

## Official Parliamentary Report from Wednesday 21st May - Older People's Issues

### Pensioners' Parliament

#### **Kenneth Gibson (Cunninghame North) (SNP):**

1. To ask the Scottish Government on what basis it considers a Scottish Pensioners Parliament could be established. (S4O-03236)

**The Cabinet Secretary for Commonwealth Games, Sport, Equalities and Pensioners' Rights (Shona Robison):** The Scottish Government does not have any current proposals to establish a Pensioners' Parliament.

Instead, we are supporting the Scottish Older People's Assembly with funding of more than £100,000 for the period 2012-15. The Scottish Older People's Assembly enables older people to have their voices heard and to influence policy and practice on the wide range of issues that affect them.

**Kenneth Gibson:** I thank the cabinet secretary for that reply. Does the cabinet secretary believe that a Pensioners Parliament—or, indeed, Assembly—would be an excellent forum in which to discuss many issues that are of importance to older people, such as the retirement age, the level of the state pension and perhaps even an independent Scotland?

**Shona Robison:** The Scottish Older People's Assembly has discussed the retirement age, the state pension and many other issues since its establishment. This year's Assembly is due to be held on 31 October, within this Parliament. The Assembly will consider a number of issues and I am sure that pensions will be one of them, in addition to—in particular—the community empowerment (Scotland) bill.

It is important to note that SOPA has done a lot to reach out to older people throughout Scotland. It is made up from older people's groups across the country and it also has representation from across the various equality communities. It is a good organisation, which represents older people and gives them a voice. I was happy to meet it last month, on 24 April, when we had a constructive discussion on a number of issues.

### Pensioners' Rights (Proposals)

#### **Margaret McCulloch (Central Scotland) (Lab):**

2. To ask the Scottish Government what further information it plans to publish on proposals for pensioners' rights in an independent Scotland before the referendum. (S4O-03237)

**The Cabinet Secretary for Commonwealth Games, Sport, Equalities and Pensioners' Rights (Shona Robison):** The Scottish Government paper "Pensions in an Independent Scotland" has already set out detailed proposals on pensions. Following a vote for independence, the best of the existing state pensions system would be retained, with genuine improvements being introduced where necessary; private pension saving would be supported; the legislative and regulatory framework would provide strong protection for individuals' private pension savings; and a public service pensions system would be delivered that is affordable, sustainable and fair.

The paper also shows how successive United Kingdom Governments have failed to protect the pensions system and pensioners over recent decades. That has led to a crisis with, according to the latest Department for Work and Pensions statistics, 13.2 million people in the UK undersaving for their retirement.

This Government believes that an independent Scotland can do better, and we will continue to make those arguments in the coming months.

**Margaret McCulloch:** The Institute of Chartered Accountants of Scotland report “Scotland’s Pensions Future: Have our questions been answered?” concludes that, without changes to European Union rules on the funding of defined benefit pension schemes, employers would need to make good any deficits held by new cross-border schemes. Given that we now know that EU rules are not going to change, what evidence can the minister produce to demonstrate that the most basic right of pensioners—the right to their pension—will be any safer with independence than with the pooling and sharing of resources across the United Kingdom?

**Shona Robison:** “Scotland’s Future: Your Guide to an Independent Scotland” sets out our proposals for an affordable, fair and efficient pensions system in an independent Scotland. We considered in detail the impact of EU rules on defined benefit pension schemes that currently operate in Scotland and, of course, in the rest of the UK and set out our view, informed by practice in Ireland under the current regime, that if they continue to operate, on independence, on a cross-border basis, they should be allowed to implement their existing recovery plan in accordance with the period originally set rather than having to achieve full funding over a much shorter timescale.

That remains the case regardless of the commission’s decision to defer plans to encourage the growth of cross-border schemes by relaxing the funding regime. It is yet another issue, however, that we are keen to talk to the UK Government about in advance of the yes vote in September. It is a pity that the UK Government is not willing to do so.

**Bob Doris (Glasgow) (SNP):** Pensioners should know what their rights are, so does the cabinet secretary agree that Labour must now come clean, publish its cuts commission report and tell pensioners whether, under Labour, they will still have the right to free prescriptions, concessionary travel and free personal and nursing care? It certainly looks as if Labour will axe the lot.

