

SSAC Review – Consultation Paper

**Social Security Advisory Committee
Review**

Consultation Paper

SSAC Review

Contents

- SECTION 1 Introductory and Background Information**
- SECTION 2 SSAC’s role, aims and objectives**
- SECTION 3 The work of the SSAC**
- SECTION 4 Issues and questions for the Review**

SSAC Review – Consultation Paper

SECTION 1 – Introductory and Background Information

About the Review

1.1 Government Departments are responsible, on behalf of their Ministers, for carrying out periodic reviews of the non-departmental public bodies (NDPBs) for which they are responsible or which are associated with their work. The aim of these Reviews is to evaluate how effectively the organisation in question is meeting its own stated objectives. The Review process also examines whether the current organisational structure is still the appropriate one to deliver those objectives. Such reviews also provide the opportunity to consider the scope for improving future performance.

1.2 The Department for Work and Pensions (DWP) is undertaking a Review of the Social Security Advisory Committee (SSAC). The review will look at the rationale for establishing the organisation, its past performance and its organisational structure. It will also take a forward look incorporating options for change, if appropriate.

AIMS of the SSAC Review

1.3 The aims of the SSAC Review are to -

- review the continuing need for the functions carried out by SSAC;
- review the efficiency and effectiveness of the SSAC and
- identify the scope for improvement and possible change in the future.

1.4 Decisions on issues raised by the Review will be made by the Secretary of State for Work and Pensions and his Ministerial Team. They will be advised by a DWP Review Team, which, in turn, is supported and advised by an Independent Reviewer, Professor Hazel Genn.

TIMING of the SSAC Review

1.5 The Review began in October 2002 and is expected to report within six months.

CONSULTATION – How you can help

1.6 Your responses to this consultation are important, as they will help us to provide full and sound advice to Ministers on the future of SSAC. We are keen to obtain a wide range of views on SSAC and its future role and functions.

SSAC Review – Consultation Paper

RESPONDING – Issues to consider

1.7 Some key questions that you may wish to consider are in Section 4. You can, of course, respond to as many of these points as you wish. The list is not intended to exclude any general observations you would like to make. It would, however, help us in analysing your responses if, where possible, you could use the general headings when responding.

1.8 We would find it very helpful to know who you are and, if relevant, which body or organisation, you represent. Could you also state clearly whether you wish the Review Team to treat your comments in confidence. The normal presumption is that your comments may be made available to the general public if requested. However, any specific requests for confidentiality will be honoured by the Review Team. The substance of confidential responses will be included in any summary of comments received.

HOW TO CONTACT US

1.9 To contribute your views to the Review, please submit written contributions to:

Chris Bennett,
SSAC Review Team,
Department for Work and Pensions,
Level 2,
The Adelphi,
1-11, John Adam St., London. WC2N 6HT

- Alternatively, you can submit your views by e-mail to:
chris.bennett@dwp.gsi.gov.uk
- If you have any questions about the consultation process we will be happy to answer them – please phone Chris Bennett on 0207 712 2437.
- An electronic version of this consultation paper is available –
 - on the DWP website - www.dwp.gov.uk
 - on the SSAC website - www.ssac.gov.uk
 - or by e-mail from Chris Bennett - chris.bennett@dwp.gsi.gov.uk

The closing date for responses is 8 January 2003.

SSAC Review – Consultation Paper

SECTION 2 – SSAC’s role, aims and objectives

Background

2.1 The Social Security Advisory Committee (SSAC) is an Independent Statutory Body. It was established in November 1980 to take over the advisory functions of the Great Britain and Northern Ireland Supplementary Benefits Commissions and the role of the National Insurance Advisory Committee. SSAC has always been a purely advisory body, with no executive or administrative functions. In 1982, SSAC additionally took on the functions of the Advisory Council on Rent and Rates Rebates (which were subsequently replaced by Housing Benefit). In April 1999, SSAC’s formal remit for matters relating to National Insurance ended when responsibility for National Insurance Contributions passed from the then Department of Social Security to Inland Revenue.

2.2 In October 1999, Family Credit and Disability Working Allowance were replaced by Working Families Tax Credit and Disabled Persons Tax Credit. Responsibility for the new tax credits passed to Inland Revenue and SSAC’s formal role in these areas also came to an end. (However, an informal consultation process for these matters has been established).

