



OFFICIAL REPORT
AITHISG OIFIGEIL

Delegated Powers and Law Reform Committee

Tuesday 25 September 2018

Session 5



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CONTENTS

	Col.
Decision on Taking Business in Private	1
Prescription (Scotland) Bill: Stage 2	2
Instrument subject to Affirmative Procedure.....	15
Common Financial Tool (Scotland) Regulations 2018 [Draft]	15
Instrument subject to Negative Procedure	16
Special Restrictions on Adoptions from Ethiopia (Scotland) Order 2018 (SSI 2018/272)	16

DELEGATED POWERS AND LAW REFORM COMMITTEE
28th Meeting 2018, Session 5

CONVENER

*Graham Simpson (Central Scotland) (Con)

DEPUTY CONVENER

*Stuart McMillan (Greenock and Inverclyde) (SNP)

COMMITTEE MEMBERS

*Tom Arthur (Renfrewshire South) (SNP)

Neil Findlay (Lothian) (Lab)

Alison Harris (Central Scotland) (Con)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Neil Bibby (West Scotland) (Lab) (Committee Substitute)

Bill Bowman (North East Scotland) (Con) (Committee Substitute)

Ash Denham (Minister for Community Safety)

Mark Griffin (Central Scotland) (Lab)

CLERK TO THE COMMITTEE

Andrew Proudfoot

LOCATION

The Adam Smith Room (CR5)

Scottish Parliament

Delegated Powers and Law Reform Committee

Tuesday 25 September 2018

[The Convener opened the meeting at 10:00]

Decision on Taking Business in Private

The Convener (Graham Simpson): Good morning and welcome to the 28th meeting in 2018 of the Delegated Powers and Law Reform Committee. I have apologies from Neil Findlay and Alison Harris, who cannot attend today. In their places, I welcome Neil Bibby and Bill Bowman.

Before we move to the main item of business, we have to decide whether to take business in private. It is proposed that we take items 5, 6, 7, 8 and 9 in private. Those items are consideration of delegated powers provisions in bills and in legislative consent memorandums relating to United Kingdom bills. Does the committee agree to take the items in private?

Members *indicated agreement.*

Prescription (Scotland) Bill: Stage 2

10:01

The Convener: Item 2 is stage 2 proceedings on the Prescription (Scotland) Bill. I welcome Ash Denham, the Minister for Community Safety, and her officials. Good morning.

The Minister for Community Safety (Ash Denham): Good morning, convener and committee.

The Convener: For the purposes of stage 2, members should have copies of the bill as well as the marshalled list and groupings.

Sections 1 and 2 agreed to.

Section 3—Statutory obligations

The Convener: Group 1 is on section 3 of the bill, the five-year prescription, and the exception from that for certain social security payments and tax credits. Amendment 3, in the name of Mark Griffin, is grouped with amendment 4.

Mark Griffin (Central Scotland) (Lab): Amendments 3 and 4, lodged with the support of Citizens Advice Scotland, seek to reduce the prescription period for reserved and Department for Work and Pensions debts to five years. That will bring the period into line with the five-year prescription period for Scottish social security, a move that the Parliament backed earlier this year, to deliver greater dignity and respect in the Scottish social security system.

My colleague Neil Findlay has lodged similar amendments to reduce the prescription period for council tax debts.

The provisions are no silver bullet, but they go some way towards making sure that the Parliament is using its powers to bring fairness and to align with the principles that the Scottish Law Commission set out around the five-year rule.

I want to raise concerns about the DWP believing that it needs additional leeway to manage the recovery of its debts and about it not having its house in order. The issue was debated at length during stage 1 consideration of the bill, with very clear contributions from Mike Dailly and Mike Holmyard that the period must be reduced to five years. In their evidence, they put it to this committee that it is a simple matter of fairness: why should a claimant have just one month to challenge a DWP decision, but be liable for court action for 20 years?

