

Proposals in today's welfare reform White Paper – *'Raising expectations and increasing support: reforming welfare for the future'* - include-

- the **abolition of income support**, as a first step towards a system based on a single working-age benefit. Instead people would claim either JSA or employment and support allowance, with the requirements within JSA modified to suit the broader range of people who will be claiming it.

NB – the government says however that it will not move carers from income support until it has 'a clear and detailed plan setting out how we will reform the benefits system over the longer term'.

- carrying forward rules on **education and training**, in order that those who currently claim income support and are studying or in training can continue to do so once they are moved to the modified form of JSA.
- a consultation in early 2009 on **housing benefit reform** designed to promote work incentives, ease the transition into work and ensure the system is fair between families on benefit and those in work.

The government says that the reforms, which could mean 'radical changes' to the current system, will also be designed to deliver value for money.

- taking forward proposals for **reform of the social fund** as set out in last week's DWP consultation paper 'The Social Fund: A new approach'.

NB - the proposals include contracting with third sector organisations such as credit unions to deliver a reformed loan scheme.

- adopting 'in full' the recommendations of the Freud report, including greater use of **private and voluntary sector providers** of welfare to work services.

Using an 'Invest to Save' model, contractors would provide up front investment in getting more people back into work, and be paid out of the resulting benefit savings. The approach will initially be piloted in five areas from March 2011 to explore, for example, incentives against 'parking' harder to help claimants and the use of 'accelerator payments' to reward providers more per person, the more people they get into work.

- testing a new employment programme from March 2011 which will combine Pathways to Work and the Flexible New Deal to deliver a **single, integrated, flexible employment programme** for people claiming JSA or employment and support allowance.

NB – the government says that it will also use the pilots to trial the conditionality framework recommended in the Gregg Report, and explore whether the approach could also be used to deliver welfare to work support for lone parents with children aged three to six.

- introducing a **'Right to Choose'** between providers of employment programmes.

Customer choice is important, not only for individuals, but also as a means of driving performance and quality, the government says. As a result it will look to providing information on provider performance, including success in delivering sustained employment and customer experience to help claimants make an informed choice.

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- introducing a '**Right to Bid**', to turn the traditional tendering process on its head by inviting organisations to approach the DWP with suggestions about how they can enhance its services.
- **devolving power to the local level**, from making sure local partners play an active role in commissioning processes, through to funding and accountability for outcomes being handed over to local areas who request it and demonstrate their capacity to deliver.
- integrating **employment and skills programmes**, beginning with trials in Manchester and the West Midlands to explore how these systems can be brought together to support sustainable employment and career progression.
- for **estranged young people in non-advanced full-time education**, the extension, from April 2009, of income support and housing benefit entitlement from the present maximum age of 20, to 21.
- giving **greater flexibility to Jobcentre Plus' Personal Advisers**, to tailor the support they offer to individual's needs and circumstances.

To this end, pilot schemes underway since September 2007 in Derbyshire and South West Wales will be extended with immediate effect, to develop the evidence base on what dimensions of flexibility are important.

- taking forward proposals outlined in last week's Gregg Report - that set out a 'radical vision of **personalised conditionality** matched by personalised support' – by 'moving quickly to begin reshaping previously planned pilots'.

The government says that this will include piloting the Gregg model of conditionality and support from late 2010 with people starting a new claim for employment and support allowance and lone parents with young children, and with some existing employment and support allowance recipients from 2011.

NB – whilst the Gregg report suggests that lone parents with children aged one and over should be placed in a new 'Progression to Work' group - for whom work might be a genuine possibility with time, encouragement and support - the government says that it will start by exploring what the regime might look like for parents with children aged between three and six.

- from 2012/2013, extending JSA **joint-claims** to cover couples with a youngest child aged seven or over; and ensuring that income-related support payable in respect of couples, where at least one member is capable of work, is available via JSA only.
- reviewing the **Work Capability Assessment** to ensure that only those who are genuinely not capable of work are on the benefit.

NB – the government says that it envisages that as a result there will be around a 10% increase in those considered able to look for a wide range of jobs straight away and thus be required to claim JSA.

- introducing measures to position employment and support allowance as a 'temporary benefit for the majority'.

To this end there will be a maximum period of two years between **medical assessments**; the renewals process will be reviewed to make sure that people do not remain on benefit longer than they need to; work-focused interviews will be extended to the two-year point of a claim; and claimants will be required to undertake repeated and revised **Work Focused Health Related Assessments**.

- as well as extending **Pathways to Work support** to existing claimants, testing new approaches including - for existing claimants aged under 50, a Pathways to Work style approach including a series of mandatory work-focused interviews; and a less intensive regime of work-focused interviews for most existing claimants aged over 50.
- over time, **aligning incapacity benefit and employment and support allowance rates.**

To this end the government says that all those on incapacity benefit without an age addition will have their benefit uprated by the Rossi index from 2009 instead of the Retail Prices Index; and that for those with an age addition, the cash increase in their overall benefit from 2009 will be half of Rossi.

- doubling the budget for **Access to Work**, which helps employers meet the extra costs of employing a disabled person, piloting greater flexibilities for people with a fluctuating health condition, and exploring how support can best be provided to people with mental health conditions.
- legislating to give disabled people a **'Right to Control'**, giving them the power to take a range of funding streams to which they are entitled as an individual budget, and to 'trailblaze' this approach in selected areas from 2010.

NB – the government advises however that funding streams in the form of cash benefits will not be included either in the pilots or any subsequent extension.

- trailblazing a **'Work for Your Benefit' scheme** from 2010, where people who have been on JSA for two years – or earlier at the DWP's discretion - will be required to participate in full-time activity, to develop their work habits and employability skills in return for their benefit.
- piloting a new **'Community Allowance'** within the existing employment and support allowance system, where claimants could undertake paid work to benefit the community in which they live whilst continuing to receive benefit payments.
- bringing forward new legislation to make the **JSA sanctions regime** clearer and more consistent; to test the escalating sanctions regime proposed in the Gregg Review - which supplements financial penalties with mandatory, full-time activity for those people repeatedly not meeting their obligations; and to introduce a sanction to tackle violent behaviour towards Jobcentre Plus staff.
- introducing a new **'One Strike'** sanction to reduce or withdraw entitlement to benefit for four weeks after a first benefit fraud offence.

The penalty will cover those who commit a first offence which results not only in convictions, but also administrative penalties and formal cautions.

- introducing a programme to provide an integrated approach to **drug treatment and employment support** where those claiming JSA could be asked whether current or recent use of heroin or crack cocaine is preventing them from working and/or data could be obtained from criminal justice agencies.

Those referred to the programme would be required to engage with a personalised programme of support until they are ready to move onto the mainstream Flexible New Deal or Pathways to Work programmes and, instead of JSA or employment and support allowance, would receive a new 'Treatment Allowance'

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- introducing a full **child maintenance disregard** in all income-related benefits from April 2010.
- bringing forward legislation to give the new Child Maintenance and Enforcement Commission the power to disqualify a non-resident parent from **holding or obtaining travel documents**, such as a passport, where they wilfully refuse to maintain their children.
- from 2010, requiring new claimants to have paid **national insurance contributions** for a minimum of 26 weeks in the last two tax years to be entitled to contributory employment and support allowance or JSA.

(Although the existing protections and exemptions for self-employed people and vulnerable groups will be retained.)

The White Paper is available @ <http://www.dwp.gov.uk/welfarereform/raisingexpectations>