2.3 SSAC’s current role and remit are set out in Section 170, Section 173 and Schedule 5 of the Social Security Administration Act 1992.

Remit

2.4 The Committee is the main UK advisory body to the Secretary of State for Work and Pensions ¹ on social security matters. However, the Committee’s remit does not include industrial injuries, war pensions (now the responsibility of the Ministry of Defence) or occupational pensions. Neither does their remit extend to the Department’s responsibilities for labour market policy or subjects which may

¹ The Department for Work and Pensions was created in June 2001. The new Department’s purpose is to promote opportunity and independence for all. DWP’s key objectives are:

- to sustain a higher proportion of people in work than ever before, while providing security for those who cannot work;
- to eliminate child poverty within a generation;
- to combat poverty and promote security and independence in retirement for today’s and future pensioners; and
- to modernise our services to improve accessibility, accuracy and efficiency.

Further details of the Department’s role and work programme can be found in the Department for Work and Pensions Departmental Report, which is available at www.dwp.gov.uk/publications/dwp/2002/dwpreport or from the Department’s Public Enquiry Office on 0207 712 2171

SSAC Review – Consultation Paper

interrelate with social security benefits outwith the Department's responsibilities. Examples of this are: social services, some training and education policies; health care; taxation; National Insurance contributions and Tax Credits. The Committee takes an interest in the impact of these policy areas on social security but has no statutory advisory responsibility for them (except where social security benefit regulations are involved, for example, where benefit restrictions form part of the policy). However, in the case of National Insurance contributions and Tax Credits, an informal agreement with Inland Revenue has been made so that the Committee is able to comment on proposals for changes, particularly when they are likely to impact upon social security matters.

2.5 The Social Security Act 1986 introduced two specific modifications to the Secretary of State's statutory obligations to consult SSAC on proposals for regulations (secondary legislation). The first of these was that, after referring draft regulations to SSAC, the Secretary of State may make the definitive version before receiving SSAC's views in circumstances that are deemed to be urgent. The second modification is that regulations made within six months of the commencement date of the relevant primary legislation need not be put to SSAC. (However, in 1997, the then Department of Social Security agreed that, exceptionally, some exempt regulations would be put to SSAC).

2.6 From April 2000, at the request of the then Secretary of State for Social Security, the Committee took on a significant new task of scrutinising the Department's public information strategy.

The Committee's responsibilities

2.7 **To give advice on social security issues as it sees fit.** Under this power of initiative, the Committee has examined a wide range of policy issues (for example, benefits for carers, transitional protection in social security and the Department's role in the provision of information and advice.). It publishes its views on these general topics in its annual stewardship reports. (The Third and Fourth Reports differed from this arrangement in that they contained, respectively, the Committee's evidence and response to the Government's 1984/5 review of social security). To help in this area of its work, the Committee has frequent meetings with outside organisations and maintains a close interest in developments in various fields of social security and related issues.

2.8 **To consider and report on social security regulations referred to it.** Draft regulations or proposals for regulations must be submitted to the Committee by the Secretary of State (or the Northern Ireland Department for Social Development) responsible for social security issues unless:

- they are exempted from reference to the Committee (this applies to most regulations on the uprating of benefits and those regulations

SSAC Review – Consultation Paper

made within 6 months of the enactment of primary powers); or

- following reference of a set of proposed regulations, the Committee agrees that the regulations need not be formally referred (in practice the Committee rarely seeks a formal reference of regulations which are purely technical or beneficial).

2.9 When regulations are formally referred to the Committee, it usually initiates public consultation with interested bodies and individuals so that its reports to the Secretary of State are based on as wide a range of evidence as possible. The organisations consulted by the Committee differ according to the subject of the regulations in question. The Secretary of State is obliged to take account of the Committee's recommendations and, when the regulations are finally laid before the House, the Committee's report and a statement explaining the response to its recommendations must also be laid.

2.10 In cases of urgency, the Secretary of State may make regulations without prior reference to the Committee, and, if the matter becomes urgent after the reference to the SSAC, the regulations may be made without waiting for the Committee's report. In both these instances, the Committee would proceed with the consultation in the usual way and produce a report which, together with the Secretary of State's response, would be laid before Parliament after the regulations have been made.

