour (Lothian) (Con): I have one quick question. Have you done any modelling of any financial shortfall that local authorities might have? Will there be any impact on revenues for local authorities over the next six months?

Ben Haynes: We think that there will be a very minimal impact on local authorities. For example, bereavement support payment will be fully disregarded in the CTR scheme, which is different from the way in which widowed mother's allowance was handled in the past. However,

widowed mother's allowance could go on for several years—often many years—but bereavement support payment runs for only 18 months. Over the piece, we think that the position will be pretty much static.

Pauline McNeill (Glasgow) (Lab): I want to get a wee bit more understanding, because I do not know much about how the council tax reduction scheme works. Are the payments that you are talking about one-off payments?

Robin Haynes: Sorry, but which payments are you referring to?

Pauline McNeill: Will the bereavement support payments and any payments from charitable funds that might be disregarded be one-off payments, or does that vary?

Robin Haynes: My understanding is that the Manchester fund is making lump sum and recurring payments to individuals.

Ben Haynes: The bereavement support payment involves an initial lump sum and then 18 months of payments after that.

Pauline McNeill: That is helpful. Does the disregard apply to the lump sum and for the duration of the following payments?

Ben Haynes: That is correct. Some housing benefit provisions are mirrored so that, if somebody hangs on to a lot of the money, it starts to be counted as capital after a year. However, in effect, unless somebody hangs on to the money, it is disregarded.

The Convener: Do members agree to note the instruments?

Members *indicated agreement.*

The Convener: I thank our witnesses.

I now close the formal part of the meeting, and we will continue with an informal session.

Meeting closed at 09:36.

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