



OFFICIAL REPORT
AITHISG OIFIGEIL

DRAFT

Social Justice and Social Security Committee

Thursday 6 June 2024

Session 6



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SOCIAL JUSTICE AND SOCIAL SECURITY COMMITTEE
18th Meeting 2024, Session 6

CONVENER

*Collette Stevenson (East Kilbride) (SNP)

DEPUTY CONVENER

*Bob Doris (Glasgow Maryhill and Springburn) (SNP)

COMMITTEE MEMBERS

*Jeremy Balfour (Lothian) (Con)
*Katy Clark (West Scotland) (Lab)
*John Mason (Glasgow Shettleston) (SNP)
*Roz McCall (Mid Scotland and Fife) (Con)
*Marie McNair (Clydebank and Milngavie) (SNP)
*Paul O’Kane (West Scotland) (Lab)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Marieke Dwarshuis (Office of the Scottish Charity Regulator)
Kyle Murray (Scottish Government)
Shirley-Anne Somerville (Cabinet Secretary for Social Justice)
Martin Tyson (Office of the Scottish Charity Regulator)
David Wallace (Social Security Scotland)

CLERK TO THE COMMITTEE

Claire Menzies

LOCATION

The Mary Fairfax Somerville Room (CR2)

Scottish Parliament

Social Justice and Social Security Committee

Thursday 6 June 2024

[The Convener opened the meeting at 09:00]

Decision on Taking Business in Private

The Convener (Collette Stevenson): A very good morning to everyone, and welcome to the 18th meeting in 2024 of the Social Justice and Social Security Committee. We have received no apologies this morning.

Our first item of business is a decision on whether to take items 6 and 9 in private. Do members agree to do so?

Members *indicated agreement.*

Subordinate Legislation

Disability Assistance for Older People (Consequential Amendment and Transitional Provision) (Scotland) Regulations 2024 (SSI 2024/141)

09:00

The Convener: Our next item is consideration of a Scottish statutory instrument. The instrument is subject to the negative procedure, and its purpose is to make consequential amendments and transitional provision as a result of the introduction of the pension age disability payment, which will soon replace attendance allowance in Scotland for people who are over the state pension age. Do members have any comments on the instrument?

As there are no comments, I invite the committee to agree that it does not wish to make any further recommendations in relation to the instrument. Are members content to note the instrument?

Members *indicated agreement.*

Office of the Scottish Charity Regulator

09:01

The Convener: Our next item is an evidence session with the Office of the Scottish Charity Regulator. I welcome to the meeting Marieke Dwarshuis—I hope that I have pronounced that correctly—who is board chair, and Martin Tyson, who is head of regulation and improvement. I thank you both for accepting our invitation.

I invite Marieke Dwarshuis to make a short opening statement.

Marieke Dwarshuis (Office of the Scottish Charity Regulator): I am the chair of the Office of the Scottish Charity Regulator, and sitting next to me is Martin Tyson, who is our head of regulation and improvement. We are very pleased to be here today and to have been invited to talk about our work. We very much welcome the committee's interest in our work.

Before I go on to talk about OSCR and its work, I will give a quick overview of the sector that we regulate. As the regulator, we are the authoritative source of data on the charity sector in Scotland. As part of our work, we collect data on all charities in Scotland, because we have to keep a register of them all. We also collect a huge range of data every year through the annual returns that charities have to submit to us.

We are, therefore, the only body in Scotland with a 360° view of the charity sector in Scotland, from very small volunteer-run organisations that meet in local community centres, to multimillion-pound institutions with an international reputation, thousands of staff and many beneficiaries.

We are not a representative organisation for charities, because we are the regulator. Instead, we have a unique viewpoint that is based on our analysis of substantial data, rather than opinion. Our data is up to date and is available to all through our interactive sector overview report; our register, which can be searched in different ways and can be downloaded; and constituency maps—I do not know whether members have ever taken the opportunity to look at the charity profile of their constituency. We are also developing other interactive tools. All those things can be accessed from our website.

That data can be, and is, put to good use to inform policy and other decision making by Government, Parliament, local government and other stakeholders, to enable them to make better-informed decisions.

We are very keen that our data is used, and we would be happy to work with the committee or with any MSP if you have any specific queries about the make-up of the sector, whether nationally, regionally or locally.

What do we know about the sector? Members will probably be familiar with some of these figures. There are currently just over 25,000 charities registered in Scotland, which are managed by a total of more than 180,000 charity trustees. It is important to realise that 69 per cent of the charities in Scotland—more than 17,000 of those 25,000—employ no paid staff at all and are run entirely by volunteers.

Partly in parallel with that, the majority of charities in Scotland are focused on a local area, with 41 per cent operating in a specific local point, community or neighbourhood and a further 25 per cent operating only in one local authority area. A total of 53 per cent of the 25,000 charities have an annual income of less than £25,000, and 31 per cent have an annual income of less than £5,000.

I will throw a couple more figures at you. It is interesting to note that, while more than half of all the charities in Scotland make up less than 0.5 per cent of the sector's total annual income, 9 per cent of charities on our register account for 96 per cent of the gross annual income of the sector. It is a hugely varied sector. What does that mean for OSCR as a regulator? The huge diversity of the charities that we regulate poses a number of challenges for us as a regulator, because we have to ensure that we have a system and method of regulation that is proportionate, fair and consistent across those hugely diverse organisations.

If you are wondering what those large charities are, I will give you a picture. We are talking, for example, about universities and further education colleges, the big names that you see, and housing associations, which takes us into the territory of organisations that have more than one regulator. We regulate some organisations, including housing associations and care providers, that are also regulated by others.

Our regulatory priorities are informed by the data that I just talked about and other sector information that we collect through our daily interactions with charities as well as our interactions with the public and our engagement with stakeholders. Those priorities help us to focus our proactive, long-term work, in particular, towards what we see as the key risks in the sector and to risk assess and triage incoming intelligence so that we prioritise cases that come in according to those risks. We are a small organisation, and prioritisation of incoming casework is a particularly important task for us. Our data guides us towards becoming a more informed, preventive and risk-based regulator.

That is a little bit of information about the sector that we regulate, how we use data, and how others use our data. I will move on to say a little about OSCR itself. We are a non-ministerial office, so we are accountable directly to Parliament, not to ministers. We have a non-executive board with seven members, including me.

At the end of 2023-24, OSCR had a head count of 43 staff, eight of which are part-time staff members, so it is a small organisation. We now have a head count of 45, as we have taken on some temporary staff to assist with the work to prepare for the implementation of the Charities (Regulation and Administration) (Scotland) Act 2023—no doubt we will come to that later in this session.

Our funding comes from the Scottish Government, through the third sector unit, and our budget this year is £3.6 million. That is an uplift from last year, and it very much reflects our constructive discussions with Scottish Government colleagues on taking account of the work that we need to do with regard to the digital and engagement costs of implementing the 2023 act.

It is a very challenging budget, particularly in view of the public sector pay settlements during this period and the additional work that is required in preparing for implementation of the 2023 act. We are, therefore, focused on the need to continue to achieve clear efficiencies, as we have done over the previous years. I will come to that in a minute.

When the board, together with staff, developed our corporate strategy for 2023 to 2026, we were very keen that we should develop a means of measuring how the work of the regulator is making a difference. We have concentrated on developing some clear measures of success in relation to our strategic priorities, so that we can show the impact of our work on the sector and for the public.

We are still looking to improve those indicators—although we will stick to the ones that we have for the period of the current corporate strategy—as it is not easy to articulate meaningful and feasible measures of success for regulation, but that is what our corporate plan is driving at.