2.11 To consider and advise on any matters referred to it by the Secretary of State for Work and Pensions or the Northern Ireland Department for Social Development. The Committee's views are also sought less formally on a variety of subjects, and it has the opportunity to comment on the early stages of some policy discussions. The Committee does not hold consultation exercises on these subjects, but may meet interested parties to help in formulating views. Although the Committee has no responsibility for social security operations, it takes a close interest in service to the public. For example, the Committee is taking a very close interest in both the development of new approaches to service delivery to pensioners and the wider issue of providing adequate support for people in old age. Members make regular visits to departmental offices.

2.12 To scrutinise the Department's public information strategy. The Department and Ministers continue to be responsible for information products of all kinds whether they are in printed or electronic form and irrespective of whether they are provided purely for the general public and/or advice agencies or purely for staff guidance. However, the Committee examines a sample of products and contributes to the process of ensuring that leaflets are clear enough for any reasonable person to understand, and that there are no significant omissions. The Committee also scrutinises the production and checking processes within the Department; and assesses how effectively information products are used by staff when handling customer enquiries.

SSAC Review – Consultation Paper

Membership of the Committee

2.13 The Secretary of State appoints the Chairman and members of the Committee, under a procedure that has been approved by the Office of the Commissioner for Public Appointments (OCPA). The legislation - Schedule 5 to the Social Security Administration Act 1992 - requires there to be not less than 10 members and not more than 14, including the Chairman. All appointments are for three years and are renewable. One member is appointed after consultation with the TUC, one with the CBI and one after advice from Northern Ireland. One member is either disabled and/or is in a position to represent the interests of disabled people. By custom, one member is resident in Wales, one in Scotland and one member is from an ethnic minority. The current membership is set out in Appendix 1.

Meetings

2.14 The Committee usually meets once a month. Members receive a fee of £144 per day for attendance – the Chairman receives £290. In addition, members may receive fees for reading time when scrutinising information products and, when taking part in visits to Departmental offices, travel expenses are also paid.

2.15 The Committee's annual budget is around £55k (this excludes staff costs).

Secretariat

2.16 The Committee is supported by a secretariat of four officials, all on secondment from the Department for Work and Pensions.

SECTION 3 – the work of the SSAC

3.1 This section of the consultation document sets out the way in which the SSAC carries out its business. It looks at the Committee's handling of secondary legislation, its role in scrutinising the Department's information products and advice on other issues.

3.2 When a set of proposed regulations have been drafted, officials also draft an explanatory memorandum which sets out the reasons for the proposed secondary legislation, its purpose and effects. Officials work with the Committee's secretariat to resolve any questions raised by either the memorandum or the draft of the regulations. The secretariat then prepare a

SSAC Review – Consultation Paper

bundle of papers including the explanatory memorandum, a draft of the regulations, and any other relevant papers for Committee members.

3.3 Departmental officials attend the relevant meeting of the Committee to discuss the proposals with members. After this has been done, the Committee decides whether or not they wish the proposals to be formally referred for a report to the Secretary of State. Sometimes, the Committee asks for further information before reaching this decision. In some cases, where the Committee has concerns but do not wish to ask for a formal referral, its views and advice may be put to Ministers in correspondence.

3.4 If the Committee decides on a formal referral, it is usual to use the explanatory memorandum as a consultation paper for any other interested parties. The period for response is generally 4-6 weeks. The Committee's secretariat prepare a draft report for the Committee's consideration. The finalised report is sent to the Department. If the Secretary of State decides that he wishes to proceed with the proposed legislation, he must publish the Committee's report and his response to it, when the regulations are laid before Parliament.

3.5 In many cases where there has been no request for 'formal referral', the Committee regularly raises questions on the formulation of proposed amendments to regulations. For example, Members might ask whether the formulation chosen achieves the stated policy intention, or whether forms of wording or particular terms employed are consistent across several sets of regulations. Most often, these questions are directed at officials, and will be resolved outside the Committee's meetings, prior to the regulations being laid. In some cases, changes – to ensure greater clarity, or avoid unintended outcomes – are made to the regulations in the light of the Committee's comments.

3.6 As an illustration of the Committee's workload, since April 1995, the Committee has considered around 130 sets of proposals for regulations and has formally reported on nine of them.

