

Prime Minister's foreword



In 1997, this Government inherited a welfare state weighted heavily towards rewarding and supporting people who were not actively seeking to improve their situation, whether by looking for work or by taking part in training.

Too many people lacked both the aspirations and the support to get back into work – their talents and potential wasted by a system that offered too little too late. Over the last ten years we have sought to change that, introducing policies like tax credits and the New Deal to create a more active labour market.

There are now one million fewer people on inactive benefits than there were ten years ago, with a record number of people in employment – major achievements that show how determination and the imagination to try new approaches can deliver real results.

And in a globalised world, we simply cannot afford the high price of large numbers of people on benefits. Instead, we need people in work, making the best use of their talents and helping us compete. I want to build a more prosperous and fairer Britain, and we will only create lasting prosperity by ensuring that the talents of our country are fully employed – and that rights are met with tough responsibilities that respect taxpayers as well as those claiming benefits.

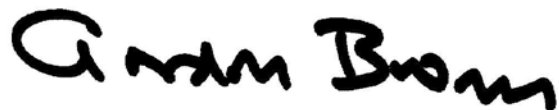
So, to help us build that fairer Britain this Consultation Paper continues the overhaul of our welfare system, ensuring that the everyone on out-of-work benefits are subject to an active regime that offers more support but expects more in return.

Quite simply, we want everyone who can work to work – and that means more help with gaining skills alongside a requirement to take up these opportunities. It means medical support alongside an expectation that when treatment is successfully completed people will return to work. It means treatment for drug misusers coupled with clear consequences for those who fail to take it up. And it means channelling savings from all these measures towards real help for disabled people – supporting them to do the work that they are able to and not writing them off as unemployable.

These reforms will ensure we have a world-class welfare system that maximises the numbers in employment and minimises the numbers on benefit. They reflect our drive towards world-class public services across the board – delivering personalised services tailored to individual needs, giving more freedom to frontline professionals and increasing people's control over the services and support they choose to access.

And they will put us well on the way to achieving an 80 per cent employment rate, getting one million people off incapacity benefits by 2015, eradicating child poverty by 2020 and reaching our vision of equality for disabled people by 2025.

I believe that all of us will feel the benefits of the proposals set out in this consultation paper, and I hope that everyone with an interest will have their say, working with us to build a fairer and more prosperous Britain where all our citizens are able to unlock their full potential and to play their part.

A handwritten signature in black ink that reads "Gordon Brown". The signature is written in a cursive, slightly slanted style.

Gordon Brown
The Prime Minister

Ministerial foreword



The third principle is that social security must be achieved by co-operation between the State and the individual. The State should offer security for service and contribution. The State in organising security should not stifle incentive, opportunity, responsibility...

The Beveridge Report, 1942.

Beveridge based his reforms on three principles: first, that a revolutionary time called for revolution, not for patching. Second, he wanted to attack not just Want, but Disease, Ignorance, Squalor and Idleness too. This second principle, the need to attack the Five Giants, became the foundation of the post-war consensus over the welfare state.

But his third principle – that social security should not stifle incentive, opportunity and responsibility – was too easily forgotten. In particular, from the 1960s onwards, the responsibility to work was eroded. By the mid-1980s, all requirements to look for work were suspended – resulting in unemployment rising further than it need have done, to over 3 million.

Reforms over the last decade have been returning the third principle to the centre of the welfare state. This Consultation Paper is the next step along this path. It proposes a benefit system that rewards responsibility, gives people the incentive to do the right thing, and encourages them to look for work and to seek the skills they need for the future. But it also ensures that opportunity is available to everyone: it seeks to end the current injustice whereby too many people are written off to a life on benefits and excluded from help to get back to work. In short, it is based on a simple deal: more support, more responsibility.

It is inspired by the reforms proposed by David Freud in his report on the welfare state. It implements them all, including supporting Incapacity Benefit claimants back into work by paying private, public and voluntary sector providers from the benefit savings they achieve.

But it also takes those reforms further, by proposing:

- giving private and voluntary providers the right to bid for any back-to-work service;
- requiring jobseekers to do more the longer they claim, including working full-time in return for their benefits at any stage where it would be effective;
- building on *Work Skills* by taking legislative powers to require those with skills barriers to undertake training to help them back into work;

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- expecting partners, as well as lone parents, to look for work when their youngest child is seven;
- strengthening parental responsibility by letting parents keep all of their maintenance payments and requiring both parents to register the birth of their child;
- giving more help to the most severely disabled people, as well as doubling the Access to Work budget to help around an extra 25,000 people a year to stay or get back into work;
- giving disabled people a 'right to control' over the range of public funding to which they are entitled, by taking it as an individual budget; and
- simplifying the benefit system to remove perverse incentives and reduce fraud and error.

This Consultation Paper proposes new thinking on welfare. These ideas need to be tested before they are applied nationally. That process starts with your views about these ideas. I look forward to hearing them and working with you to reach our goal of an 80 per cent employment rate through a welfare state that does not write anyone off, but instead requires and rewards responsibility from each person.



James Purnell

Secretary of State for Work and Pensions