I will take a few minutes to tell you about the transformational journey that the organisation has been on in the past few years, largely before I arrived as chair—I have now been chair for 18 months. We are now really starting to reap the benefits of that transformation.

As you have probably seen from the briefing that was prepared for you, OSCR's budget reduced by 8 per cent in cash terms from 2021 to 2024, from £3.6 million to £3.3 million, while costs, including staff costs, have continued to increase. That funding reduction acted as a catalyst to

accelerate the reform programme that we began in 2020 with our organisational redesign. Over the past three years, we have undertaken changes planned over a five-year period, and we are now delivering better within the reduced resource envelope. That has been a result of a fundamental restructuring of the organisation in 2020, with a refresh of all staff roles, bringing high levels of flexibility and creating new remits such that we can now truly say we are an agile organisation that is able to respond quickly to changes in workloads and priorities.

We have focused on the smart use of our funding to front load digital spend to enable the increased automation of routine tasks, increasing our efficiency and, very importantly, improving our service to charities. By redesigning our processes and procedures, we have enabled faster, better-targeted handling of incoming cases, and that is now really starting to show in what is coming through in our performance measures.

We have moved to online platforms for most engagement activity with charities and other stakeholders through the smart use of in-house technology. We are maximising the benefits from information technology contracts, and we have built capability in house to improve and innovate IT systems. That is important, as we can then keep costs down on a continuing basis, and we can be as responsive as possible.

I believe that the change programme shows how OSCR is embracing the principles of the public service reform agenda, embedding them in all our activities and decision-making processes.

At this point, I will take the opportunity to pay tribute to Maureen Mallon, who has been OSCR's chief executive for the past six years and who will be retiring at the end of this month. Maureen has been instrumental in bringing about the transformation of the organisation, and we are very grateful for her positive legacy.

Returning to public service reform, it is worth noting that we share some corporate services with other public bodies. For example, our finance services are delivered by the Care Inspectorate, our neighbours in Dundee. We are proactive members of the Dundee accommodation hub, and we are very keen to explore further collaborative working opportunities with other publicly funded organisations that are now co-located on the riverside in Dundee.

Looking to the coming year and possibly further ahead, we have three key issues to focus on. The first is something that will, no doubt, be at the forefront of your minds: the implementation of the Charities (Regulation and Administration) (Scotland) Act 2023. That includes the introduction of a database of charity trustees and the

publishing of charity accounts. That is not an end in itself; it is a way of achieving key outcomes for the sector and the public by increasing transparency for everyone and letting us, as the regulator, move further towards becoming a risk-based, data-driven regulator.

Secondly—this might come somewhat as a surprise—we are finding that conflict and poor relationships within charities and between charities and communities is an increasing area of concern and activity for OSCR, and it is one of our greatest areas of regulatory priority. Our experience indicates that that increase reflects the greater challenges faced by charities over the past few years, the lack of capacity for trustees to deal with issues before they blow up and the lack of awareness about where trustees can get support. We will be addressing that issue in a number of ways over the coming years, such as by working with umbrella bodies and funders to help guide charity trustees through the issues, developing new guidance materials ourselves, and making changes to improve risk assessments of incoming casework.

Thirdly, we will continue to work positively with the Scottish Government and other public bodies on the public service reform agenda, and we will very much seek further productivity gains through the smart use of technology and through collaboration, always ensuring that we regulate in a way that adds value to charities and builds public confidence in the sector.

I hope that that introduction has given you a useful flavour of our current position and priorities, and I very much look forward to our further discussion.

The Convener: Thank you, Marieke. That was very helpful. I think I speak on behalf of all the committee when I say good luck to Maureen Mallon for her retirement.

09:15

Before we move to questions, I have a few points to mention about the format of the meeting. Please wait until you hear me or the member asking the question say your name before speaking. We have approximately an hour, and I ask everyone to keep questions and answers as concise as possible.

We move to questions. The first theme is on strategy and priorities. OSCR has five priorities in its 2023-26 corporate strategy, five different priorities in its regulatory priorities for 2024-26 and six focuses, which are listed online in the “How we regulate” section of the OSCR website. Will you explain the purpose of the various lists of priorities and how they interact?

Marieke Dwarshuis: I will start with the “How we regulate” part of what you referred to. Essentially, that lists the underlying focus that OSCR has in law. If I remember correctly, it says that we need to keep a register of charities and that we need to monitor charities’ compliance—I ask Martin Tyson to keep me right. There are six things, and they are pretty much directly taken from the legislation. They are the things that we do to carry out our work, if you like—the things that we are empowered to do to carry out our regulatory function.

The corporate strategy sets out the broad strategic priorities for the whole organisation over the period to 2026. Those take in our regulatory casework, our forward-looking, preventative and outward-looking work, and our functions and duties as a public body. That work ranges from ensuring that the public have the information that they need about charities to looking after the wellbeing of our staff. It incorporates that range of the internal and external things that we want to prioritise.

However, within that—in particular, in our regulatory work—the regulatory priorities set out the issues in the sector that we will concentrate on and that will shape our assessment of casework risk. Those are the aspects of our regulatory work that we think it will be most important for us to keep an eye on over the period. I hope that that explains it.

The Convener: That has been really helpful. Thank you.

Bob Doris (Glasgow Maryhill and Springburn) (SNP): Good morning. I am not sure whether I have to declare this but, for transparency, I say that I am a trustee of a small charity called Spirit of Springburn. I have no financial gain from that. My interest is registered under the voluntary category, and I declare it at this point.

Clearly, a significant amount of work will be needed to implement the Charities (Regulation and Administration) (Scotland) Act 2023, and I suppose that that means that there is no business as usual—things have to change and there is an impact on resource. Will one of you give an example of how you have had to change from business as usual to doing something different that will allow you to implement the 2023 act?

Marieke Dwarshuis: I will leave that to Martin Tyson, because he deals with it from day to day.

Martin Tyson (Office of the Scottish Charity Regulator): One example is that we have switched resources from within the casework teams to focus on one of the early commencements, which relates to our power to remove charities that do not supply annual

accounts and returns as they are required to do and that have ceased to engage with the regulator. Last year, we switched people and resources to focus on the preparatory work for that and also to maximise our engagement and communications with some of the charities that are affected. It was a switch of focus. We streamlined some bits of the routine casework. We took the focus off those a little, to allow us to do the other work. A lot of those early commencements were done from within existing resources.

Bob Doris: That is a helpful and specific example of the impact. I have a follow-up question. What has been the impact on casework? I imagine that the casework teams are left to deal with the same number—or perhaps a greater number—of inquiries with fewer staff.

Before you answer that—because we are time sensitive today—if there are other examples of where there has been an impact, will you put those on the record as well? I will move on to my next question at that point.

Martin Tyson: We have done well on casework. The stats over the year have improved, which is partly because of some of our work in previous years, which Marieke Dwarshuis has talked about. We have streamlined processes and become much better at risk assessment and triaging incoming work to identify high-risk stuff that needs a lot of work or to create a smooth passage for applications and things that are very straightforward in order to get out of the way of charities and let them do the thing that they want to do.

One example of reprioritisation is that we had wanted to concentrate on our agreements and memoranda of understanding with other regulators and other public bodies, but we had to switch our focus away from that. We have rescheduled that and will be taking it through in the coming year.

Bob Doris: That is very helpful. I am sure that the committee would welcome being kept updated if there is any detrimental impact. It is clear that the organisation is changing to adapt to additional pressures and financial realities.