Advice on the Department's public information strategy

3.7 The Committee's role in relation to the Department's public information and advice strategy has three elements:

- Checking on the Department's internal assurance processes for information products, such as leaflets and generic letters to customers;
- Checking the content of a selection of information products; and
- Checking on staff awareness of these products.

SSAC Review – Consultation Paper

The Department seeks the Committee's views on all aspects of its public information strategy, including product assurance procedures. In the course of visits to local and national operational sites, Committee Members have the opportunity to discuss the use of information products with members of the Department's staff, and also with customers.

The Department sends the Committee a selection of products it considers would benefit from consideration. The Committee takes a view on whether the products' contents are accurate, complete and sufficiently clear for a reasonable person to understand. Officials provide a response on which of the Committee's suggestions have been accepted and which have not. Over 30 products have been examined each year.

Other Issues

3.8 In addition, Ministers seek the Committee's views on a range of issues. For example, the Committee responded to all the Welfare Reform Consultation papers that were issued over the last few years. Again, there is regular dialogue between officials in the Department, the secretariat and members of the Committee about such issues.

3.9 The Committee can also initiate its own projects, although, since 1997, it does not have an independent research budget. Recent issues covered by the Committee include transitional protection in Social Security and proposals for promoting social inclusion.

3.10 Members of the Committee undertake visits to the Department's offices, to speak to staff and see how the system operates in practice. They also keep themselves up to date with developments in the devolved administrations. A report of each visit is prepared for the Committee's internal use. A summary of the findings is published in the Committee's Annual Report.

SSAC Review – Consultation Paper

SECTION 4 – Issues and questions for the Review

4.1 This part of the consultation document lists the questions that the review will consider. It would be helpful to have your views on each of these. However, please feel free to respond to as many or as few of the questions as you wish. Any other views or comments about SSAC would also be welcome.

Questions for the review

4.2 With the above in mind, the questions that the review needs to address are:

Question 1

- Is there a continuing need for SSAC's roles advising on proposals for regulations
- advising on other social security issues more generally
- scrutinising the Department's public information strategy.

Question 2

- Are there any ways in which SSAC could discharge its functions more effectively?

Question 3

- Does SSAC's current remit continue to make sense in relations to the respective responsibilities of DWP and Inland Revenue?

Question 4

- Are there other functions that SSAC should take on?

Question 5

- Is there a satisfactory relationship between SSAC and the Department or are any changes required?

Question 6

- Does SSAC have the resources to carry out its functions properly?

Question 7

- Should SSAC have its own research budget and, if so, do you have views on what issues it should research?

Question 8

- Are there any examples of good practice elsewhere that could be applied to SSAC?

SSAC Review – Consultation Paper

Question 9

- Could SSAC's functions be carried out in a different way or by another type of organisation.

Question 10

- Are changes required to the SSAC appointment process.

SSAC Review – Consultation Paper

Appendix 1 – current membership of the Committee

Sir Thomas Boyd-Carpenter, KBE

Mr Neil Barlow

Mr Andrew Dilnot CBE

Mrs Elisabeth Elias

Dr Angus Erskine

Mr Richard Exell OBE

Ros Gardner

Alison Garnham

Dr Christine Kenrick

Dr Pui-Ling Li

Professor Eithne McLaughlin

Mr Laurie Naumann

Professor Anthony Ogus CBE

Professor Robert Walker

SSAC Review – Consultation Paper

Appendix 2 – list of organisations and individuals formally consulted in the Review.

Age Concern England
Association of Chief Officers of Probation
Citizens Advice Scotland
National Association of One Parent Families Joseph Rowntree Foundation
Professor Nick Wikeley
Steve Wilcox
Child Poverty Action Group
COSLA
Association of Directors of Social Work
Association of Metropolitan Authorities
Belfast Law Centre
British Association of Social Workers
Confederation of British Industry
Greater London CABx Service
Low Pay Unit
National Association of Probation Officers
Northern Ireland Council for Voluntary Action
National Federation of Housing Associations
NCH Action for Children
Social Policy Research Unit
Welsh Women's Aid
Northern Ireland Association of Citizens Advice Bureaux
Children's Society
NACAB
CNA
Disability Scotland
MENCAP
MIND
Sir Peter Barclay
Robin Wendt
TUC
Earl Russell
Dave Willetts MP