Some of the points that the DWP raised must be challenged. I want to add some more detail to how

the amendments fit into the jigsaw of recovery policy, as well as setting out some of the DWP practices that are operational today. In its written evidence, the DWP said

“The recovery of DWP benefit debt will often take longer than five years to recover due to the possibility of higher priority debts, multiple debts and the welfare considerations that limit recovery rates. The application of the five year prescription would reduce our ability to recover public money and could erode some of the safeguards we have in place to protect our customers from harsh or excessive recovery rates.”

The DWP appears to imply that the consequence of the five-year prescription period would be the recovery of multiple debts within a smaller window, which would directly affect claimants, who would be subject to more aggressive recovery procedures.

The amendments and the bill relate to recovery typically through the courts, which is a costly and lengthy option that is used infrequently. The DWP has other ways of recovering its debts, such as direct deductions from benefits, or if a person returns to work for some time, their state pension, as well as bank and direct earnings attachments. Those powers have no time limit, are unaffected by the bill or the Prescription and Limitation (Scotland) Act 1973, and are ultimately reserved. I say again that the amendments are not a silver bullet, but they would mean an improvement within the scope of the bill and the Parliament’s powers.

I am sure that the committee is aware that under current rules DWP recovery processes are not as virtuous as its evidence suggests. Under universal credit, the recovery rate can be as much as 40 per cent. We know that many are suffering such an excessive recovery rate, because so many advances have been requested: 20,000 in my region since full service roll-out. Secondly, by its nature, UC rolls multiple benefits together into one payment, so that when deductions are made to UC, multiple benefits are recovered at once.

I agree with the DWP evidence that there is a clear distinction for legacy benefits, but soon all in-work benefits will be rolled together and recovery will also be rolled together as soon as universal credit is fully rolled out. I therefore disagree with the DWP’s argument that it makes it harder to recover multiple debts from multiple sources of benefits when they will eventually all be rolled into one in-work benefit.

The DWP’s claims that the smaller window would require excessive recovery appear to be based on a misunderstanding. We know that the DWP would prefer recovery through its reserved powers, not through a costly court decree or document of debt. However, if it did exercise its rights under the proposed amendment, it would have five years to take action. I am advised by

Mike Holmyard that, should the DWP secure a repayment on record through its reserved powers that will remain unchanged by any of my amendments, the five-year clock would restart. With every single payment that the DWP receives, the five-year clock would reset. Every time it sends a letter or starts enforcement action, the five-year clock would reset. The five-year limit on the time that the DWP has to recover the debt is not a hard five-year limit. It is a five-year limit on the DWP taking action to start the process or to take a single payment.

I hope that the committee agrees with me that if the DWP is not able to identify and begin recovery of its debt within five years, we should ask it to get its house in order and set up processes that would make that achievable, rather than leaving a 20-year period hanging over some people’s heads. Because the clock restarts when payment is made, the provisions in section 6 of the bill ultimately limit the recovery to a hard 20 years.

Amendments 3 and 4 would cancel the rule in the 1973 act that says that reserved social security debts can be pursued for 20 years, and it would change the rule to five years. That is far more reasonable than 20 years and, crucially, it is in line with the position of this Parliament in relation to our own Social Security (Scotland) Act 2018.

Amendments 3 and 4 would not prevent the DWP from using its reserved powers to make deductions from reserved benefits, because the power to do that lies in reserved law. The DWP’s right to pursue the debt through other civil mechanisms—through earnings attachments or direct deductions—would be preserved. The powers over recovery would be aligned in practical and operational terms, because near consistency with the six-year limitation rule in England, not to mention a far better administrative process, would be established.

I want to make it clear that amendments 3 and 4 do not propose to remove child support or maintenance debt from the 20-year rule. Child support or maintenance is not social security that is paid by the state, although the DWP administers it. The maintenance is recovered by the DWP from the absent or non-resident parent and is provided to the parent who provides care. Retaining the power to recover that vital support until the child is an adult is a goal that all of us should seek to preserve.

We have a chance to use Scottish powers of prescription, not to impede the DWP’s work to protect the public purse or to make a constitutional point, but to deliver greater dignity and respect. I hope that the committee will support amendments 3 and 4.