Let us look at the five regulatory priorities that have been set by OSCR for 2024 through to 2026. They look pretty clear—dare I say obvious?—in some respects. How were they determined? What progress has been made on the priorities that you have set since their introduction?

Marieke Dwarshuis: It links back to data. The priorities are informed by the information that we get. We look at the types of cases and information that come in, from a range of sources, to see what the key issues are. It is probably worth stressing that it is the board that agreed the regulated priorities. We have had discussions to determine

whether those were the right ones to focus on, and they will be regularly reviewed. We initially set those for a year. However, we have had discussions about whether a year is long enough to know what the impact has been. Perhaps we should leave it for 18 months before review, so that we can see the impact of our work.

The governance process is that the board agreed the regulated priorities, but I will hand over to Martin Tyson to tell you exactly how that was done and the progress that has been made.

Martin Tyson: As Marieke Dwarshuis has said, a lot of that was to do with our data. For instance, it was very clear that the number of charities that were defaulting on their obligation to provide accounts and were not engaging with us had crept up through the Covid period, when many charities ceased operations or were mothballed. Those numbers were clear, and it was clear that maintaining confidence in regulation was a priority.

Intelligence coming through about concerns from the public, other regulators and, indeed, MSPs also influenced that. That is where the priority about conflict in charities came from—there was a sense that there were increasingly complex and difficult situations within charities.

The priority on reserves came through from the sector. A very good piece of research was done in the Scottish charity sector, driven by some of the big charitable funders, about how charities use their reserves and how they could use them better. It was clear that the sector thought that that was a priority, and we agreed.

Bob Doris: I will ask a final question. *[Interruption.]* I do not think that I have had much time at all, convener, but I will be brief.

Do senior officers in OSCR analyse the data and make recommendations to the chair and the board on the priorities that are set, or do they give the chair and board options? I am trying to gather how dynamic and vibrant the board is at holding senior management to account in the priorities that it sets.

Marieke Dwarshuis: In this case, it was a matter of the senior staff analysing the information and saying, “On the basis of what we have found, we believe these to be the priorities.” We did not get a list of options or a menu to choose from, if you like. That is not to say that that is not how it happens on other occasions, but, in this case, because it was a data-driven proposal for regulatory priorities, the first scenario that you sketched is the one that applied.

Bob Doris: Because of time constraints, I will perhaps leave that hanging.

Martin Tyson: I might come in here. If I recall correctly, we had a couple of goes at it.

Marieke Dwarshuis: Yes, we did.

Martin Tyson: That was because the board came back and challenged a number of points.

Marieke Dwarshuis: Yes—but not on the basis of what we might call a menu of options. The priorities were put forward and we questioned them. It did not just come to the board for us to rubber-stamp it. I believe that it was discussed over two, or possibly even three, meetings before we were all convinced and agreed that that was the way to go.

Bob Doris: The reason why I asked is that OSCR is one of the regulators of housing associations. When I meet housing association chairs and board members, I always ask them whether they challenge the senior management of those associations in a positive way. That is a constructive aspect. Thank you for putting that on the record.

The Convener: Our second theme is funding and financial performance. I invite Marie McNair to put her questions.

Marie McNair (Clydebank and Milngavie) (SNP): The questions that I was going to ask have been covered in the opening statement, so I will hand back to the convener.

The Convener: Thank you. Our third theme is staffing. I will bring in Katy Clark.

Katy Clark (West Scotland) (Lab): Scottish ministers are ultimately responsible for charity law and third sector policy in Scotland. I understand that OSCR works closely with the Scottish Government's charity law team to ensure effective regulation. How well does that work in practice? How frequently do you engage with the Scottish Government? Is the level of collaboration effective? I will address those questions to Marieke Dwarshuis first.

Marieke Dwarshuis: I will start by describing our relationship at the highest level. You will be aware that we are a non-ministerial organisation, so we are accountable to the Parliament rather than the Scottish ministers, and we are very much independent of them.

Our relationship with the Scottish Government is governed by a framework agreement that sets out its parameters, including where the various touch points with the Scottish Government are. In particular, those involve the third sector units, because that is the part of the Scottish Government where you could say that we sit. It also includes who we liaise with and what the particular focus of any liaison is. For example, I meet the director once, or sometimes twice, a year, along with the minister, to update them at regular but not usually frequent intervals, which signals that the relationship is good.

Underneath that level are a huge number of touch points and a lot of activity covering the aspects that you mentioned, such as the development of charity law. The third sector has links not only with the charity law team but with other parts of the Scottish Government. Martin Tyson will say a little more about those.

Martin Tyson: At operational level, contact happens frequently. We worked pretty closely with colleagues in the third sector area on the 2023 act, and did so right through its passage through the Parliament. We are currently discussing the secondary legislation that will be necessary to bring it into force and incidental matters around that.

We also talk quite often to teams in other parts of the Scottish Government. We need to spot legislation in other areas that will have an impact on charities and will impinge on us as a regulator. Therefore, we frequently have contact with other parts of the Scottish Government, whether that is by responding to formal consultations or having discussions about upcoming policy or legislation. To a great extent, that contact is relatively informal as opposed to the more formal contact that Marieke has mentioned.

Katy Clark: Marieke Dwarshuis referred to the fundamental restructuring that has taken place. OSCR launched a people strategy in July 2022, in which it detailed its plans to support staff to thrive and develop new skills. What specific actions does that work involve, and how is the implementation of the strategy progressing? You covered that a little in your opening statement, but perhaps you could expand on what that means from your perspective and also mention any concerns that have been raised.

09:30

Marieke Dwarshuis: It is interesting that you make the link to the restructuring of the organisation. It was in that context that, three years ago, we recruited a human resources learning and development co-ordinator to provide substantial in-house support and expertise to deliver our people strategy. We recognised that, with the big change that was going on in the organisation, and to support people in maintaining the changes, an HR learning and development co-ordinator would be hugely beneficial, and it has turned out to be that way.

We launched the people strategy in July 2022, as was mentioned. I will mention a few things that we have done through that. The board, in fact, received an update report at our latest meeting. We were pleased to see that good progress has been made on all the key aspects of the people strategy.

For example, we have embedded hybrid working. That might seem to be a statement that you would expect, but that is not necessarily an easy thing to do, and I believe that it has been very effective in OSCR. We have a good mix of attendance in the office and people working remotely, and we have seen no loss of productivity as a result of that—quite the opposite, in fact. We are pleased with that and have maintained good collaborative working between people throughout the change to hybrid working.

We have developed internal guidance and training materials, alongside having developed a tailored corporate training plan, which has training—mandatory training, as well as other training—outlined for all groups of staff, including board members.

We have supported and trained line managers to be confident in their role, and we continue to regularly review the priorities that people work to in order to ensure that our people resource is always focused on addressing priority work.

We also have a keen focus on wellbeing. We have worked to understand what wellbeing in the workplace and outside work means for people and how we can best support that. We have introduced the staff hub, which is an intranet site, to aid internal communication.

It has been very pleasing for everybody—the staff, the managers, the HR co-ordinator and the board—to see that, as a result of the work, there has been an increase from 56 to 65 per cent in our engagement score in the civil service people survey. That is important, because that had taken a dip during the years when there was such a lot of change in the organisation. It is always difficult in an organisation to go through change. However, it is very much on an improving journey now, and I think that it is working.

Katy Clark: Have any concerns been raised? Have staff raised concerns, and have some of those changes been in response to problems that existed in the organisation that were recognised?