**Shona Robison:** I agree that we should hear from Labour what is in store with its cuts commission. Many important policies that protect pensioners and other vulnerable people within our society are held dear, and Parliament should be proud of having passed them into law. I just hope that we see what the cuts commission has in store soon so that people can consider it as they make up their mind about how to vote on 18 September.

### **Pensioners’ Rights (Protection)**

**Gil Paterson (Clydebank and Milngavie) (SNP):**

4. To ask the Scottish Government how pensioners’ rights would be protected in an independent Scotland. (S4O-03239)

**The Cabinet Secretary for Commonwealth Games, Sport, Equalities and Pensioners' Rights (Shona Robison):** "Pensions in an Independent Scotland" sets out that, if elected as the first Government of an independent Scotland, this Government would retain the best of the existing pensions system while introducing a range of key improvements to protect and enhance pensioners' interests. Those improvements include uprating the state pension by the triple lock for at least the period of the first session of the independent Parliament, thus providing protection for the value of pensions over time; introducing in 2016 the single-tier pension at a starting level of £160 per week—the United Kingdom parties have currently failed to say what the level will be; and retaining the savings credit element of pension credit, thereby benefiting approximately 9,000 pensioners on low incomes. It is worth adding that we already have a strong record in protecting older citizens through, for example, the provision of concessionary travel and the freezing of council tax for pensioners. With the full powers of independence, we would be able to develop that support still further.

**Gil Paterson:** Does the cabinet secretary agree that the proposal put forward by the UK Government to raise the age of retirement is leading to concerns that a number of people in Scotland will not live long enough to receive a pension due to their lower life expectancy? Furthermore, does she also agree that it is only with independence that a pension system that is suited to the interests and lives of the people of this country can be created?

**Shona Robison:** We have set out that an independent expert commission will look at the appropriate state pension age in Scotland, taking into account the issues of fairness, equality and affordability. It is worth noting that the Scottish public believe very clearly that it ought to be the Scottish Parliament that makes the decisions for Scotland about the state pension. It speaks volumes that, in the most recent Scottish social attitudes survey, 65 per cent of respondents said that this Parliament should make those decisions and only 33 per cent said that Westminster should do so.

### **State Pension (Life Expectancy)**

**Gavin Brown (Lothian) (Con):**

6. To ask the Scottish Government what further research it plans to carry out on the relationship between the state pension and life expectancy. (S4O-03241)

**The Cabinet Secretary for Commonwealth Games, Sport, Equalities and Pensioners' Rights (Shona Robison):** "Pensions in an Independent Scotland" sets out that, following a vote for independence, this Government would reserve judgment on the rapid increase in the state pension age to 67. The analysis that was published last week provided new evidence as to why our position makes sense. On average, over a lifetime, men in Scotland receive £10,000 less in state pension, and women in Scotland £11,000 less, than the United Kingdom average. For men and women in Glasgow, compared with people in the areas of the UK with the highest life expectancy, the pension gap is £50,000 and £46,000 respectively. Increasing the state pension age to 67 so quickly, based on UK rather than Scottish levels of life expectancy, compounds that unfairness.

As the pensions paper set out, detailed considerations of whether the state pension age should increase to 67 for Scotland would fall to an independent commission. It is that body that would be responsible for conducting further research on life expectancy and pensions, taking affordability and fairness into account in drafting its recommendations. The commission would report to an independent Scottish Parliament within its first two years, enabling Parliament to make a fully informed decision on what is fair and affordable for Scotland.

**Gavin Brown:** Given what the cabinet secretary said about the current gap, why does she support the increase to 66 by 2020?

**Shona Robison:** We have looked at the affordability of the current position. Obviously, we have to ensure that our pensions position in an independent Scotland is affordable, which is why we have accepted the increase of the state pension age to 66. However, given the lead-in time, we believe that there is an opportunity to look closely at whether the state pension age should rise to 67. That rise would compound an already unfair position in Scotland. We must take seriously the position not least of women, who will be particularly affected, and people who live in our poorest communities, whose life expectancy is lower. Life expectancy in Scotland is improving, but it is improving less quickly than in the rest of the UK.

