

Report on the consideration of the Legislative Consent Memorandum arising from the Welfare Reform and Work Bill ('the Bill')

Committee View

1. The Enterprise and Business Committee is content with the Memorandum. Further background to the Bill and provisions for which consent are sought is below.

The Bill

2. The Bill was first introduced in the House of Commons on 9 July 2015 and reported on 27 October 2015. The Bill received its first reading in the House of Lords on 28 October 2015 and a second reading on 17 November. It is scheduled to begin its Committee stage in the House of Lords on 7 December.
3. The UK Government's main overall policy objectives in relation to the Bill as a whole are intended to support their commitments to increase employment; slow the growth of the welfare budget to help achieve a more sustainable welfare system; and support the policy of rewarding hard work while increasing fairness with working households.
4. The relevant paragraphs in the Explanatory Notes that relate to this LCM and connected provisions of the Bill are 17-19 (*Reform of the Social Mobility and Child Poverty Commission*) and 20 (*Removal of other duties and provisions in the Child Poverty Act 2010*).

Provisions for which consent are sought:

5. Summary, the clauses in the Bill for which consent are being sought are those which:
 - remove the Social Mobility Commission's duty to promote social mobility in Wales, but retain its responsibility to publish and lay before Parliament an annual report on the progress made towards improving social mobility in the United Kingdom, including Wales – **clause 5 of the Bill**.
 - remove the role of Welsh Ministers to appoint a Welsh Commissioner to the Social Mobility Commission. This relates to **Amendment No 16**, tabled by Secretary of State for Work and Pensions Ian Duncan Smith on 21 October and listed in the Notices of Amendments given up to and including, Wednesday 21 October 2016.

Clause 5 of the Bill – Social Mobility Commissioner

6. The current Social Mobility and Child Poverty Commission monitors the progress of the UK Government and others in improving social mobility and reducing child poverty in the United Kingdom. The Commission is an advisory non-departmental public body established under the Child

Poverty Act 2010 (as amended by the Welfare Reform Act 2012) to monitor the progress of the UK Government and others on child poverty and social mobility.

7. Clause 5 inserts section A1C in the Child Poverty Act 2010 and sets out how the Social Mobility and Child Poverty Commission will be reformed to change its functions and renamed to be called the Social Mobility Commission. Under the Bill, the Commission will have a duty to promote social mobility in England only and on request give advice to a Minister of the Crown about how to improve social mobility in England. The Commission will no longer have a focus on child poverty.
8. The Welsh Minister for Communities and Tackling Poverty said in a statement issued on [13 July 2015](#):

Whilst the target in the Child Poverty Act is a UK Government target, the purpose of this Statement is to confirm the Welsh Government will maintain its ambition to eradicate child poverty by 2020.”

9. Under Clause 5 of the Bill, the Social Mobility Commission will still be required to publish, and lay before Parliament, an annual report which sets out its views on the progress made towards improving social mobility in the United Kingdom, including Wales.
10. As the Minister for Communities and Tackling Poverty indicates in Appendix B of her [letter to the Enterprise and Business Committee on 10 November 2015](#):

“While I remain deeply concerned at the UK Government’s shift in focus away from child poverty, I recognise the value of the Commission publishing its annual state of the Nation report on social mobility.” and

“Reports have included observations and recommendations for the different countries of the UK, which is something we have found useful in the past. The report also draws comparisons between the countries of the UK and provides us with examples of good practice, enabling us to learn from one another.”

Current membership of the Commission

11. The Commission has seven Commissioners including a member from Wales and Scotland. The current Welsh Member is Catriona Williams, Chief Executive of Children in Wales and is appointed by the Welsh Ministers.

Amendment no 16, tabled by Secretary of State Ian Duncan Smith on 21 October 2015

12. This amendment to Schedule 1 (Social Mobility and Child Poverty Commission) of the Child Poverty Act 2010 removes the role of Scottish and the Welsh Ministers in each appointing a member of the reformed Social Mobility Commission. In Appendix B of the Minister’s letter to the Committee dated 10 November 2015 she says:

“The decision by the UK Government to move away from a focus on child poverty does not fit with the priorities of the Welsh Government. I therefore, requested that the term in office of the Commissioner should come to an end when the Welfare and Reform and Work Act is passed and changes to the Commission take effect.”

And

“My decision to withdraw the Commissioner for Wales was not taken lightly. The Commissioner was well qualified to act as a spokesperson for child poverty and to present the work the Welsh Government is taking forward to address this. She will remain engaged with our Tackling Poverty External Advisory Group through the policy sessions they hold on an ongoing basis. Her views and opinions, as well as her extensive knowledge of child poverty, are very much valued.”

The Minister also said:

The Welsh Government is not alone in taking this action. Reducing child poverty is also a central priority of the Scottish Government and the Scottish Minister, Alex Neil, felt the child poverty element of the Commission’s work was key to its remit. As a result of the changes to the Commission, the Scottish Minister has also taken the decision to withdraw their Commissioner for Scotland.

Legislative Competence

13. The provisions to which Clause 5 and amendment No 16 relate to a matter within the National Assembly’s legislative competence under Subject 15 ‘*Social Welfare*’ of Schedule 7 of the Government of Wales Act 2006 and specifically ‘*Social Welfare including Social Services*’ and the ‘*Protection and well-being of children*’.
14. The legislative consent of the Assembly is therefore, required in accordance with Standing Order 29.6 and also in accordance with the revised Devolution Guidance Note 9 (published by the UK Government).
15. The provisions of this Bill and specific Amendment tabled in relation to the Social Mobility and Child Poverty Commission fall within the Assembly’s competence, however, the provisions relate to the UK Government’s proposals for the overall reform of the Social Mobility and Child Poverty Commission.

Conclusion

16. The Enterprise and Business Committee considered the LCM to be a reasonable legislative vehicle to enable these specific Bill provisions to apply in relation in Wales. Members of the Committee noted that, in line with the requirements of the Children and Families (Wales) Measure 2010, the Welsh Government has a duty to report every three years to the National Assembly for Wales providing an assessment of progress made towards achieving the objectives contained in the Child Poverty Strategy for contributing to the eradication of child poverty.
17. Members also noted the comments from the Minister for Communities and Tackling Poverty in her letter to the Committee of 17

November 2015 in which she set out the reasons why she requested the amendments to the Bill which relate to the LCM.