



One Parent Families Scotland

Housing Benefit & Welfare Reform
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Presentation Outline

- OPFS
- The Poverty Challenge
- Westminster Response
- Scottish Government Response
- No-one Written Off
- Changes to Benefits & Interactions
- Operational Concerns
- Further information



OPFS

Giving lone parents a voice

Vision

A Scotland in which all families, without exception, can prosper from life's opportunities

Mission

Ensure that one parent families have the support, contacts and confidence needed to play a full part in Scotland's economic and social life

Scale

200 + staff, reaches over 9,000 families



The Child Poverty Challenge

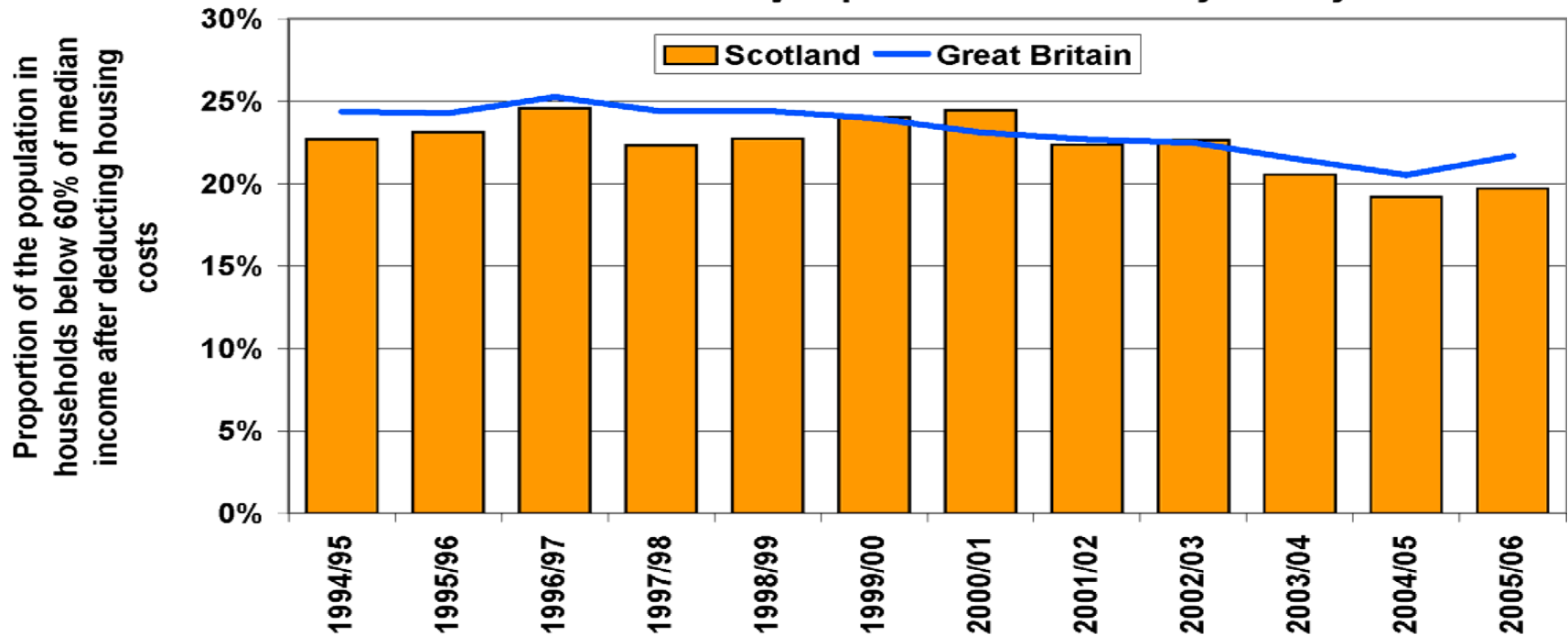
- UK only halfway towards 04/05 target of reducing child poverty by a quarter, almost been achieved in Scotland.
- Income poverty is a household income that is 60% or less of the GB average (median) household income
- 1 in 4 children in Scotland officially recognised as poor.
- Progress stalled as child poverty increased
- In Scotland, poverty is by no means confined to families who are workless. Half of all children in poverty in Scotland live in families where at least one of the adults is in paid work.
- Inadequate income lies at heart of Child Poverty, underpins ill-health, educational disadvantage, poor housing and lack of opportunities



