

Scottish Campaign on Welfare Reform

Briefing on the Welfare Reform Bill 2nd Reading Debate 27 January 2009

SCoWR remains very concerned that the proposed reforms to welfare provision will fail to tackle poverty and, in some cases, may even exacerbate it due to increasing conditionality, inadequate benefit levels, inadequate resources for delivery and a failure to take account of devolved issues.

About SCoWR

The Scottish Campaign on Welfare Reform (SCoWR) was set up in 2006 to highlight the concerns of a broad coalition of over forty organisations¹ working with people experiencing exclusion and poverty in Scotland. We shared the view that neither the 2006 nor the 2008 Green Papers provided either enough support for those wanting to move into work, or enough protection for those who are unable to work. We believe that some aspects of the reforms may lead to people experiencing even deeper poverty. We also raised similar concerns with Ministers in 2007 about subsequent government proposals regarding welfare reform and lone parents. Given the short timescale between the publication of the Green and White Papers on Welfare Reform in 2008, and the Welfare Reform Bill earlier this month, it is disappointing to see how few of our repeated concerns have been addressed by the legislation.

We welcome some of the proposals outlined in the Welfare Reform Bill, such as the full disregard from means tested benefits of child maintenance and the increase in the 'access to work' budget. However, many of our fears have not been allayed by the proposals, and we continue to have particular concerns about the following:

Increasing conditionality: Once again, the proposals focus almost exclusively on the responsibilities of individuals, without commensurate attention paid to the responsibilities of Government and employers in helping people from welfare into work. The proposed Bill is particularly poor in failing to specify real responsibilities for employers, and in failing to require the latter to commit resources to achieve the Welfare Reform Bill's objectives.

There is also little attention paid to the often significant structural barriers that impede progress into, and retention within, labour markets. SCoWR does not believe that conditionality and sanctions are the most constructive or effective means of working together to put more people into work. Proposals such as full time work for benefits treat claimants in a punitive and undignified manner. Quite simply, the evidence suggests that if the right support is available at the right time and the right level, people will be empowered to move into, or stay in, work.

Adequacy of welfare provision: Current levels of benefit provision are inadequate, meaning that thousands of people in the UK struggle to get by on poverty level incomes. Raising the general level of benefit rates is critical if the UK Government is serious about tackling social exclusion and child poverty, and providing people with a secure financial basis from which they can move into sustainable work. SCoWR is concerned, however, that the current proposals make no mention of benefit **rates** and believes that, until this issue is tackled explicitly, welfare reforms will continue to leave people financially unsupported.

Adequacy of resources: the financial information accompanying the Bill is almost entirely silent on the budgetary impact of the proposed changes, and fails to identify where the additional money will come from to implement the claimed level of support referred to by UK Government Ministers. Whilst we recognise additional funding has been announced for Jobcentreplus in response to the economic downturn staff cuts within the DWP, leave us questioning whether the necessary infrastructure is in place to support these reforms.. This was a major SCoWR concern before the recession and our concerns have intensified in the present economic climate. SCoWR is concerned that both existing services and the new proposals are significantly under-resourced, with demand far outstripping available funds.

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It is our fear that it will be claimants and their families who will continue to bear the brunt of this in terms of insufficient support, and a declining quality of customer service.

Devolved issues: the proposed legislation still does not fully take into account devolved aspects of welfare reform, such as the key policy areas of childcare provision and skills development, as well as the different demographics of Scotland. Consequently, some of the proposals are unsuitable as they do not fit with the wider policy and service framework currently operating in Scotland. In particular, the continuing failure of the Bill to take proper account of the very different legislative position relating to childcare provision in Scotland is of serious concern. In many instances, the lack of detail in the Welfare Reform Bill, including its implementation in a Scottish context, makes it hard to comment on how the proposals will work in practice. This creates further uncertainties for clients at a time when their current jobs may be threatened. SCoWR also considers that using volunteering to provide a surrogate form of work is not what volunteering is about. Volunteering must remain the free expression of an individual's commitment to contribute to their own community. That is the underpinning approach of the National Volunteering Strategy for Scotland, and we see no reason to change that unilaterally by legislation passed at Westminster, when volunteering is a devolved matter.

SCoWR is very supportive of the need for reform to welfare provision - but we cannot champion proposals which are unsuitable and under-resourced, treating citizens in an undignified way. Instead, we call for a welfare system that is:

- **Dignified** - treating citizens with respect and compassion, valuing unpaid work and caring roles and recognising the responsibilities of employers and government as well as the public benefits of welfare;
- **Supportive** - lifting people out of poverty, so that everyone is financially protected, whatever their circumstances;
- **Well resourced** – providing adequate financial and human resources to ensure the smooth introduction of any reforms; and
- **Suitable** –taking full account of Scotland's differing institutional framework from the outset, enabling a joined up approach to tackling poverty across the whole of the UK

Furthermore, reforms to welfare provision need to ensure that there is an adequate safety net regardless of the economic outlook. We also want a welfare system which is clear, personalised and predictable, so that the CAB service and other advice agencies, including local authorities, trade unions and the wider voluntary sector can properly advise clients.

For further information on any of the issues raised, or to discuss matters further, please contact: John Dickie, Head of Child Poverty Action Group in Scotland, on 0141 552 3303 or Lindsay Isaacs, Citizens Advice Scotland on 0131 550 1014.

ⁱ **SCoWR** members include: Action for Children Scotland, Afreshe Ltd, Barnardo's, Capability Scotland, Carr-Gomm Scotland, Child Poverty Action Group in Scotland, Children 1st, Church Action on Poverty, Church of Scotland, Citizens Advice Scotland, Dundee Anti Poverty Forum, ECAS - Edinburgh, Energy Action Scotland, Faith In Community (Scotland), Glasgow Centre for Inclusive Living, Glasgow Council for Voluntary Service, Glasgow Disability Alliance, Glasgow University Students' Representative Council, Inclusion Scotland, Leonard Cheshire Scotland, Margaret Blackwood Housing Association, Momentum, One Parent Families Scotland, Oxfam Scotland, Poverty Alliance, Public & Commercial Services Union, Rosemount Lifelong Learning, Scottish Alliance of Children's Rights, Scottish Association for Mental Health, Scottish Churches Housing Action, Scottish Churches Social Inclusion Network, Scottish Council for Single Homeless, Scottish Council for Voluntary Organisations, Scottish Drugs Forum, Scottish Homelessness & Employability Network, Scottish Local Government Forum Against Poverty, Scottish Trade Union Congress, Scottish Womens Convention, Shelter Scotland, The Action Group, The Iona Community, The Media Co-op, The Salvation Army.