Marieke Dwarshuis: That is a slightly difficult question for me to answer. I can honestly say that, in the 18 months that I have been there, the answer to that is no. However, I cannot really say whether issues were raised during the period when change was at its most active.

I do not know whether Martin Tyson wants to say anything about that.

Martin Tyson: To be quite open about that, it was a reasonably difficult process. We were dealing with a number of long-standing ways of working and of being in the organisation, and some of that was quite difficult. There were some difficult conversations and transitions to go

through, but we are starting to see the benefit now.

The Convener: Theme 4 is performance for 2023-2024.

Paul O’Kane (West Scotland) (Lab): Good morning to our panel. A number of these issues were touched on in opening comments, but we are particularly interested in a couple of areas in relation to performance.

In the performance report for 2023-2024, we had noted some data not being available for certain key performance indicators, most notably the number of website visitors and the helpfulness rating. I know that we have started to touch on some of the investments that are being made, but what progress would OSCR hope to make in respect of that more widely?

Martin Tyson: With respect to those two KPIs, we have now started to collect website statistics. We needed to do a couple of software things to make that possible. We started to gather data on those from late 2023, and the early indications are that we are on track to meet our objectives, but we do not have the whole year’s data on those yet.

Overall, we did pretty well with the KPIs, but we are not there yet with another couple of them. For instance, we have a target to complete 60 per cent of our inquiries into possible wrongdoing in charities within six months, and we are not there with that yet. That is interesting. Partly, that reflects the fact that we have some very complex cases. We have cases where there are court proceedings going on or where other regulators or the police are involved, and we have to interact with those timescales. However, partly, there are bits where we could just do with being faster. We need to look at working with greater pace but also at taking a risk-based approach right through the process, looking rigorously at existing cases when they are coming up to the six-month point and working out what we do with them, whether the risks are still there and whether we still need to be involved. We will focus on that work in the coming year.

Paul O’Kane: It was remiss of me at the start of this contribution not to declare for the record my interest as an OSCR-registered charity trustee until 2023.

On the point about people rating the website as helpful, is that about searching the register or trying to access information? Do we have that level of detail?

Martin Tyson: Yes. We ask whether people have got what they need from the register, but we also ask about the helpfulness of the guidance that is on the website.

Paul O’Kane: Where measures are not being met—for example, the target for dealing with concerns cases is not being achieved—is there a resourcing issue? Does OSCR require further resource to drive some of that work forward, or is it more about the existing resource?

Martin Tyson: No. I think that we just about have the resources that we need in that area, and we have a reasonably settled team, which helps. Some of the other measures that relate to casework also reflect that in that we are doing a lot of other casework much more quickly than we did previously. Therefore, it is about looking at those specific issues around inquiries.

Paul O’Kane: I noticed that there was a goal in the report to review and refresh memorandums of understanding and partnership agreements but that that was not met due to reprioritisation. Can you explain to the committee what was prioritised over that and provide some examples of things that were not met?

Martin Tyson: As I mentioned when we were talking about the implementation of the 2023 act, first, a member of staff moved on and, secondly, we needed to reprioritise to meet some of what we needed to do under the 2023 act. This is also one of those areas where it takes two to tango. We had priorities and things that we wanted to do with the memorandum of understanding, but the partner organisations also had priorities, so it was probably a slightly longer and more complex process than we had perhaps previously thought.

The Convener: We will stick with that theme and I will invite John Mason to come in.

John Mason (Glasgow Shettleston) (SNP): I am a trustee of one charity.

Your annual report mentions the SORP. I have now forgotten exactly what that stands for—it is the statement of recommended practice. Your report says that you are involved in that, so I wonder whether you could expand on that and say what changes you think there might be. It seems to me that charity accounts are pretty complex and lengthy at the moment. I am involved in a church and virtually nobody in the church even reads all the accounts let alone has a good grasp of them.

Martin Tyson: Like many sectors, the charity sector has a statement of recommended practice that says how the sector should do its accounts to recognise its particular characteristics. The charities SORP applies to larger charities and charitable companies, so it may be that the charity that you are talking about, if it is a smaller charity, will be able to do more simplified accounts. The statement of recommended practice is largely for the big charities, where a degree of complexity is involved in the reporting.

In Scotland, the statement of recommended practice is embodied in the secondary legislation on charity accounts. We are part of the SORP-making body, along with the Charity Commission in England and Wales and the Charity Commission for Northern Ireland. We work with them to write the charities SORP.

At the moment, we are engaged in updating the SORP. That was very much influenced by demands in the sector for a way of doing more complex charity accounts that meets the needs of the people who are writing the accounts—the charities themselves—by simplifying it and making it clearer, but which also, and importantly, meets the needs of the people who use the accounts, whether that is the public, funders, the Government or whoever else interacts with them. The work that is going on has been very much influenced by what users of accounts on both sides want, and it has been a reasonably long-term process to do that within the parameters that are set down by the Financial Reporting Council.

John Mason: I am sure that we will hear more about that in due course, but that is fair enough.

You have also talked about OSCR online, and I had a quick look at your website. I see that there are 2,839 charities in Glasgow, of which 50 have an income of more than £10 million, so it is quite easy to find some of that kind of information. Do you want to tell us a bit more about OSCR online, why it was produced and what difference you feel that it has made?

Martin Tyson: Before OSCR online, we had an interactive system for charities to provide information to us and submit their accounts and annual returns. On a couple of occasions in the past couple of years, we have updated that to make it more friendly for the people who are supplying information to us. One thing that we did was ensure that it is compatible with mobile phones and tablet browsers. That is because a lot of people, especially in smaller charities, are not sitting down with a whole lot of computer kit—they are doing what they need to do for us on their phones, and that compatibility helps them to do that.

We did things such as making the process for resetting passwords a lot simpler. We increased the number of registered contacts that a charity could have to supply information to us. Again, that was to make life easier for charities. We have also updated the range of emails that we send automatically to charity trustees at various stages to give them better information about what they need to do and a bit more guidance.

At the end of last year, we put in some more updates to enhance the value of the annual return to charity trustees. They make it a lot more

interactive and responsive to the answers that the charity is giving, so that the charity gets tailored guidance and emails based on the response that it has given. For instance, if a charity does not have enough trustees and is not quorate, we go back to it and say, "You're not quorate and here's what you need to do about it," or we address governance and other issues that come out of the information that it has given. That makes the response a lot more tailored. We are not through the full cycle yet, but the response that we are getting on that so far is very positive.

John Mason: That ties in with what you mentioned earlier about how you try to adapt, depending on whether you are dealing with a big charity or a small charity. Is the word "charity" just covering too big an area?

Martin Tyson: That is an interesting question. As Marieke Dwarshuis has said, it is a hugely diverse sector, and the same set of principles is applied to bodies that are very different. That is the task that is in front of us—it is what the law says we have to do. Consultation is going on at the moment about aspects of charity law, so we will be very interested to see what comes out of that.

09:45

John Mason: To go back to the performance report, it appears that you have met quite a lot of your targets. How, then, do you set the targets for the following year? Do you increase them all, and who approves that? To be frank, some organisations make their targets very easy, so that it then looks as though they are doing really well.

Marieke Dwarshuis: The targets are approved by the board. Most of the targets that we set in our initial round of the corporate strategy were stretch targets, I thought, and we have been pleasantly surprised by the ability of the organisation to focus its efforts on meeting those. If I am not mistaken, we are changing some of them—am I right in thinking that?

Martin Tyson: Yes. We have adjusted some of them to be clearer and to reflect the fact that some of the original ones were quite stretching.