I move amendment 3.

The Convener: Thank you, Mark. Do any committee members want to come in?

Tom Arthur (Renfrewshire South) (SNP): Good morning, Mr Griffin, and welcome to the committee.

I would like to clarify one or two points. You said that you had support from Citizens Advice Scotland. What direct engagement have you had with the DWP in composing amendments 3 and 4?

Mark Griffin: I have had no direct contact with the DWP; I simply reviewed the evidence that it provided to the committee.

Tom Arthur: Do you recognise that the Scottish Parliament has no jurisdiction over the DWP? Although many members would find it desirable for the DWP to get its house in order, as you described it, we have no means of making that a reality, as the functions of the DWP are reserved to Westminster.

Mark Griffin: It is true that those functions are reserved, but if we impose a five-year prescription period, I hope that that would mean that the DWP would get its house in order and collect the debts in question within a five-year period, instead of leaving them to spin on for 20 years. There is a practical step that we can take.

Tom Arthur: You hope to incentivise behavioural change by the DWP, but you concede that that is not guaranteed.

Mark Griffin: If the DWP did not act, it would lose the ability to collect debt beyond five years.

Tom Arthur: You spoke about the courts being a last resort. I presume, therefore, that court action within five years would be incentivised, whereas, under 20-year prescription, other methods could be explored and exhausted beyond five years, before court action was taken. Do you accept that that is correct?

Mark Griffin: No. The advice that I have been given by external advisers, who have also advised the committee, is that as soon as any effort is made to recover the debt, the five-year period starts again. There is a hard limit at 20 years. In effect, the DWP could leave debt uncollected until four years and 11 months, start again and have another five-year roll-over period, and then start again at four years and 11 months. It could do that four times, until the hard limit of 20 years kicked in. Any time the DWP took a payment or sent a letter to someone who was in debt to the agency, the five-year period would reset and start again.

Tom Arthur: You have said that you want the DWP to get its house in order. I presume that, if you wish there to be an expedited process, additional resources would have to be applied to

the pursuance of debt. Would you concede that point?

Mark Griffin: Very few debts are pursued through legal action. The vast majority of them are pursued by reducing the benefits that people currently receive or by making deductions from earnings. Therefore, I do not think that what I propose would have a massive impact and result in a need for greater expenditure by the DWP.

Tom Arthur: Setting aside the scale of the issue, the corollary of your argument is that there would have to be an expedited process—that is what you would define as the DWP getting its house in order. Ergo, if there is to be an expedited process, some additional resources would have to be provided. Surely that is logical.

10:15

Mark Griffin: Yes, I accept that. As far as I can see, however, the extra expense would be minimal. We would be amenable to those extra resources being required if five-year prescription removed the 20-year sentence hanging over people's heads, when they have only one month to pursue wrongdoing on the part of the DWP.

Tom Arthur: But we need to be clear that what you propose could lead to the DWP prioritising resources for the pursuance of debt.

The Convener: I will cut in here, because we need to have more of a debate and less of a cross-examination of Mr Griffin. If you have any substantive points to make, Mr Arthur, please do so.

Tom Arthur: I thank Mr Griffin for taking my questions. I certainly sympathise with the intentions of amendment 3, but I am concerned about the possible unintended consequences, some of which the DWP highlighted in its submission to the committee earlier this year.

The bill is a fairly short piece of legislation with a clear purpose, which is to clarify the law of prescription. Far greater consideration and consultation would be merited before issues of reserved benefits could be looked at. For that reason, I will not be able to support amendment 3.

The Convener: I thank Mr Griffin for taking those questions. He will have a chance to respond once the minister has made her remarks.

Ash Denham: I will begin by addressing amendment 3. If it is Mark Griffin's intention to remove the exception for obligations to repay reserved benefit overpayments from section 3 of the bill, I point out that amendment 3 is unnecessary. Amendment 4 would achieve that effect, because the exception would be removed from the bill and the obligations would therefore

fall to be caught by the new general rule. Reserved benefit overpayments do not explicitly need to be listed in paragraph 1 of schedule 1 to the 1973 act, which amendment 3 seeks to provide for.

