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The Anglo-Social Model: space for subsidiarity, responsibility and freedom

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- The Anglo-social model
- Rights and responsibilities
- The need for personalisation in welfare
- Delivering personalisation and taking responsibility:
employment zones, city strategies and Freud



The Anglo-Social Model

- Liberal economic model combined with elements of the social democratic welfare state
- Last 10 years: stable macroeconomic climate, falling unemployment, rising employment, falling child poverty
- However, inequality and child poverty still relatively high, worklessness concentrated in certain areas and groups
- Further progress may be limited by a slow-down in the growth of public spending. Need for a new approach



Rights and Responsibilities: fair reciprocity

- Labour has emphasised reciprocity and individual responsibility in the welfare state
- But a fair welfare contract requires a fair reciprocal relationship between the individual, the state and civil society
- Principles of fair reciprocity:
 - Fair opportunity
 - Fair reward
 - Universality
 - Diversity



Rights and Responsibilities: from ‘passive’ to ‘active’ welfare

- Active welfare in the UK has meant greater benefit conditionality and increased investment in active labour market programmes
- The New Deals:
 - mandatory programmes for young people and the long-term unemployed
 - greater benefit conditionality for lone parents and disabled people planned



The need for personalisation in welfare

- Fair reciprocity: if claimants are expected to do more, then the state will also have to do more by providing more effective employment support
- 1.71 million into work but reaching their limits – low participation rates and declining job entries
- Issues – not primarily client responsibility:
 - Support is driven by benefit category rather than need
 - Programmes are inflexible and do not respond to varying need
 - Conditions do not reflect claimants' differing capacities
 - Claimants have no say
 - Support ends when work starts



Delivering personalised welfare

- Britain's highly centralised welfare system is a barrier to greater personalisation
- Devolution of decision-making to local and regional level:
 - Allow providers to respond to the needs of their clients
 - Programmes can be designed around needs of the local labour market
 - Enables more partnership working at the local level



Employment Zones and City Strategies

Two schemes testing the benefits of local decision-making

- **Employment Zones**
 - No central prescription, programmes designed by local providers
 - Personal Advisor is free to recommend a range of support to clients
 - Higher retention rates than New Deal
- **City Strategies**
 - Bring together a range of local stakeholders to agree an action plan
 - Pool or align budgets to achieve shared goals
 - Greater flexibility and independence from central government



The Freud Review

- Government-commissioned report indicates possible future direction of government on welfare reform and delivery
- Recommends much greater contracting-out of welfare services under a regional structure. Note: no evidence that the PVS more effective than public sector.
- Not clear whether existing contracting arrangements would prevail or if reform would include greater local and regional decision-making



Conclusions

- Further reform of the British welfare model is required if more progress is to be made on key goals
- The increasing expectations placed on claimants requires the state to provide increasingly sophisticated and personalised welfare services
- Greater personalisation is more likely to be achieved if more decision-making and resources can be transferred to the local and regional level