



T: 0300 244 4000
E: scottish.ministers@gov.scot

Sandra White
Convener
Social Security Committee

SocialSecurityCommittee@parliament.scot

19th June 2017

Dear Sandra

Thank you once again for the Committee's helpful Stage 1 scrutiny of the Child Poverty (Scotland) Bill. I look forward to the Stage 2 session on Thursday.

In light of the discussions at the Stage 1 debate, and having seen the amendments which have been lodged for stage 2, I thought it might be helpful to share our proposals for a Poverty and Inequality Commission with the Committee.

I therefore attach a copy of a position paper, setting out the proposed shape and remit of our Commission. As you will note, the Commission outlined within this proposal will not be established on a statutory footing, however it will be broad and ambitious in scope, in line with stakeholder views, and will have a strong initial focus on child poverty.

Yours sincerely

ANGELA CONSTANCE



The Poverty and Inequality Commission

Our vision

As set out in the Fairer Scotland Action Plan, the Scottish Government will establish a Poverty and Inequality Commission. Our vision is for an inclusive and engaged Commission that provides both challenge and accountability.

The Commission will offer independent advice to Ministers, provide scrutiny to help bring about real reductions in poverty and inequality in Scotland, and be involved in the development of the delivery plans as set out in the Child Poverty (Scotland) Bill.

The Commission will be:

- **Independent.** It will have an independent Chair, who will determine the work programme of the Commission, appoint the Commissioners, and provide free and frank advice to Ministers on how best to reduce poverty and inequality.
- **Expert.** It will be an expert panel, made up of members who have a broad and deep understanding of the issues, including those who have direct experience of living in poverty. It will be able to commission additional research as it sees fit.
- **Connected.** It will work closely with the Ministerial team and officials, advising on policy and ensuring work across government leads towards the same goal.
- **Collaborative.** It will take a partnership approach to working with key stakeholders and be available to discuss its activities with relevant Scottish Parliament committees.
- **Challenging.** It will play a key scrutiny role, challenging Ministers and other key players to meet the 2030 targets in the Child Poverty (Scotland) Bill.
- **Inclusive and engaged.** It will seek to involve all of society in its discussions, taking different opinions into account and reaching out to under-represented and disadvantaged groups. Specifically it will harness the direct personal experience of those with lived experience of poverty.
- **Open and transparent.** It will be open to learning from experience locally, nationally and internationally and will transparently and proactively share its findings across wider society, even when this challenges the views and interests of government and stakeholders. All publications will be made available via a dedicated Commission web presence.

The Commission's Role

The Commission's main role is to provide **independent advice** to Scottish Ministers, harnessing determined collective action on a cross-portfolio basis; scrutinising how governmental budgets, policy and practice can have the strongest impacts on poverty and inequality.

The Commission will have a strong initial focus on child poverty, providing advice during the development of the first delivery plan for the Child Poverty (Scotland) Bill, and providing feedback on the plan, and initial local and national progress reports.

DRAFT

The Commission will have a strong **scrutiny** role in monitoring progress towards the 2030 targets in the Child Poverty (Scotland) Bill and will openly hold Scottish Ministers to account on their progress.

The Commission will have scope to develop its own work programme and to advise on policy development in particular areas where there is political consensus to do so.

The Commission will proactively work with the Ministerial team, asking Ministers to give evidence where necessary, and reaching across Scottish Government departments to inform policy thinking.

The Commission will have an **advocacy** role; for example, it will be able to work with business and wider civic society to promote the importance of particular issues where resources allow.

The Commission will decide how it can best involve partner organisations in its work, including third sector stakeholders and relevant public bodies. We expect that, as a minimum, the Commission would want to take evidence from relevant partners regarding child poverty delivery plans and effective approaches on tackling economic inequality.

The Commission will work collegiately with other independent institutions, seeking to enhance, rather than replicate, the work that is undertaken. In particular it will look at how its remit will fit with those of the existing Children and Young People's Commissioner Scotland, the Equality and Human Rights Commission, the Scottish Human Rights Commission and the Fair Work Convention.

The **voices** of those with experience of poverty will be central to the Commission and it will use these to test its assumptions and to guide its focus.

Form of the Commission

An independent chair will shortly be appointed by Ministers to oversee the formation and running of the Commission.

Chair

The central role of the Commission Chair is to provide **independent advice** to Ministers. Ministers strongly value the independence of the role and wish transparency and openness to be built into Commission meetings from the outset.

The independent Chair will determine who should sit on the Commission.

The Commission Chair is to be appointed by Ministers on a two year contract with an option to extend by a further 22 months to the end of the current parliamentary term. The time commitment will be negotiated with the Chair and can be adjusted to reflect their view of the requirements of the role; however, it is anticipated that the Chair and the Commissioners will serve the Commission on a part-time basis so this can be accommodated alongside other commitments: in part the expertise of the commissioners comes from the work they undertake in a range of settings. The

DRAFT

Chair will be supported by two Deputy Co-Chairs who will be appointed on a similar basis.

Commissioners

Ministers' initial preference is that the core Commission will be small, with approximately eight core members appointed. Other expertise could be drafted in as required – for example, for working groups. Membership will draw on a wide talent pool whilst ensuring that it remains strictly politically neutral.