I turn to the intent of Mark Griffin's amendments. Section 3 of the bill provides that all statutory obligations to make payment will prescribe after five years, with a few exceptions. One of those exceptions relates to obligations to repay overpayments of certain reserved benefits, including social security and tax credit overpayments. That exception preserves the status quo for those reserved benefits.

In its response to the SLC consultation, the DWP made the point that recovery of social security overpayments often takes place over a long period of time and that it would be concerned if the five-year prescription period were to apply rather than the 20-year prescription period. That point was also made to the committee at stage 1. The DWP's view is that having a 20-year prescription period for the recovery of reserved benefit overpayments allows it to protect the most disadvantaged in our society from harsh recovery methods.

Mark Griffin: Will the minister take an intervention on that point?

Ash Denham: I will do so once I have finished my remarks.

I will give an indication of the scale. Over the past few years, the DWP has recovered an average of around £120 million per annum from debts that are more than five years old.

In its evidence to the committee, the DWP made it clear that making recovery of reserved benefit overpayments subject to five-year prescription would impose greater hardship on the most vulnerable members of society. It informed the committee that it had a public duty to protect public funds and collect arrears. It seems clear that changing the prescription period by reducing it would result in the DWP taking more money more quickly from those who would be least likely to be able to afford it. Any move to a five-year prescription period would impact on the DWP's ability to recover debts in circumstances in which recovery rates have been reduced on account of hardship or in which the customer has a number of debts and recovery of later debts is on hold while the earlier debt is recovered.

Ultimately, the DWP's policy in respect of reserved social security payments is a matter for it, and the bill is about prescription generally. It is not the place to make any substantial policy changes in other specific areas. For those reasons, I urge Mark Griffin not to press amendment 3 and not to move amendment 4.

The Convener: Mr Griffin, you indicated that you had a question for the minister. I will allow you to ask it. After that, you will have the chance to wind up.

Mark Griffin: Minister, you have repeatedly talked about the DWP's view on why five-year prescription is not appropriate and the impact that that could have on claimants in debt. What is the Scottish Government's view? Why does it think that it is appropriate to have five-year prescription for Scottish social security debts but, on the other hand, agree with the DWP that five-year prescription is not appropriate for its debts?

Ash Denham: The Scottish Government's position is that we have accepted the Scottish Law Commission's view on the matter. We believe that it is a matter for the DWP and that, more widely, the bill is about prescription to improve clarity. Therefore, it is not the place for such a change, which would be more far reaching. I have much sympathy with the intention behind the amendments, but it would not be appropriate at this stage to change things in that way without appropriate consultation, as that change would be far reaching.

On Scottish social security, the benefit of devolution is that the Scottish ministers can decide to make changes or to make a system that is completely different from the United Kingdom system and fits the Scottish context. That is why the systems are different.

Mark Griffin: Given the minister's comments on amendment 3 and the necessity for it, I am happy to go away and consider it ahead of stage 3. I think that the minister has overrelied on DWP evidence on the issue rather than considered the principles at the heart of the Scottish Government's policy on dignity and respect.

The minister mentioned that one of the beauties of the devolved system is that we are able to take different decisions. That also applies to the Prescription (Scotland) Bill. We are able to take different decisions on prescription. However, I am happy to seek the committee's agreement to withdraw amendment 3, and I will not move amendment 4.

Amendment 3, by agreement, withdrawn.

The Convener: The next group of amendments is on five-year prescription and the exception for council tax. Amendment 5, in the name of Neil Findlay, is grouped with amendments 6 and 7. Neil Bibby is poised to speak to all the amendments in the group and move amendment 5.

Neil Bibby (West Scotland) (Lab): It is important to say first of all that it is not Neil Findlay's or my intention to reduce the amount of money that councils have access to. We will

continue to argue for sustainable and meaningful solutions to the chronic underfunding of Scotland's local authorities.