We are cautious about compounding the position by raising the state pension age to 67. That is why the expert commission will look at fairness and affordability in reaching its conclusions. I hope that members across the chamber can support that.

### **Pensions (Retirement Age)**

**Hugh Henry (Renfrewshire South) (Lab):**

8. To ask the Scottish Government, in light of recent comments by the cabinet secretary with responsibility for pensioners' rights, what the retirement age for pension eligibility would be if Scotland separates from the rest of the United Kingdom. (S4O-03243)

**The Cabinet Secretary for Commonwealth Games, Sport, Equalities and Pensioners' Rights (Shona Robison):** As I said, the Government reserves judgment on the rapid increase in the state pension age to 67 as planned by the UK Government. That is why we will establish an independent commission to consider the matter and in particular what is affordable and fair for Scotland.

We believe that Scotland should have the full powers to develop a system that is in line with Scottish needs and circumstances. As the recent analysis on life expectancy showed, those circumstances differ from those in the UK as a whole, on which current UK pension age plans are based.

We are not alone in our belief that the varying levels of life expectancy demand a rethink of the plans. For example, a Trades Union Congress report that was published in August last year said:

"Increasing state pension age is unjust because of the persistence of inequalities in life expectancy between different groups."

**Hugh Henry:** In the light of that response and her earlier response to Gil Paterson, will the cabinet secretary guarantee that, if Scotland separates from the UK, the pension age will not increase beyond 66? If she cannot guarantee that, will she tell us that that means that the pension age might well rise beyond 66?

**Shona Robison:** That is a curious question from the member given that, in its 2010 election manifesto, Labour proposed an increase to 67 in 2036. I am surprised that Hugh Henry is now toeing the Tory line by accelerating that change to 2026.

I made it clear in my original answer that we will set up an independent commission to consider what is affordable and fair for Scotland. That commission will report to the Parliament—[Interruption.]

**Shona Robison:** All members will be able to make a decision on what is best, affordable and fair for Scotland. I cannot see any reasonable person disagreeing with that.

### **Care of Older Patients (Lothian) back to top**

**Alison Johnstone (Lothian) (Green):**

5. To ask the Scottish Government what action it will take to improve the care of older patients in the Lothian region. (S4O-03260)

**The Cabinet Secretary for Health and Wellbeing (Alex Neil):** I am aware of the recent media coverage about the care of older people in NHS Lothian, and I welcome its commitment to address the issues that the Mental Welfare Commission for Scotland raised in relation to care at the Royal Edinburgh hospital. It is recognised that the Royal Edinburgh hospital would benefit from development, and the Scottish Government has approved the business case for a £48.9 million upgrade to the facility.

We will also work with health boards, the Convention of Scottish Local Authorities and service providers to develop a strategy for the long-term transformation of residential care, supported housing and intermediate care across Scotland to help to ensure that people are cared for at home or in a homely setting for as long as possible.

**Alison Johnstone:** Patients' families have raised concerns about the resources that are available to deliver dementia care in the Royal Edinburgh hospital. They had to submit a freedom of information request in relation to an inspection report from the Mental Welfare Commission for Scotland. The report detailed concerns over delays in discharging patients because of the severe lack of nursing home places in Edinburgh and a related lack of activities for patients who end up in hospital for a prolonged period.

I do not want to criticise staff—clearly, there are issues around the lack of staff.

There are reports of excellent care, too. Clearly we will have to wait for the upgrade, so I would appreciate information on what will happen in the meantime. Can the minister also explain why families have to use FOI legislation to obtain the reports? Will he make them readily available? What steps will he take to ensure that recommendations are implemented?

**Alex Neil:** We are monitoring the situation very closely, and we will make absolutely sure that the recommendations of the Mental Welfare Commission for Scotland are implemented in that particular hospital, because clearly the findings were totally unacceptable.

NHS Lothian is currently consulting on its 2014 to 2024 strategic plan for future care, called “Our Health, Our Care, Our Future”, which describes what NHS Lothian proposes to do over the coming decade to address the challenges and to provide a high-quality and sustainable healthcare system for the people of Lothian.

NHS Lothian also has an Alzheimer Scotland nurse consultant and 38 trained dementia champions across its acute hospitals. I would hope that we will see short-term improvements while the long-term strategy is being developed.