



# Welfare Reform: what next after the election?

27<sup>th</sup> May 2015

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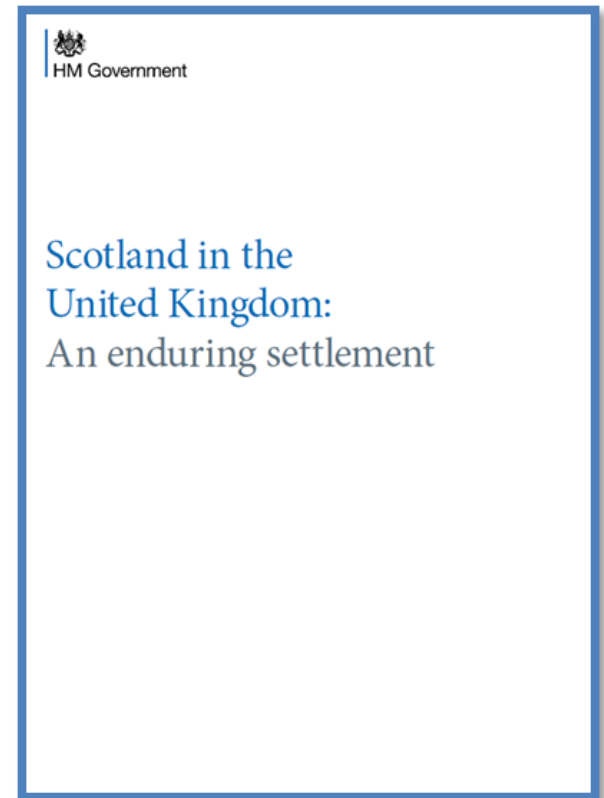
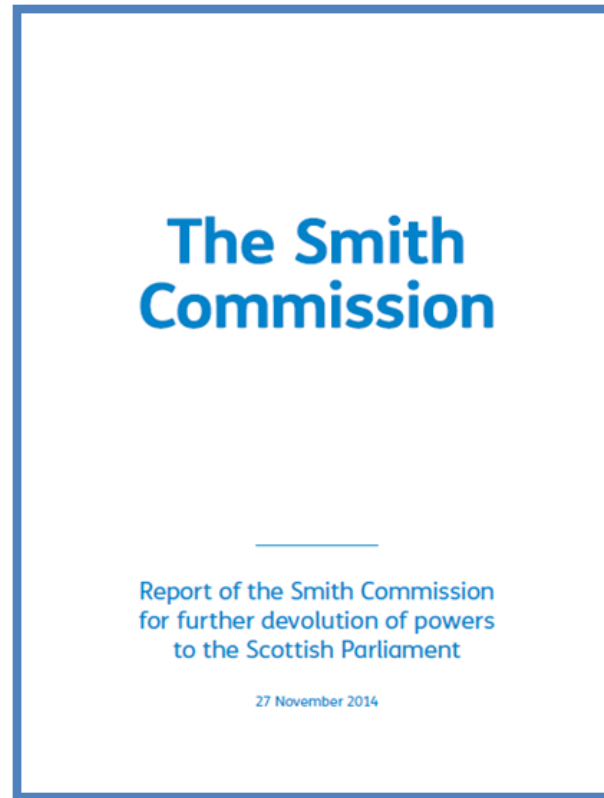
# A Political Revolution?



- The referendum attracted a turnout of nearly 85%
- Highest % of any election in the UK since 1918
- People became engaged in politics in a new way
- Ultimately resulting in 'The Vow'
- A promise to devolve more powers if the people of Scotland voted to stay in the UK



# New Powers for Scotland...



# The Recommendations



## Universal Credit

The power to change the frequency of payments

The power to vary the plan to make single household payments

The power to change the payments from the tenant to the landlord as standard

The power to vary the housing cost element of UC



# The recommendations contd.



## Devolution Outwith Universal Credit

Discretionary Housing Payments

Discretionary payments to any other area of welfare

Benefits for carers, disabled people and those who are ill

Benefits which currently comprise the regulated social fund

Powers to create new benefits and top up reserved benefits

Support for unemployed people

# The recommendations contd.



## Powers Over Taxation

Power to set the rates and thresholds for Income Tax on non-savings and non-dividend income

Funds raised by the first 10% of standard VAT will stay in Scotland

Power to charge tax on passengers leaving Scottish airports

# Criticisms of the Clauses



- Despite being involved in the Smith Commission process, Scottish Government has always argued for further devolution
- Strong call for ‘full fiscal autonomy’ and an end to austerity during UK election campaign
- The Clauses are a watered down version of Smith
- Issues with the language used - by design or sloppy drafting?
- Inclusion of a ‘veto’ preventing use of the powers without permission?

# UK Election results



- How much influence will the SNP really hold in Westminster?
- Does the extent of support for the SNP warrant a revisit of the devolution agenda?



# What Next?



- Scottish Government will continue to mitigate bedroom tax
- Universal Credit will continue to be rolled out in some form although administration may change
- We will continue to feel the pressure from UK spending cuts
- Where will the UK Government find a further £12 billion to cut from the welfare budget?



- The clauses lack clarity
- We want the welfare state to support people to meet their housing costs – regardless of which Government administers payments
- We could be in danger of creating a more complicated system than we already have
- How do we pay for changes?

## Housing supply

We want there to be enough good quality homes to meet the needs of our growing population and to support economic growth

## Affordability and welfare

Everyone should be able to afford a home which meets their needs

## More than bricks and mortar

Good housing helps people live well, enjoy better health and achieve their full potential

A  
housing  
system  
that  
works  
for  
everyone



# Any Questions?