Marieke Dwarshuis: We are looking at the information that comes back on how well we are able to meet them. In some cases, we have found that the way in which we articulated a target was not particularly helpful—in fact, we were starting to collect data that did not address the target that we were seeking to meet.

In some cases, we find that we are able to meet the target. Then, of course, it is a matter of considering whether we should stretch the target further or whether we are content with it. We often

hear that you do what you measure, and there is a degree of truth in that. However, if you stretch a target further when you might be content with your level of performance on it, you might question whether that is the right thing to do or whether not doing it would allow you to focus further on one of the targets that you are not yet meeting.

For example, we could say that we want to deal with all status cases within a month. However, if we do that, much of our resource goes to that, whereas we might not be meeting some of our targets on dealing with inquiry cases. You would not necessarily want to divert cases to an even more stretched target in one area if it might mean using resource that you wanted to use elsewhere. It is a balance.

John Mason: Thank you. Convener, if there is time at the end, I might come back to that.

The Convener: Absolutely.

Theme 5 is the Charities (Regulation and Administration) (Scotland) Act 2023.

Jeremy Balfour (Lothian) (Con): Good morning to the panel. Thank you for coming. I declare that I have been and am a trustee of a number of charities.

I had the pleasure of helping to take the bill through the committee, and it is now the 2023 act. On 1 October 2024, and in summer next year, some of the powers to direct charities to take specific actions, the power to appoint interim trustees and the requirement to create a publicly searchable record of disqualified trustees all come into force, as I am sure you are all aware. What are you doing to prepare for those powers and requirements? Are you confident that you will be ready to meet those new responsibilities?

Martin Tyson: Yes, we are. If you like, I can write to the committee to give you more detail but, broadly speaking, we have had two phases of commencement. A bunch of things were commenced on 1 April 2024. The big thing in that was the power to appoint interim trustees, and we have done a lot of work with the sector on that, to identify subsectors for which that might be a useful power and people within those subsectors who might be able to either act as interim trustees or help to train or advise interim trustees. We got a very positive reception on that. That measure is in force and we regularly consider it as part of our inquiry work.

Another big thing—which I have already talked about—is the power to remove defaulting and non-engaging charities. We have notified something like 308 charities, at the last count, that we will do that. The momentum is quite quick on that now. That has involved writing to a lot of charities to give them due warning. In some cases, we were

very successful in re-engaging with them, and we are now working with them to keep them up to date. That is the stuff that we have already done.

Looking forward, I would say that the big things are the database—the schedule—of trustee details, the publication of trustee names on the register and the publication of all charity accounts. We are well into the technical preparation for that. We have identified detailed technical requirements and are evaluating the options to deliver those. Now that we have a very detailed sense of how we will do that, we are engaging with the sector. We will be making lots of phone calls and having lots of meetings with some of the specific areas of the sector that spoke to the committee or wrote to the committee last year, among others that we have identified.

Another area that we will be working on running up to summer 2025, which is the target date for the big set of commencements, is the extension to the criteria for automatic disqualification of charity trustees and the extension of automatic disqualification to senior charity staff. There is extensive communication and engagement to be done there as well, and we are moving into that.

As was said, we have had additional funding from the Scottish Government. We have used that to appoint a couple of engagement managers who come from the sector and have the contacts, the networks and the experience of the sector to help us get out and have those conversations, and they are getting into their work now. We have also brought in a very experienced project manager to make sure that this will go through in the timescale and to the budget that we are looking at.

Jeremy Balfour: It would be helpful to get more detail on those specifics in writing after the meeting.

Roz McCall (Mid Scotland and Fife) (Con): Your very comprehensive answer to Mr Balfour has pretty much answered the questions that I was going to ask. I will narrow it down a bit, if I may. In her opening remarks, Marieke Dwarshuis highlighted the conflict not only between charities but between charities and the communities that they serve.

The 2023 act has a specific requirement on increasing communication with charities. Will you give us a bit more detail—you alluded to it in the answer that you have just given my colleague Mr Balfour—on how that communication will happen?

Martin Tyson: To an extent, it is already happening. In the first phase of commencement, we targeted engagement with subsectors that had expressed an interest in interim trustees, which was useful. We will be taking a multistranded approach, because, as we have talked about, we have a very diverse sector, and different bits of the

sector will be differently impacted by what is happening. For some parts of the sector, what is happening in terms of publishing accounts and publishing trustee names is business as usual for them, because they may have to do it for other regulators, or, if they are a company, they do it in Companies House, so it is not a biggie for them.

That will be new for other parts of the sector, and it might be problematic. Some of the folks who responded to the committee's call for evidence on the bill were clear about that, so we will talk to them about the impact on their sector. That may include religious charities or the likes of Rape Crisis or Scottish Women's Aid. What is the impact of publishing trustee names and how likely are charities to take advantage of the exemptions that the act allows us to make?

Similarly, there was a lot of anxiety from specific bits of the charity sector about the impact of automatic disqualification of senior staff. Our take is that the overall numbers will be small, but we absolutely need to get into that, so we will be doing very specific engagement with some of those groups.

We also need to do targeted communication that takes into account the fact that most charities are very small. They do not have policy officers sitting there, looking at everything that comes through the door. They are people who are meeting up once a week to do the business of the charity—it is not their day job. We have to ensure that they know what they need to do, when they need to do it, and that we are not overloading them. It is a question of doing the right stuff at the right time.

Roz McCall: Are you comfortable so far with the way in which the communication process is set up—that it is now opening up and is happening widely on the ground?

Martin Tyson: It is now happening—yes.

Roz McCall: Thank you. Again, you have already pretty much answered this, but I will give you the opportunity to provide a little more detail. The 2023 act sets out new powers. What are your expectations of the action that will be taken on those? What additional information can you give us? You have already alluded to that in your response to Mr Balfour, but can you tell us how you are preparing to take those forward?

Martin Tyson: As I said, we have a very structured view of communication. It is all about the channels that we use, of which we have a number already. Because we are the regulator, we have regular channels of communication with all charities as part of the annual return cycle, and those are key. However, we also take much more focused action where we think that particular issues need to be addressed. We have a

newsletter, which is another key channel for us, and its circulation among charities and their advisers is around 9,000. We also need to work with the experienced and capable bodies in the sector, who also have a role in communication and will be keen to advise either their sector or their area.

Roz McCall: That is helpful. Thank you very much indeed.

The Convener: John Mason would like to come in, then we will move to a question from Jeremy Balfour.

John Mason: If we have a little bit of time, I would like to ask about a slightly different subject. On the question of which charities register in Scotland and which are also in England, I noted the requirement that charities that are registered here must have a significant connection with Scotland. I have just checked the details of some of the big charities such as Oxfam, and they seem to be registered in both places. I sometimes get appeal letters in from charities that are registered purely in England but are seeking donations in Scotland. Should I be concerned that they are not registered with OSCR?

Martin Tyson: Not necessarily. The two systems work in slightly opposite but equal ways. Since 2005, there has been a duty on charities that have a significant footprint—what we might call boots on the ground—in Scotland to register here. For example, Oxfam has offices in Glasgow and it regularly does lots of stuff in Scotland, so it is required to register here. Where a charity is, for instance, a grant-giving body based in London but people from Scotland can write to it to ask for grants, it does not need to register here. Although it is funding charities in Scotland it is not carrying out activities on the ground here. At the time of the passage of the 2005 act, Parliament deliberately made the choice that it did not want to cut Scottish charities off from being able to access United Kingdom sources of charitable funding.