Proportion on low Income

NPI 2008

Both the proportion of people on low income and the trend over time are similar for Scotland as for Great Britain as a whole, although the Scottish numbers jump around a bit from year to year



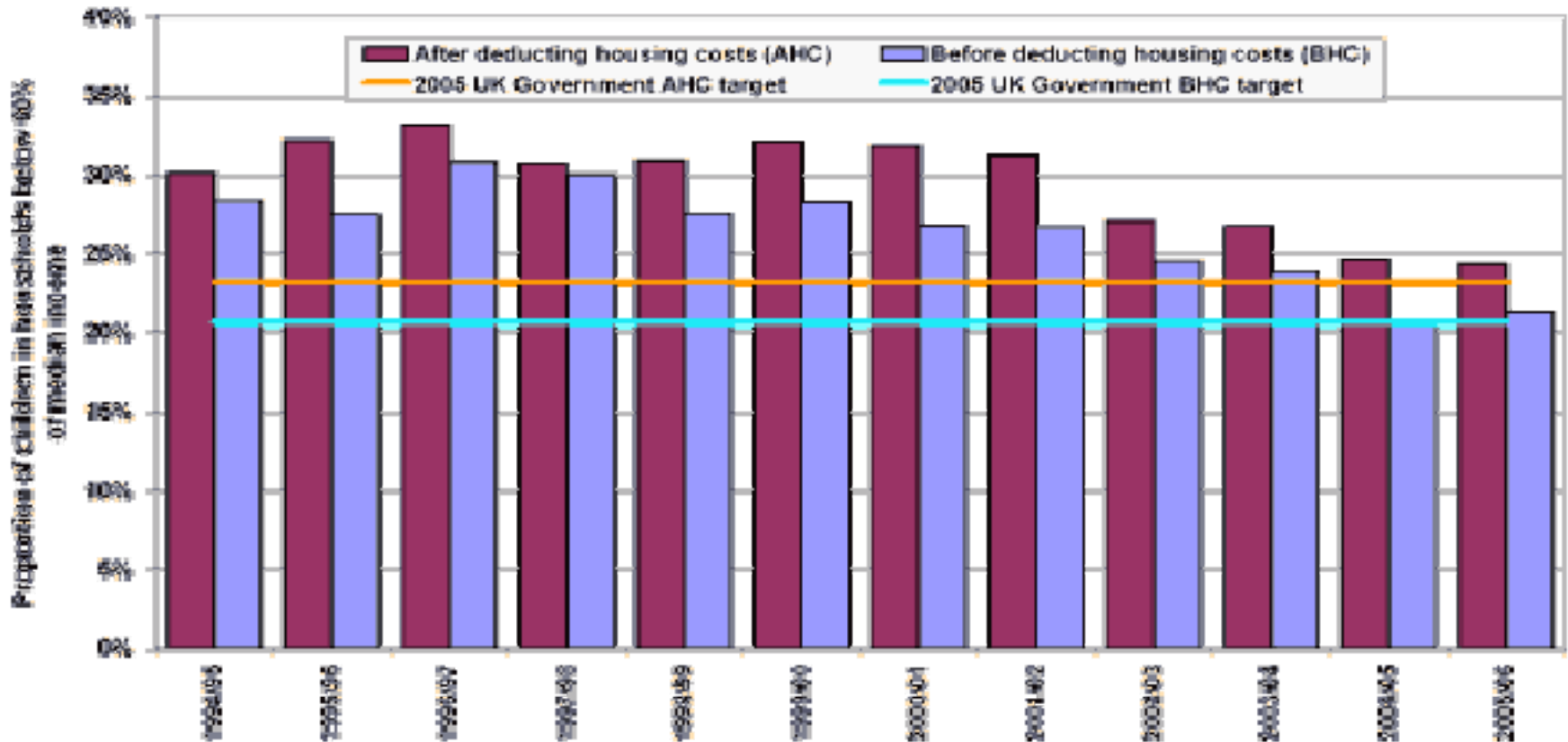
Source: Households Below Average Income, DWP; updated June 2007



Proportion of Children in Poverty

NPI 2008

Since 1998/99, the proportion of children who are in low income households in Scotland has fallen by almost a quarter, broadly in line with the UK Government target