Although I did not hear the evidence directly, the evidence that I have seen for removing the exemption of council tax from the five-year prescription rule is compelling, and many stakeholders have supported the removal of the exemption. I know that members of the committee will be aware of that.

The Law Society of Scotland has given a number of reasons why the current exemption in the bill is problematic. The non-payment of council tax attracts a high penalty charge of around 6 per cent, which could act as a disincentive to the collecting council, as returns from the penalty will rise above the rate of inflation, so in effect the value grows on non-payment. Practitioners have identified potential situations in which people might, in good faith, believe that they have paid the council tax, and joint liability compounds the issue, because it means that a person could have paid their share of it, but could face a claim for payment—again with significant interest—because a joint tenant has not paid his or hers.

It could prove prejudicial to the interests of justice for such high penalties to be incurred many years later if no steps to collect the tax or enforce an order have been taken in the interim. In many cases, the uncollected sums are quite small and it might be expected that if the council has not sought to enforce within five years, there will be little appetite in practice to pursue people many years later.

Mike Holmyard from Citizens Advice Scotland told the committee that the position is unfair and cited problems with obtaining sufficient and adequate evidence from both the debtor and local authority collection systems. He explained that the way in which council tax is collected exacerbates debtors' difficulties in understanding their council tax debt and said that Citizens Advice Scotland advisers are seeing clients who have built up council tax debts over 10, 11 or 12 years, apparently without the council having taken action to collect the debts. Clients cannot understand how a council can go from apparent inaction to drastic action that will have an impact on a property that they own. A five-year prescriptive period would force all creditors to try actively to enforce their debt and might put off the need for, say, sequestration by councils.

There is a wider point to be made about the cost of living and the affordability of council tax. According to StepChange Debt Charity Scotland's recent report "Scotland in the Red: Personal debt in Scotland Jan-Dec 2017", increasingly clients are getting into debt because they are falling behind on essential bills, with council tax in particular a

growing problem. Of those who contacted StepChange, 41 per cent were in council tax arrears, up from 37 per cent in 2013. The amount of council tax arrears has also increased drastically, by 45 per cent, from £1,368 in 2013 to £1,981 in 2017, making such arrears a much larger proportion of average debt.

As members will know, my party has called on the Scottish Government to scrap and replace the council tax as it promised to do in 2007. Until then, we need to have a wider debate about meaningful reform of local government tax-raising powers.

I move amendment 5.

Tom Arthur: I do not have any specific questions for Mr Bibby, but I just want to pick up on a few points and highlight a couple of areas.

Mr Bibby talked about councils being incentivised to delay seeking repayment due to the accrual of interest. Interestingly, in its evidence, the Convention of Scottish Local Authorities highlighted the potential for behavioural change if we moved to a five-year period of prescription, as it would incentivise individuals to try to get beyond that period so that they were no longer liable for taxes. Another significant point that COSLA raised about the autonomy and status of local government was that such a move would remove the parity between taxes owed to the Crown and taxes owed to local government.

I have two other practical concerns. First—and this comment is analogous to comments on the issues raised in Mr Griffin's amendment—additional resources might, or indeed would, be required to expedite the debt collection process. Mr Bibby alluded to local government's financial circumstances; indeed, the submissions from local government allude to the fact that additional resources would be required to expedite the process—resources that could be better spent elsewhere.

Secondly, I note that this is a short bill with the very specific purpose of clarifying the law of prescription. Throughout stage 1 and in its inquiries, the committee has explored a range of areas and interests that the bill has provoked. What has become very clear is that, although areas such as council tax and the role of the DWP merit further consideration, this bill is not the place for that. Instead of seeking to piggyback on legislation that was not designed for such measures, members who have an interest in these areas should consult on and explore them further and bring forward more substantive proposals that have been constructed as a result of substantial consultation and engagement.

