

SUBMISSION FROM EDINBURGH VOLUNTARY ORGANISATIONS COUNCIL

On Friday 23 March 2012, the Scottish Parliament's Welfare Reform Committee opened a call for written views on the general principles of the Welfare Reform (Further Provisions) (Scotland) Bill.

This Bill follows from the Scottish Parliament decision in December 2011 to withhold Legislative Consent (in part) to the UK Welfare Reform Act 2012, and is – in that respect – unique in the history of the Scottish Parliament. The Bill itself enables Scottish Ministers to introduce regulations as needed primarily to ensure that people in Scotland are not disadvantaged when Universal Credit and Personal Independence Payment come into force.

The Bill proposes that the Scottish Government be given powers over devolved welfare matters and reserved welfare matters on which the Scottish Parliament voted to accept responsibility itself, rather than agreeing that the UK Parliament do so.

On behalf of Edinburgh's Third Sector – a term which encompasses the breadth of organised voluntary and community activity that enriches the lives of citizens and the social fabric of the city – Edinburgh Voluntary Organisations' Council held an open discussion event on Thursday 5th April to share information about the Scottish Parliament's intentions regarding Welfare Reform, and to gather views from Edinburgh's Third Sector.

Edinburgh Voluntary Organisations' Council (EVOC) is the capital city's CVS (Council for Voluntary Service) and helps to support, develop and promote the interests and the work of voluntary and community organisations in Edinburgh.

We did not attempt to answer the Committee's questions directly, but ourselves posed this set of questions for participants to consider:

- Is the Welfare Reform (Further Provisions) (Scotland) Bill adequate to deal with the impacts of UK Welfare Reform?
- What powers should the Scottish Parliament and Scottish Local Authorities use to minimise the negative impacts of UK Welfare Reform? and, perhaps the 'core' question:
- What principles would you like to see characterise a Scottish response to Welfare Reform?

We have not attempted to reproduce here the full detail of the conversation, but have drawn out the key themes which clearly evoked interest from representatives of Edinburgh's Third Sector.

CONTEXT

Last Summer EVOC led on the development of the Edinburgh Third Sector Manifesto for Council Elections 2012 published in Autumn 2011. This document describes the city's Third Sector as:

- Essential to citizens' Health and Well-Being
- Driven by a desire to co-create a Just Society
- Rooted in communities and Responsive to Need
- Expert in Prevention, Early Intervention and Innovation
- A Voice for people and communities which are least heard
- Vital to the city's Economic, Social and Environmental Sustainability

Broadly, these are the values which drive the Third Sector's work: Mutuality, Equality and Human Rights.

The Third Sector traditionally engages with marginalised and disadvantaged communities who are least often listened to. In many – if not most – cases charities, voluntary groups and social enterprises are founded on a desire to right a wrong, motivated by a thirst for social justice.

Ever since the global recession of 2008 the impacts of fiscal tightening, rising inflation and a dearth of stable jobs paying a living wage have been filtering through the system. There is a sense within the Sector that vulnerable people are running out of options fast. Caught between reducing resources and increasing demand, Third Sector organisations find themselves in an impossible bind. Individuals and organisations report growing levels of stress and anxiety which show few signs of abating.

We do recognise that the vision of a Welfare State which provides a universal 'safety net' for those who need supports which enable the exercise of their inherent capabilities may not be in fashion today, but until our society has a workable alternative we must see welfare as central to a whole-society response to poverty and inequalities.

It is precisely because the Third Sector is rooted in (and because the Sector often feels responsible for) vulnerable communities that we consider it vital to respond to the Welfare Reform Committee's call for written views.

KEY THEMES

Tough Choices:

We understand that the Committee and the Parliament will have to make difficult moral judgments which will impact significantly on Scottish citizens. We recognise that Parliamentarians are elected – in part – precisely for that purpose: to make tough choices on our behalf. We will not, therefore, attempt to make those choices for you – our only hope is to help provide views which will inform the Committee's and the Parliament's 'moral compass.'

Urgency, not Haste:

We urge the Committee and the Parliament particularly to seek the appropriate balance between the need for urgent action (disadvantaged and vulnerable people are already feeling the impacts of UK Welfare Reform) and

the imperative not to take hasty decisions. We would expect the Committee and the Parliament to act decisively, but not too hastily.