John Mason: Would you pursue the case of a charity that you thought was active in Scotland but was not registered here?

Martin Tyson: Yes, we do so if we come across something in the course of our inquiries or if someone writes to us and says, “I think these people should be registered.” Quite often the organisation has done a clothing collection and people will have had bags put through the door, or they will have had appeal letters, in which case we will look at that organisation’s activities. We will first see what we can find out publicly, then we will write to it to find out what it does. We will then make a judgment on whether it requires to be registered.

10:00

Jeremy Balfour: I would like to take you back to the previous question from my colleague Roz McCall. I was the chair and one of three trustees of a very small charity—we met around my kitchen table. I think that what we were doing was quite good stuff, but we were all doing other things. How do you communicate with a really small charity that is doing a good thing very locally but which really does not have the energy, time and resources to respond to you, compared to the National Trust for Scotland, for example, which is a massive charitable organisation?

Martin Tyson: That is the most challenging part. It is not just about communicating in one direction with those charities; it is also very important that we hear their views, because they are seldom heard. That can be because they are very small or because, in some cases, they represent communities that are excluded in other ways. We are putting a lot of thought into how we have that one-way communication—saying, “You need to do this now, and here is some guidance and help with how to do it”—but also how we ensure that those kinds of charities are able to influence what we are doing.

If we are building an interface to let charities give us their trustee details, we need to know that it works for the people who are just sitting around the kitchen table doing stuff on their phones as well as for the big charity that has an office and staff who are able to do it. A lot of that will be done by working through intermediate bodies—umbrella bodies such as the Scottish Council for Voluntary Organisations, the third sector interfaces in local areas and, for instance, some of the specific bodies for religious or ethnic minority charities—as well as by targeting the bodies that signalled during the consultation and the passage of the bill that this might be a problem for them.

Jeremy Balfour: It might be interesting to come back in a year’s time to see how that is all working, but that will be for the committee to look at.

The Convener: I have a question before we wrap up the meeting. I recently met one of our local interface groups, Voluntary Action South Lanarkshire, which is calling out for assistance for third sector organisations. It talked about smaller charities having shared services such as human resources and procurement. Is that something that OSCR would be able to help with and give guidance on, to assist charities that are really struggling?

Marieke Dwarshuis: I do not think so, but I will let Martin answer that.

Martin Tyson: That is not part of our remit, but that kind of assistance is what at least some of the third sector interfaces do, and they provide really

good services. A lot of them provide HR, payroll and things such as that. To an extent, that is what they are funded for by the Scottish Government and others. We can help by clarifying what limitations—if any—there are of that, with regard to trustee duties, independence and accounting for those kinds of things, and by simplifying and facilitating that where we can.

It is slightly different from what you asked about, but what we have done—a lot of the other charity regulators have done the same—is try to facilitate slightly more formal working together, amalgamations, mergers and partnership working among charities. A lot of funders have also tried to do that, but it is not always easy. Sometimes, the more specific contractual things, such as shared services, are a bit easier.

The Convener: That is really helpful. Thank you.

Thank you, Marieke and Martin, for coming today. I will briefly suspend the meeting for the set-up of our next agenda item.

10:04

Meeting suspended.

10:15

On resuming—

Subordinate Legislation

Proposed Revised Social Security Charter (SG/2024/96)

The Convener: Our next item of business is consideration of a document that is subject to parliamentary control. The social security charter sets out what the social security principles mean in practice and lists around 50 commitments to be delivered by the Scottish Government and Social Security Scotland. The proposed revision to the charter is included in annex A of paper 4.

The Delegated Powers and Law Reform Committee considered the document at its meeting on 28 May 2024 and made no recommendations in relation to it.

Today, we will have an evidence session on the document with the Cabinet Secretary for Social Justice. The committee will then be invited, under the subsequent agenda item, to consider a motion to approve it.

I welcome Shirley-Anne Somerville, the Cabinet Secretary for Social Justice; David Wallace, the chief executive of Social Security Scotland; and Kyle Murray, the procedural and international policy team leader in the Scottish Government. I remind everyone that Scottish Government officials can speak under this item, but not in the debate that follows.

I invite the cabinet secretary to make a short opening statement.

The Cabinet Secretary for Social Justice (Shirley-Anne Somerville): Good morning. I welcome the opportunity to assist the committee in its consideration of the proposed revised social security charter, which was laid in Parliament on 16 May.

In 2019, following an in-depth co-design process with people who had lived experience of the United Kingdom benefits system, the social security charter was published. The charter sets the standards for the performance of Social Security Scotland. The charter measurement framework, which is published annually, assesses how Social Security Scotland and the Scottish Government are delivering on commitments, and identifies areas for improvement.

In effect, the charter took the social security principles in the Social Security (Scotland) Act 2018 from high-level ambitions to more detailed commitments, thereby underpinning everything that we do with dignity, fairness and respect.

It is a requirement that the charter be reviewed every five years, so this is the first review since it was made in 2019. A significant difference since then is that we now have a maturing social security system that is delivering to the people of Scotland 14 benefits, seven of which are available only in Scotland. Whereas the original charter was co-designed by people who had experience of the UK benefits system, the revisions have been co-produced with people who have experience of engaging with the new Scottish system. I extend my sincere thanks to all the individuals and organisations who supported the review process.

It is important that the committee appreciates that one of the key findings of the process was that the charter as it exists is already held in high regard by all parties who were consulted. That is evidenced in the limited number of proposed changes. The changes and restructuring largely reflect a social security system that is now operational, while adopting more inclusive and consistent use of language. Fundamentally, the revised charter continues to uphold the eight Scottish social security principles that were set out in the 2018 act, thereby reinforcing the Scottish Government's strongly held view that social security is a human right.

I recently visited Motherwell and Grangemouth, among other places, and met a number of clients who shared positive experiences that they had had with the social security system. Some highlighted that they finally felt listened to and treated as human beings, as opposed to how they felt under the previous system. I am in no way saying that there are no improvements that we need to make, but that we are determined to make improvements. I remain proud of what we have achieved to date.

Similar views on the social security system were offered by clients during the charter review process. The committee should be reassured that the revised commitments are, therefore, truly reflective of the priorities that were identified by clients, social security colleagues and partner organisations and that they improve an already highly regarded document.

Subject to parliamentary approval, the Scottish Government and Social Security Scotland will work to meet the revised commitments and ensure that the delivery of social security reflects the wishes of those who invested their time and effort in the review.

I thank the committee for its scrutiny of the charter.

The Convener: Thank you, cabinet secretary. We will move to questions, which will be directed to you, but you are welcome to invite your officials to respond, should you wish to do so.

I invite Jeremy Balfour to ask some questions on the theme of the charter's purpose.

Jeremy Balfour: I will start with a very basic question. Do you see the charter as an aspirational document, or does it reflect the reality today? Where does it sit on that spectrum?

Shirley-Anne Somerville: When we look at the measurements in the charter, we see that clients largely feel that it reflects the service that they receive at the moment. However, as I said in my opening remarks, and as I often say in the chamber, it is still a very new system that we are keen to continuously improve. I am proud that there are very good results under the measurement framework, but we are determined to go further. The charter is a living, breathing document, as part of the agency, and we know that we can always, and will, do better in the future.

Jeremy Balfour: That is helpful. Despite it being in the original charter, was it ever Social Security Scotland's intention to make referrals to other organisations that provide advice and information? Is that an example of a change from the charter being aspirational to it just describing current procedure?