10:30

Ash Denham: On amendment 5, I make the same point to Mr Bibby and Neil Findlay that I made to Mark Griffin with regard to his amendment. If the intention of amendment 5 is to remove the exception for the obligation to pay council tax from section 3, it is unnecessary, because amendment 6 on its own would have that effect and for the same reasons.

The bill does not seek to change the position of council tax. Its aim is simply to maintain the status quo as we understand it. Local taxes form a substantial source of income for local authorities, and they pay for essential services such as education, housing and roads. The Scottish Government accepts the considered view of the Scottish Law Commission on this matter.

At stage 1, COSLA told the committee how a 20-year prescription period for recovering arrears allows local authorities to quickly begin the recovery process at minimal cost to taxpayers, all the while protecting those who owe arrears by entering into long-term arrangements. All of that would be jeopardised by changing and shortening the prescription period.

I note that the committee has written to all 32 local authorities seeking further information on that point and has received responses from 26 of them. It is important to note that not one of those agreed that changing the prescription period was appropriate. Instead, they were all adamant that no change to the status quo should be made.

Among the points that the local authorities made was the fact that the policy reasons that justify the exception of taxes payable to the Crown from the five-year prescription apply equally to taxes that are payable to local authorities. That is, there should be no distinction between taxes that are owed to central Government and those that are owed to local authorities. Highland Council said:

“It would ... place local authorities at a disadvantage to HMRC and ordinary creditors ... It is inconceivable to believe that this is actually what is at stake.”

Local authorities continue to recover a significant amount of arrears each year. More than £2 billion-worth of council tax debt is currently owed across Scotland, and £1.2 billion of that relates to debts that are more than five years old. Obviously, that is money that would be spent on local services. Making the prescription period for those debts five years would likely force a change in the way that councils recover that debt, to the detriment of not only the debtor but all those who use our local services. Local authorities have told the committee that they would have to depart from the summary warrant process, meaning more costs for the debtor and a diversion of local authority resources to the collection of arrears.

The 26 local authorities that have responded to the committee are all deeply concerned about the impact that shortening the prescription period from 20 years to five years would have on their funding. They are concerned not only about the ability to recover arrears that are already owed to them, but also about the fact that reducing the prescription period might create an incentive for those who wish to avoid paying their taxes in the first place to do so.

If council tax is subject to the five-year prescription period, all taxpayers will suffer as they will have to pay an increased amount of council tax just in order to maintain the current level of services.

Finally, as I said in relation to the earlier amendment, this bill is about prescription generally and, therefore, is not the place to make any substantial policy changes in specific areas. Any change to the current position would need wider consultation, particularly in light of the views that have been expressed by many local authorities and COSLA, not to mention the issues in relation to Scottish Water that have been raised with the committee.

Because of the reasons that I have set out, I urge Mr Bibby not to press Mr Findlay's amendments.

Neil Bibby: We have gone over many of the arguments that we heard in relation to earlier amendments. I simply repeat the fact that these amendments were developed from the evidence that we received from the Law Society and Citizens Advice Scotland. I accept what Tom Arthur said about the concerns of COSLA, and we will continue to address those. A small amount of additional resource might be required, but I do not accept that it would be substantial. I agree with COSLA and Tom Arthur that council resources are limited—indeed, councils are chronically underfunded—and we will continue to make the case for that to be addressed.

Given the minister's remarks about amendment 5 not being necessary, I will seek to withdraw it. However, I will move amendments 6 and 7.

Amendment 5, by agreement, withdrawn.

Amendment 4 not moved.

Amendment 6 moved—[Neil Bibby].

The Convener: The question is, that amendment 6 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Bibby, Neil (West Scotland) (Lab)

Against

Arthur, Tom (Renfrewshire South) (SNP)
Bowman, Bill (North East Scotland) (Con)
McMillan, Stuart (Greenock and Inverclyde) (SNP)
Simpson, Graham (Central Scotland) (Con)

The Convener: The result of the division is: For 1, Against 4, Abstentions 0.

Amendment 6 disagreed to.

Amendment 7 moved—[Neil Bibby].