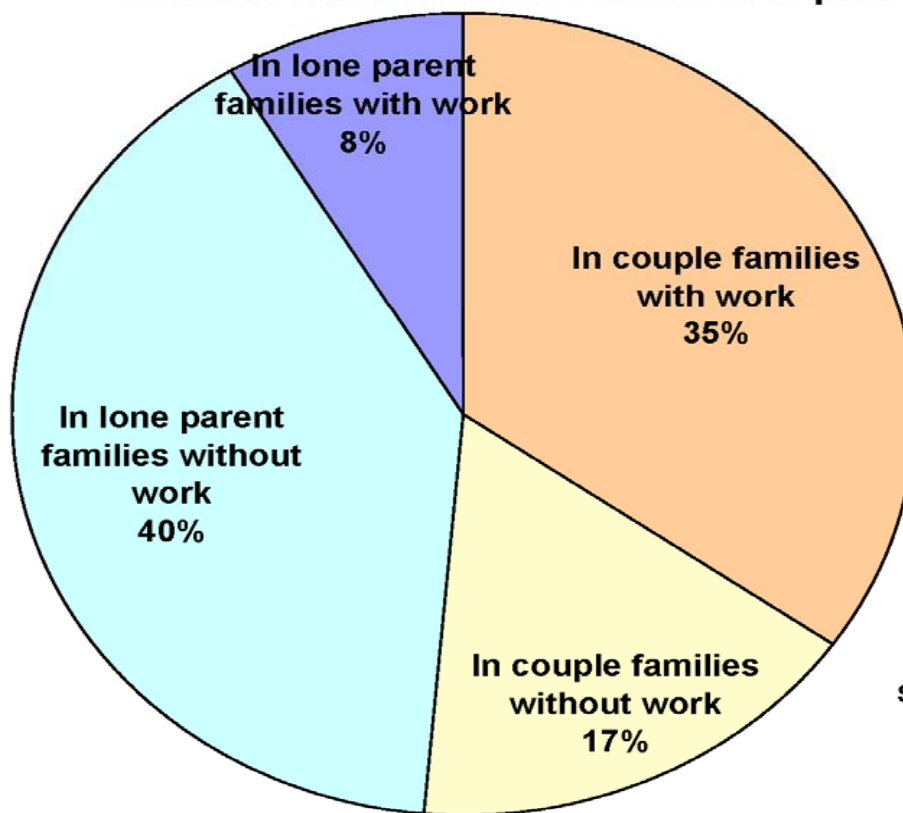
Source: Households Below Average Income, DWP, updated June 2007



Low Income & Household

NPI 2008

Two-fifths of the children in low income households live in families where at least one of the adults is in paid work



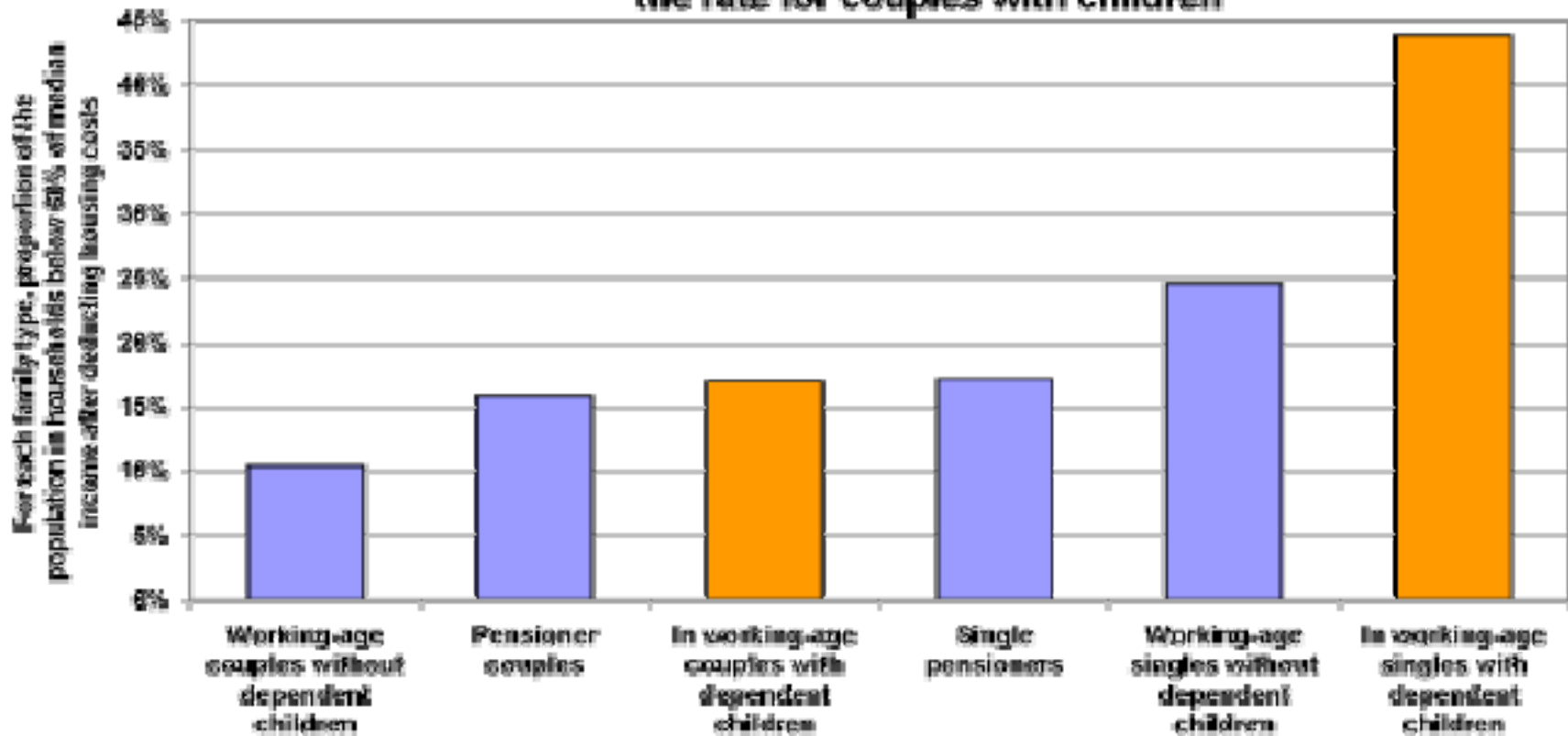
Source: Household Below Average Income, DWP; the data is the average for 2003/04 to 2005/06; updated June 2007