That some details of how UK Welfare Reform will play out are still unclear is, in this regard, an added complication. This lack of clarity should not be allowed to prevent the Committee and the Parliament from taking action urgently.

The role of Evidence:

There is currently much interest in and energy around the concept of 'evidence-based policy-making.' Broadly, the drive is to base policy on credible evidence rather than on matters of belief. This way, the argument goes; policies will better stand the test of time and will not be susceptible to a change of heart. Rather, policy will respond to robust, credible and objective evidence. Two points are worth noting at this point: 'evidence' must include both statistical data *and* stories, and 'policy' founded on shared moral values should not be confused with policy based on subjective sentiment.

One trend which clearly concerns observers is the apparent increase in policy-making that is based on 'outlying' evidence rather than on the majority of cases. One example might be the current proposal to cap tax relief from charitable donations. While few would question that there are some wealthy people who avoid tax by making donations which have the semblance of being charitable, most would question whether universally-applicable Government policy ought to be built on the experiences of a tiny minority of people.

We call upon the Scottish Parliament – and particularly the Welfare Reform Committee – to seek out and gather robust and credible evidence on three core themes.

1. The Committee should gather evidence regarding the impacts (immediate, indirect and consequential) both on individuals and on agencies (including Third Sector organisations, Local Authorities, and all Registered Social Landlords.)
2. With experience of preventative approaches, the Committee should gather evidence of what works to prevent what has come to be described as 'failure demand' in the future. Recognising that the Welfare Reform is already under way and the impacts of these changes are already being felt, the Committee and the Parliament should consider what steps they can take to prevent negative outcomes arising as a result of these changes.
3. The Parliament and the Committee needs to develop a measure of relative benefit to different sections of Scottish society of universally provided 'goods.' Recognising that times are tough and hard choices would have to be made, we think the Committee and the Parliament should develop nuanced analyses of the real benefits to all sections of Scottish society of such 'public goods' as (for example) free prescriptions, free bus travel for pensioners.

Such evidence will – in our opinion - enable the Committee to make *informed* moral choices, based on a robust evidence base. It is worth noting here – in the context of the previous section ‘Urgency, not Haste’ – that significant evidence of what works is already available. This is *not* an argument for delay.

An Enabling Approach:

We clearly recognise that this Bill will be ‘enabling’ legislation, and will not spell out the particular changes which will need to be brought in via regulations in due course. Simultaneously, we are mindful that Scotland is a diverse country, where Welfare Reform is likely to impact quite differently on (for example) rural and urban populations.

That being the case, we call on the Committee to take steps to ensure that locally appropriate solutions can be developed, funded and delivered by ‘intermediaries’ on behalf of the Scottish Parliament. The Committee and the Parliament should empower Local Authorities and Third Sector organisations to trial solutions (to the ‘problem’ of Welfare Reform which could harm individuals and communities) which work for them and for their communities. If such ‘trials’ are successful, with robust evidentiary analyses they could then be ‘rolled-out’ as appropriate.

Obviously, we would expect the Committee and the Parliament to ensure that such ‘locally appropriate’ solutions meet a minimum standard – avoiding unjustified geographical variations.

An Opportunity instead of a Threat:

Whilst we have little doubt that changes to the Welfare system are very likely to impact negatively on some (perhaps many) people, the optimists among us consider this an opportunity for the Committee and the Parliament to stand up for the values it holds dear. If the Parliament and the Committee believe that it is the role of the State to support the most vulnerable people in our society, then this is an opportunity to make that manifest. If the Committee and the Parliament believe that enabling and encouraging others to take action where its own powers might have limited reach, then here is an opportunity to unlock the untapped talent that lies in Scottish Civil Society. As the Committee and the Parliament develop the relevant regulations, they must ensure that further consultation takes place, and that any decisions are subject to robust scrutiny. This process must meaningfully include Scotland’s Third Sector.

CONCLUSION

We hope that these comments are taken in the constructive spirit in which they are intended. Although we have not submitted these views in time to be considered to give oral evidence to the Committee, we are more than happy to share our thoughts with yourselves by any other means you may think best.