Shirley-Anne Somerville: On that aspect, we have got a bit sharper with our language, through the review. Colleagues will be aware that the term "referral" is often taken by public bodies to have a specific meaning around welfare rights and so on. In essence, it can mean the sharing of personal data—that is often what the word suggests or implies to people. Clearly, there are complications around sharing of personal data, which is not something that the agency can do on a whim, but we are working with the agency to improve such arrangements, when they would be helpful. More sensible and appropriate language is now used.

David Wallace might wish to give some details on what the agency already does to signpost people—through award letters, for example—to other services that are available. There is also the independent advocacy service, for example. This is one example in which we are trying, with the help of clients, to include in the charter words that explain what we actually do, but we always look at how we could go further in the future. David Wallace might wish to elaborate on that.

David Wallace (Social Security Scotland): I emphasise that the issue is language. The word "referral" would imply to the sector that we would be actively sharing data, which would require data-sharing arrangements and the building of platforms, because we would not want that to be a manual process. We have some work to do on that.

We absolutely signpost people. As the cabinet secretary said, people are signposted when they receive letters, and we also signpost them through the local delivery service that we operate. We have some really good pilot examples. For example, in Dundee, we are working with partners to ensure that we can provide hot hand-offs, if you like, rather than just signposting people.

We definitely want to do more work in that area, but we should not underestimate the amount of effort and resources that it will take to get us fully over the line. Indeed, as the cabinet secretary said, it is not directly in our gift to share such information: we need to work with other organisations, in that regard.

Jeremy Balfour: Perhaps I have been sitting next to Mr Mason for too long, but how much did the very full review that you carried out cost? Is the cost being covered by the Scottish Government or by Social Security Scotland?

Kyle Murray (Scottish Government): I will answer that, although I should say that I do not have an answer on the exact cost. I imagine that the cost was covered by my team's resources and the research team's resources. The research was all done within the Scottish Government. I do not think that there is a specific budget line just for that.

I am sorry, but I have forgotten the second part of your question.

Jeremy Balfour: You have answered it. Thank you.

The Convener: The next theme is awareness of the charter. I invite John Mason to come in.

John Mason: I will start with a supplementary question to Mr Balfour's. Some of the changes are pretty small, are they not? For example, "we will" becomes "we'll". That is surely a question of taste or grammar—although I prefer "we will" because I think that it is clearer. Has the exercise been worth your while, given the number of changes that have been made?

Shirley-Anne Somerville: I think that it has been a very worthwhile exercise. For one thing, we are obligated to do it, so it is worth our while on that basis. However, if the system had not been working effectively—although, as I say, it is not the case that there is no room for improvement—and we did not have an effective system that people felt had dignity, fairness and respect at its heart, we would have seen an entirely different process. We would have had many more stakeholders wishing to be involved, and the feedback from clients would be in a completely different ballpark.

As you said, some of the changes are very small. It was important that the charter was gone through with a fine-toothed comb by clients of the

service and our key stakeholders, as well as by staff. It was important for the charter to be tested in that way. We could otherwise have been in an entirely different place and this could have been a much more uncomfortable session. The fact that the charter is well regarded is demonstrated by the fact that the changes are, as you say, relatively very small, although they are not just stylistic—there are some important changes.

John Mason: You say that the charter is appreciated, but I wonder how widely people are aware of it. There is a suggestion that among the users—the clients—and the staff, are people who are not terribly familiar with it.

Shirley-Anne Somerville: I will bring in David Wallace to talk about some of the specifics, but it is important to bear in mind that the charter is the foundation, or cornerstone, of not just what happens in Social Security Scotland but of how we approach social security in the Scottish Government. It is embedded in everything that we do. We do not start off every meeting by quoting parts of the charter, but, in essence, it is built into everything that we do. That is why the staff training is delivered in the way that it is and it is the reason why the system is set up as it is. It reflects the policy decisions that are made in Government. In essence, it is embedded in everything.

David Wallace can point to some of the specifics, because it is important that people know that there is a charter and take cognisance of it.

David Wallace: I saw some internal agency comments about staff's awareness of the charter, although there are also counter-comments about people's awareness.

However, as the cabinet secretary said, the charter underpins all our activity. There will be stuff that we do that is not necessarily because there is a charter, although the charter influences the culture and approach of the organisation.

For example, we have done a lot of work on intelligent kindness, which, I think, we have spoken to the committee about before. For people joining the organisation, the brilliant Tommy Whitelaw has been doing sessions on what it means to be treated with kindness. The charter absolutely underpins that but, as the cabinet secretary said, we do not start all those sessions by saying, "We're doing this because of the charter."

We will raise awareness of the charter; the refresh gives us a good opportunity to emphasise it. Back in 2019, it was aspirational in a way, because we were not doing all the things that we knew we were about to do, whereas we now are doing them.

We can use the refresh as a communication tool. If you walk round our offices now, you will see on our digital signage quotes from the charter and messages saying what the charter means. The refresh is an opportunity to hammer home that message.

I worry when people say that they do not understand or do not recognise the charter, although that does not necessarily mean that they are not operating within the framework that it sets.

The Convener: We will now focus on the co-design process. I invite Katy Clark to come in.

10:30

Katy Clark: Cabinet secretary, you said something about the co-design process in your opening remarks, but perhaps you could give us a bit more information about it and say how clients' priorities have been reflected in the revised charter. I understand that there was a core client group of 16 participants. Perhaps you could expand on that and on how you attempted to capture other claimants' experiences.

Shirley-Anne Somerville: It is important that we hear from as many people as possible and from a broad range of people, both directly from clients and through stakeholders that represent clients—especially those who are seldom heard in these types of activities. Surveys were given to clients and there was a series of workshops. As you would expect, the workshops allowed people to go into much more detail than they would be able to go into in a simple survey. There was, as a priority, engagement with people from seldom-heard groups because we need to look specifically at the barriers that they face when engaging with public services. That has given us a wealth of evidence about how clients' priorities are already reflected in the charter and about how they could be reflected slightly better.

I do not know whether Kyle Murray wants to add anything on the specifics.

Kyle Murray: Section 18 of the 2018 act prescribes certain groups that have to be consulted as part of the process. As you can see in the evidence, we have consulted all those groups, but we have gone further than that. I have the specific numbers here. We had over 850 client panel members take part in the online survey. The number that Katy Clark mentioned in relation to the core group is the number of people who wanted and were able to take part in the more in-depth workshops.

Katy Clark: How were those 16 people selected?

Kyle Murray: They were selected based on the benefits that they have received from Social

Security Scotland. A diverse mix of benefits was involved, rather than only disability benefits, for instance, and there was a demographic mix. I am not the researcher, so I cannot speak specifically to the methodology, but I know that the group was deliberately diverse. I know that a range of views were expressed, because I was part of the workshops and was able to hear them.

Katy Clark: I understand that only seven stakeholder organisations responded to the survey. How do you know that stakeholders' priorities are reflected in the revised charter?

Shirley-Anne Somerville: It was not for a lack of trying that there were only seven. There is a stakeholder newsletter that goes out monthly, which is distributed to literally thousands of organisations, and the review was directly promoted to welfare rights organisations. There were, absolutely, opportunities for a large number of people to take part. The partner organisations were invited to take part in the survey and in one-to-one interviews and so on. I think that the number of responses reflects the fact that they did not feel that there was much to say on the charter, rather than that they did not know that the review was going on.

To ensure that the matter was looked at in detail, there was another opportunity to steer the research and to contribute to the work through the research advisory group that includes Glasgow Disability Alliance, Carers Scotland, the Child Poverty Action Group and others.

The Convener: We will move on to the application process. I invite Paul O'Kane to come in.