Low Income by Family type

NPI 2008

Almost half of all people in lone parent families, two-and-a-half times the rate for couples with children



Source: Households Below Average Income, DWP; the data is the average for 2004/05 to 2006/07; updated Sep 2008



The National Policy Context

Westminster

- Harker Report/Freud Report
- Child Poverty Target
- Ready for Work: full employment in our generation
- No one written off: reforming welfare to reward responsibility

Scottish Government

- Workforce Plus / Skills Strategy
- Early Years Strategy (includes childcare)
- Working for Families (now LA /SOA)
- Poverty Framework: income max; employability; minimise effects.



No One Written Off

- Majority people who can work will no longer be on benefits
- Abolish IB & IS: only JSA & Employment & Support Allowance
- JSA –tougher sanctions
- Implementation Freud –devolve “ back to work” powers to private & vol. Sector”
- Compulsory Training/Work for Benefit
- Drug users required to undergo treatment & move into work
- Lone Parents –required skills check; disregard maintenance
- Partners to seek work under JSA regime



Changes to Benefits & Child Support

- Changes to Income Support entitlement
- Changes to Housing Benefit rules
- Introduction of the Local Housing Allowance
- Introduction of Employment and Support Allowance
- Introduction of C-MEC



Operational Issues

- JSA and Conditionality
- Interaction between Tax Credits, Housing Benefit and Child Maintenance Payments
- Choice - How benefits are paid
- The mechanism for calculating the 'Eligible Rent'



The end of Welfare as we know it?

- Denmark & Flexicurity
- “Activation” programme
- Individualised approach
- LP’s expected to rejoin the labour market with a full time job
- Guaranteed a full time place at nursery or wrap around school care for their children
- Import the Danish model?
- Job centres in Denmark have to publish all their results/league tables
- White Paper to introduce personal contracts in Autumn 09



Welfare System: SCoWR Principles

- **Dignified:** respect and compassion, valuing unpaid work and caring roles, and recognising the responsibilities of employers and govt. as well as the public benefits of welfare.
- **Supportive:** lifting people out of poverty, so that all citizens are financially protected, whatever their circumstances.
- **Well resourced:** providing adequate financial and human resources to ensure the smooth introduction of any reforms.
- **Suitable:** taking full account of Scotland's differing institutional framework from the outset, so that any proposals enable a joined up approach to tackling poverty .



Further Information

"The work first approach is not sufficient to end child poverty.....a system which encourages parents to take any job rather than one that offers them good long term prospects, or leads to parents "cycling" between having a job and being out of work is neither efficient nor effective in tackling child poverty."

Lisa Harker 2007

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