The Convener: The question is, that amendment 7 be agreed to. Are we agreed?

Members: No.

The Convener: There will be a division.

For

Bibby, Neil (West Scotland) (Lab)

Against

Arthur, Tom (Renfrewshire South) (SNP)
Bowman, Bill (North East Scotland) (Con)
McMillan, Stuart (Greenock and Inverclyde) (SNP)
Simpson, Graham (Central Scotland) (Con)

The Convener: The result of the division is: For 1, Against 4, Abstentions 0.

Amendment 7 disagreed to.

Section 3 agreed to.

Sections 4 to 6 agreed to.

Section 7—Property rights: 20-year prescriptive period and extension

The Convener: We move on to technical and consequential amendments. Amendment 1, in the name of the minister, is grouped with amendment 2.

Ash Denham: Amendment 1 addresses a point that was raised by the Faculty of Advocates. The faculty and others raised concerns about the section 7 extension of the 20-year prescription period for some property rights, in particular servitude rights, as the committee highlighted in its stage 1 report. The faculty made the point that the drafting of section 7 suggests that, when a creditor raises court proceedings in relation to a property right before the expiry of the 20-year period and the proceedings extend beyond the 20-year period, the period in relation to that right ends when the proceedings end, with the consequence that the property right is extinguished.

Amendment 1 ensures that, where the creditor is successful in the court proceedings—for example, by obtaining a declarator of the existence of the right—they should not be denied the property right by the 20-year prescription coming to an end at the end of the court proceedings. Instead, the amendment ensures that, where the creditor's claim is successful, the property right is deemed to have been exercised

or enforced. The outcome is that a new 20-year prescription period will start to run.

On amendment 2, recent changes to the devolution settlement have given the Scottish Parliament legislative competence over a range of benefits payments. The recent Social Security (Scotland) Act 2018 created a legislative framework that underpins a system of devolved benefits, creating a process in which people are given the assistance to which they are entitled. At the same time, the 2018 act makes it clear that those receiving devolved benefits are under an obligation to repay overpayments of those benefits in certain circumstances. That obligation is subject to the five-year prescription period, and that is achieved by section 66 of the 2018 act, which amends schedule 1 to the 1973 act.

The bill inserts a general rule into schedule 1 to the 1973 act that all statutory obligations to make payments will be subject to the five-year prescription period, and that will cover the obligation that is contained in the 2018 act that I have just described. One of the main purposes of the bill is to increase clarity and legal certainty, and having two provisions that achieve the same outcome in an already crowded schedule 1 to the 1973 act does not achieve that aim.

I move amendment 1.

Tom Arthur: The purpose of the bill is to bring greater clarity, and the amendments contribute to that, so I welcome them.

The Convener: Minister, you can wind up if you wish.

Ash Denham: I have nothing further to add, but I thank the committee for its consideration and I invite members to agree to the amendments.

Amendment 1 agreed to.

Section 7, as amended, agreed to.

Sections 8 to 15 agreed to.

After section 15

Amendment 2 moved—[Ash Denham]—and agreed to.

Sections 16 and 17 agreed to.

Long title agreed to.

The Convener: That ends stage 2 consideration of the bill. I thank the minister and her officials for attending.

I suspend the meeting briefly.

10:40

Meeting suspended.

10:40

On resuming—

Instrument subject to Affirmative Procedure

Common Financial Tool (Scotland) Regulations 2018 [Draft]

The Convener: We come to agenda item 3. No points have been raised on the instrument. Is the committee content with it?

Members *indicated agreement.*

Instrument subject to Negative Procedure

Special Restrictions on Adoptions from Ethiopia (Scotland) Order 2018 (SSI 2018/272)

10:40

The Convener: Under agenda item 4, no points have been raised on the instrument. Is the committee content with it?

Members *indicated agreement.*

The Convener: We now move into private session.

10:41

Meeting continued in private until 10:54.

This is the final edition of the *Official Report* of this meeting. It is part of the Scottish Parliament *Official Report* archive and has been sent for legal deposit.

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