Paul O'Kane: Good morning. The cabinet secretary knows, because we have had many exchanges on it, that I have been particularly interested in the lengthy processing times. Mr Wallace will be aware of that as well.

Generally, we have heard calls for target processing times to be set to give clients an expectation of when their claims will be processed. There might be a view that we are watering down our commitment in that space in the wording of the charter, given that we are changing the language around handling applications from

"as quickly as we can".

I appreciate what the cabinet secretary will probably say about lived experience—that that phrase felt vague and perhaps could have had more detail behind it—but I am keen to get her sense of whether we are moving in the opposite direction in respect of clients having clearer timescales. What does she feel the impact will be of removing the commitment to handle applications

“as quickly as we can”?

Shirley-Anne Somerville: That is one of the areas that I am very pleased that the committee has given me and David Wallace an opportunity to talk about, because the change was very much driven by what came back from clients. Everybody here might have a different definition of “quickly”. We quite rightly got feedback that there is no point in having a word in there that could be interpreted in lots of different ways to mean many things. The word “quickly” might mean something different to me, David Wallace, you and someone who is going through the process. It then becomes rather meaningless.

Clients have asked to be updated on what is happening with their claim and to get that information through so that they have something that is much more specific to the type of benefit that they are on and the expectation of where that is in the system. That is much more useful and more meaningful to clients than the phrase

“as quickly as we can”.

The challenge that came back from the work was to ensure that what is in the charter means something to clients who are going through the process. That did not by any means come from the Government as a wish to water down the issue; it came from the clients. Terminology in the original charter could be interpreted in too many different ways.

We have ended up with a more stringent measure for the Government and the agency than what we had before. I am sure that we will continue to have discussions about processing times. The committee has heard from me and David Wallace directly that we know that processing times were too long. They are coming down. We are very satisfied that that work is continuing, and more is being put in place to ensure that we are on that journey. However, that is separate from the fact that there has been a change in the terminology in the document.

I hope that that demonstrates that the charter is separate and has been through a process that is not impacted by what is happening on processing times in the agency.

Paul O’Kane: I hear what the cabinet secretary says about the framework document and more detail. The charter is a foundational document, and we would not want to see a sense that improving those times is not foundational to Social Security Scotland, but I caution that we have to be aware that it could be read like that. It would therefore be useful if the cabinet secretary said what detail will go into the charter measurement framework about waiting times, call times and those sorts of issues.

Shirley-Anne Somerville: There is information in “Measuring our Charter”, and there is the information that is published separately through official statistics. Mr O’Kane said that things could be read in that way. You have heard from me, and David Wallace can speak on behalf of the agency on this. I assure you that, if there was a stakeholder organisation out there that felt that we were somehow gerrymandering the charter to make things easier for the agency, you would have heard from it by now.

The fact that organisations are comfortable with the changes that are being made is a reflection that those who are either impacted directly by the system or work with those who are feel comfortable with the changes that are being made. I sincerely hope that no one makes any mischief by misinterpreting that, because we are satisfied that the stakeholders are satisfied with what we have done. I hope that that is of reassurance.

To go back to your question, it is important to say that it is not just about what is being measured in the charter but about what is in the official statistics on processing times and so on. There are two ways to ensure that we are held to account for processing times; it is not just through the charter measurements directly.

Paul O’Kane: That is why that scrutiny is important, as people will want to ensure that those processing times are improving. I do not know whether Mr Wallace wants to add anything from the agency’s point of view.

The Convener: I am conscious of the time, so I would ask for any response to be quick and concise.

Paul O’Kane: Sure. I am happy just to hear from Mr Wallace.

David Wallace: I will be quick. I am in danger of simply agreeing with the cabinet secretary on lots of those points. From my operational perspective, we did not push to take out the word “quickly” at this point in time, but it is a relatively easy but meaningless thing to sign up to. Although we are losing that word, from my perspective, and as the cabinet secretary said, we have a far more challenging set of measures than we had previously.

There is also an issue around trying to apply that generically in a document such as the charter. For example, our low-income benefits and our disability benefits are very different, and the gauge in respect of what is acceptable, quick or speedy for a low-income benefit is entirely different from that of a disability benefit. We are trying to ensure that the charter is the underpinning framework rather than setting those specifics around it.

I know that this was not particularly the question that was being asked, but we see all the measures as important. The charter is the thing that matters to us, because it is about how people are treated. If I go way back to all the client research, the parts that came across strongly were about how people were feeling and being treated and about the removal of assessments. If the strength of feeling had been around purely the speed of application processing, we would have designed something differently. There will be a danger if we try to focus solely on that aspect. The whole suite of measures is really important for us operationally.

The Convener: Okay. Thank you very much. We will move on to our last theme, which is on the local delivery service. I invite Marie McNair to come in.

Marie McNair: Why has the commitment to deliver “face-to-face services” changed to a commitment to delivery “in person if necessary”? Is that just because the reality—the experience—is that not everyone needs that? Will all clients be given the choice to have local support provided in person?

Shirley-Anne Somerville: Again, that is just a tightening up of the language. Support is available to people face to face should they wish that. The client’s preference about how their needs are met is still integral. It has been right from the start and will continue to be so.

Face-to-face support is very much part of the service. Anyone can have that—it is not just for someone who is housebound, for example, or on a disability benefit. The change is a recognition of the fact that, particularly over the past couple of years, people are much more relaxed about using a video call and so on. It is simply a change in language to reflect the fact that we have all changed the way in which we deal with public services. For many people—not all—that will not be face to face. The face-to-face local delivery service is unique to the social security system in Scotland and is a very important and integral part of it, which we will not be losing.

Marie McNair: Thanks for that.

The Convener: That concludes our question session. Moving on to agenda—

Jeremy Balfour: Is there time for an extra question, convener?

The Convener: Yes.

Jeremy Balfour: Thank you. Cabinet secretary, when the original charter was being scrutinised, there were lots of discussions about what status it should have and whether it should have legal status. The Parliament came to the view that it should remain as was proposed rather than have legal status. The Social Security (Amendment)

(Scotland) Bill, which seeks to make changes to the Social Security (Scotland) Act 2018, is going through Parliament at the moment. As part of your work on that, has any thought been given to whether the charter has the right status or whether it should have a higher status?

Shirley-Anne Somerville: The fact that that issue has not been raised with us suggests that—this more important than what I think about it—others are relaxed about its status. I would again take from the fact that no feedback has come from stakeholders that they wish to see a change that they are satisfied with that. Obviously, if there is a view on that that has not come through as part of the review process, I would be happy to hear from stakeholders on the issue, but I am not aware that anyone is calling for that.

Jeremy Balfour: Thank you. That is helpful.

10:45

The Convener: That concludes our question session. Agenda item 5 is formal consideration of motion S6M-13481.

Motion moved,

That the Social Justice and Social Security Committee recommends that the Proposed Revised Social Security Charter (SG/2024/96) be approved.—[*Shirley-Anne Somerville*]

Motion agreed to.

The Convener: Following today’s proceedings, the clerks will prepare a draft report. The committee is invited to decide whether to consider the draft report in private at a meeting in the coming weeks. Do members agree to do so?

Members indicated agreement.

The Convener: I thank the cabinet secretary and officials for their evidence. That concludes our public business for today.

10:46

Meeting continued in public until 11:05.

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Official Report
Room T2.20
Scottish Parliament
Edinburgh
EH99 1SP

Email: official.report@parliament.scot
Telephone: 0131 348 5447
Fax: 0131 348 5423

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