

WESTMINSTER TWO CHILD LIMIT DEBATE

Purpose

1. To inform the Cabinet Secretary about the debate on 27 November on the two child limit within Universal Credit and Child Tax Credits

Background

3. The debate was called by Alison Thewliss MP (SNP) and Alok Sharma, Minister of State for Employment, was the UK government minister in attendance and was the only Conservative MP present.

Main Issues

4. The UK Government, along with many Labour MPs, continues to argue that the Scottish Government has the powers to mitigate the effect of the two child Limit through the Scotland Act.
5. The impact of the two child cap being significantly more likely to impact women was raised.
6. It was pointed out that some religious groups are likely to be affected by the policy as some do not use contraception, as per their religious beliefs, and some tend to have large families.
7. Many MPs called on the Government to undertake impact assessments to establish the effect on those who are subject to the two child limit. Alok Sharma refused to address these calls.
8. Mr Sharma defended the two child limit by telling the chamber that, 'The fundamental aim of our policy is to strike the appropriate balance between support for claimants with children and fairness to taxpayers and families with children who support themselves solely through work. Colleagues may disagree, but a benefits structure that adjusts automatically to family size is ultimately not sustainable'.
9. He also stated that 'As hon. Members will know, a judicial review of the policy was heard in the High Court earlier this year. The Court found that it was lawful overall—a judgment that the Government welcomed.'
10. He lastly pointed towards the recent exemptions for kinship carers and those who have adopted a child 'who would otherwise be in local authority care.'
11. However, he drew mostly on UK Government welfare reform for the rest of his closing speech and he stated, 'it is worth pointing out that 1 million fewer people are living in absolute poverty than in 2010, including 500,000 working

adults and 300,000 children. That is a positive outcome'

Calls for Scottish Government to Mitigate

12. Many Labour MPs called on the Scottish Government to mitigate the two child limit. However, Jamie Stone MP, of the Liberal Democrats, disagreed and said that there was a limit to what the Scottish Government can do.
13. SNP Members said that the Scottish Government already mitigate a number of UK Government policies and that they cannot be expected to 'paper over the cracks'.
14. In his closing speech, Alok Sharma said 'Scottish Government have the power to create new benefits in devolved areas.' Expanding, he said, 'They are able to provide assistance to meet short-term risk and they have the ability to top up reserved benefits from their own resources.'