

Welfare reform – the next steps

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Introduction

- Economic downturn
- Key themes - work
- Key themes - fairness
- Key themes - affordability
- Pace of change to continue!
- Making the system work better
- Future structure and delivery

Economic downturn

- Employment programmes and more support for unemployed people
- Workloads increased significantly
- £75m more funding for LAs 2009/10
- Looking to agree 2010 allocations this month

Main themes (i) - work

- Commitment to 80% employment rate
- Migration of IB cases to ESA
- In and out of work project
- Transition into work/Fixed period awards
- What will help most to get people into work?

Main themes (ii)- fairness

- **Comparisons with working households**
- **Need for some sort of restriction in the private rented sector**
- **What is it reasonable for HB to pay for?**
- **Working households and LHA reform**

Main themes (iii) - affordability

- **Critical look at all benefit expenditure**
- **Overall costs rising**
- **HB - not just recession, but rent increases**
- **Mounting pressure in years ahead**
- **Objectives around poverty cost money**

Pace of change

- Theme of the main Scottish conference
- Child Benefit disregard
- Capital limits for pensioners
- Temporary accommodation
- Council Tax Benefit re-naming
- LHA rules

Making the system work better

- GSX and bandwidths
- Access to data policy - security
- HB Information Flows projects
- More process improvements
- Risk-based verification/auditors
- SHBE and data flows
- More data-sharing

Future structure and delivery

- Major efficiency challenge
- Local v central
- Time to make the case
- Integration as a long-term aim?
- Internet and telephone claiming
- Optimum solution combines local and central delivery (in my view)

Conclusion

- Welfare reform still centre-stage
- HB very much part of that
- Review consultation and LHA two-year review
- Key questions to consider
- More change to come
- Build on success but be prepared to adapt