

Smith Commission allows Westminster to retain veto

✖ The Scottish Government has had sight of the draft legislation to enact the Smith Commission recommendations ahead of the rest of us. That is only to be expected. Having digested the nine chapter faster than we have been able to do in the last hour it appears to them that certain key areas are still to be subject to a 'No' from Westminster. For example 'Bedroom tax' abolition could only be done with consent of UK Government.

You can if you wish read the whole 9 chapters [here](#) online.

The First Minister said an urgent rethink was required across several of the legislative clauses outlined by the Prime Minister if the new legislation is to deliver on both the letter and the spirit of the Smith Commission proposals.

Ms Sturgeon said aspects of the legislation represented progress but proposals in areas such as welfare, employment support and capital borrowing appeared to be a "significant watering down" of what was promised by the Smith Commission.

The First Minister highlighted three key areas that must be addressed immediately by the UK Government if the legislation is to meet the spirit and the content of the agreement set out by Lord Smith:

The welfare provisions do not enable the Scottish Parliament to create new benefit entitlements across devolved areas and require the approval of UK ministers for any changes to Universal Credit – including the action needed to end the bedroom tax.

Proposals for the full devolution of unemployment support fall well short of what was promised, hampering efforts to

address joblessness by devolving only a section of the current support network and leaving important levers in the hands of UK ministers.

Scotland would be tied to the UK's current austerity fiscal framework, and under the plans set out could see capital borrowing powers replace – and not augment – the existing capital grant.

The First Minister said:

“Throughout this process, I have been clear that, despite it falling short of the real home rule powers we need to create jobs and tackle inequality, the Scottish Government would be a constructive participant, working with the UK Government to bring forward what Lord Smith recommended.

“The legislation published today does not represent the views of the Scottish Government, but it does represent some progress. However, too much of what the Prime Minister has set out imposes restrictions on the recommended devolved powers and would hand a veto to UK ministers in key areas.

“For example, the proposals on welfare do not allow us to vary Universal Credit without the permission of the UK Government. That means – under the current proposals – we will not have the independence to take action to abolish the bedroom tax.

“At the same time, the power argued for by stakeholders to create new benefit entitlements in any devolved area has simply not been delivered, while the command paper makes clear that, pending devolution of disability support, the roll-out of personal independence payments and the cut to spending on disability benefits will continue.

“This cannot, under any interpretation, represent the meaningful progress on the devolution of the powers we need to design a social security system that meets Scotland's needs.

“The support for unemployed people also falls short of what Lord Smith recommended, with the provisions set out today narrowly focused on existing schemes.

“And the paper confirms that the Scottish Government will still have to work within the framework of austerity being imposed by the UK Government. It also suggests that Scotland’s capital grant could be replaced by borrowing powers and not augmented by them as was clearly the intention of the Smith proposals.

“In these crucial areas the clauses set out today appear to be a significant watering down of what was promised by the Smith Commission and need an urgent rethink by the UK Government.”

The First Minister continued:

“We remain committed to this process, despite the difficulties we have experienced in getting information in a timely fashion and we will continue to work with the UK Government and other stakeholders to ensure that the changes are made ahead of the Bill being taken through Westminster.

“Ultimately, however, the decision on whether the Smith proposals go far enough in delivering the powers we need to create prosperity, tackle inequality and protect our public services will be for the people of Scotland to take.”

In the foreword to the draft legislation the Prime Minister reminds readers that over 2 million people voted to stay in the family of nations last autumn ‘strengthened by the security that comes from our larger United Kingdom’. He also explains that the Smith Commission tries to reflect the view that the Scottish people did not vote for the status quo, and that these powers will allow more decisions to be made in Scotland by Scottish politicians. Much is made of the fact that the draft legislation is published three days ahead of schedule, but other commentators have said that this bill will not be on the statute books till after the General Election in

May 2015.