Lived Experience of Poverty

Those with lived experience of poverty will play a key role in the Commission. It is envisaged that at least one Commissioner will have direct experience of poverty and will play a key role.

Wider experience will be embedded within the Commission through a Poverty Experience Panel, learning from experience of a similar model in Glasgow. The exact formation of this will be agreed with the chair, but it is likely that this panel will be used to inform key priorities within work streams and act as sounding board for particular issues and concerns.

Resources

The Commission will have significant resources at its disposal. It will be supported by a dedicated secretariat team of officials, consisting of:

- A lead policy official to act as a bridge between the chair and Ministers
- A personal assistant, to manage the diary and organise practical aspects of the Commission.
- A secretariat manager, to provide policy support as required.
- A lead analyst to support the Chair with provision of analytical support as needed.
- Other analytical support – social research, economics and statistics - will be provided as required, with the ability to commission external work where the Commission feels it appropriate.
- Communications support, as required.

The Scottish Government will bear the core costs of the Secretariat in order to ensure that the Commission operates efficiently and provides value for money. Other core costs covered by the Scottish Government will include venue hire, training costs, an online presence including webpages and social media activity, and external commissioning of research and analysis, as Commissioners require. This significant source of support for the Commission is important particularly in its initial set up period and, by providing this from within Scottish Government, we can ensure that the Commission is established with immediacy and start its important work to advise Ministers on the first Delivery Plan.

DRAFT

In addition, the Commission will also have its own dedicated budget for commissioner salaries, travel, and engagement activity. To cover initial set up costs for an eight month period in 2017-18, the Commission has been allocated a budget of £100,000. A budget for subsequent years will be reviewed at the end of these eight months and discussed with the Chair to make sure the Commission has the resources it needs.

Work Plans

Longer Term Work Plan

The Commission will have flexible terms of reference so it can develop its own work streams in discussion with Ministers. It will operate transparently and accountably and will be available to discuss their work and progress to Parliament, for example, via an appropriate Committee.

Having listened to stakeholder views, including the process led by Oxfam Scotland to develop ideas about the Commission, there are broad themes that Ministers will ask the Commission to pursue. These include:

- The Commission will maintain a sharp focus on poverty and inequality, with working groups established, as necessary, to examine specific areas. These could include considering international best practice and whether and how this could be emulated in Scotland.
- Alongside this, it should advise Ministers how devolved powers can be used to their fullest to reduce inequality – including key areas such as tax and social protection, education, skills and training, economic development, procurement planning, public spending, childcare, housing, and financial inclusion.
- The Commission will have a focus on longer-term policies to narrow the inequality gap and work to a timeline which is consistent with the 2030 Sustainable Development Goals, Fairer Scotland ambitions and Child Poverty Bill targets.
- It will monitor progress on recommendations made by the Independent Advisor on Poverty and Inequality in her reports over the remainder of the parliamentary term.

Within each parliamentary term, the Commission will publish a report on reducing economic inequality which will include statistical and analytical overviews of the current position.

Child Poverty

As set out in the Fairer Scotland Action Plan, a major initial role for the Commission will be to provide advice to Ministers on the development of the first Delivery Plan, as set out in the Child Poverty (Scotland) Bill, due in April 2018. In order to provide its crucial input to the Delivery Plan, the Commission will be established and meet for the first time in summer 2017.

DRAFT

The process for involving the Commission, as set out below, has been agreed with the Chair. This is a three stage process to guarantee the independent advice and scrutiny roles of the Commission:

First, Ministers will make a formal request to the Commission for advice on, for example:

- What should be included within the Delivery Plan (bearing in mind the Child Poverty (Scotland) Bill);
- What policies and actions would deliver effective results;
- Whether there are particular policies and programmes which could be more effective or are not working as they should;
- How Scottish Government portfolios can maximise their potential for reductions in child poverty.

Second, the Commission will consider the request and will produce a detailed response utilising their expertise, and in conjunction with other specialists as they see fit. This response will be subsequently published on Commission web pages.

Third, the Commission will then provide feedback to Ministers on the final Delivery Plan. Again, this feedback will subsequently be published online in a timely way to inform debate.

In addition to an advice role, the Commission will also scrutinise progress towards achieving the 2030 targets associated with the Child Poverty (Scotland) Bill. This will involve providing published feedback on annual progress reports the Scottish Government will be required to prepare.

The Commission will also have a role to play in commenting on the local annual reports envisaged by the Bill. Bearing in mind there will be 32 of these annually, the Commission will take a view on how best to do this.

Reporting and Outputs

Commission meetings, except when the Commission chooses to meet in private, will be minuted and a note published on the Scottish Government website to ensure transparency and openness. We would envisage the Commission will also host an annual public meeting, and meet to discuss their work with a relevant parliamentary committee, eg the Social Security Committee which scrutinised the Child Poverty (Scotland) Bill.

Learning and recommendations flowing from all work streams undertaken will be published and actively disseminated.

**THE SCOTTISH GOVERNMENT
JUNE 2017**