



Department for Work and Pensions

No one written off: reforming welfare to reward responsibility

Public consultation – Quick read

Quick read presented to Parliament by the Secretary of State for
Work and Pensions by Command of Her Majesty
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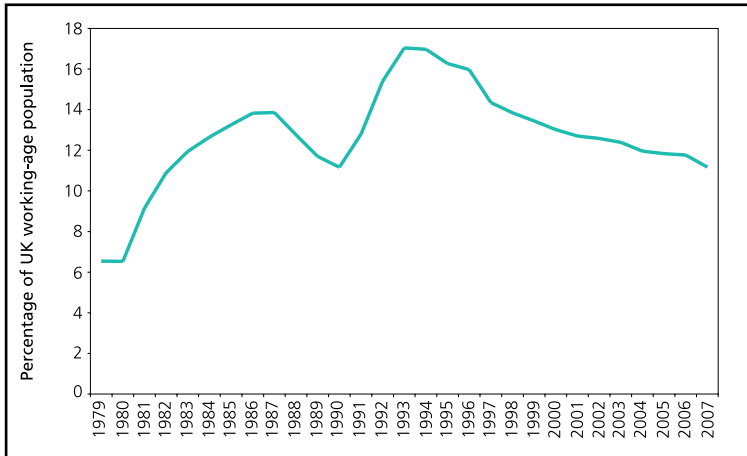
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Chapter 1 – Introduction

- 1.1 The social and economic case for encouraging and supporting people to use and develop their talents is clear. It is essential that, as a society, we ensure the right support to enable people to become independent and lead fulfilling lives. This fits in with the ambitions of people in the 21st century. We want, and exercise, more choice than ever before; we expect personalised services – but alongside this increased choice comes the responsibility to exercise it wisely. We have published this Green Paper to support a wide public consultation on the reform of the welfare state.
- 1.2 In the past, the welfare state did not give enough emphasis to the contract between the State and the individual. At its best it provided a one-size-fits-all solution that did not address an individual's particular needs. At worst, it encouraged benefit dependency, wasted talent and obstructed opportunity. There was little expectation for people to look for work and little support if they did. By 1997, the missed opportunities were clear. There were over two million more people on inactive benefits than in 1979, some 15 per cent of the working-age population (Chart 1).
- 1.3 Since 1997, the Government has worked to modernise the welfare system. Our reforms have tackled many of the barriers that people face. They have shifted the focus back towards an active and enabling welfare state. At the heart of our approach is the belief that paid work is the route to independence, health and well-being for most people. Work promotes choice, supports an inclusive society and increases community cohesion and economic growth.

Chart 1: Claimants of Jobseeker's Allowance, Incapacity Benefit and Income Support for lone parents

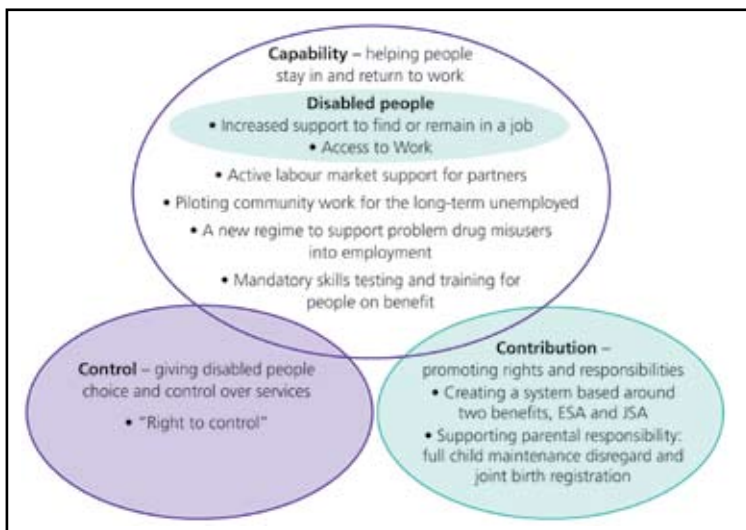


1.4 We recognise, however, that not everyone can work. So we have made sure that the right support is available to people out of work to allow them as much control as possible over their lives, whatever their circumstances. We have introduced a stronger framework of rights and responsibilities. Benefit claimants are now no longer treated as passive recipients, but expected to take active steps to return to work. This includes training where lack of skills is a barrier to obtaining and retaining work.

Looking ahead

- 1.5 The progress that we have made means that we are well placed to move towards our long-term aspiration of an 80 per cent employment rate; a rate that would be easily the highest in the major industrialised world and the highest, on record, that this country has ever seen. This Green Paper, therefore, sets out a package of proposals for reform that will move us further towards this long-term ambition, as set out in Chart 2.

Chart 2: The Green Paper proposals – progressing control, capability and contribution



Chapter 2 – An obligation to work

- 2.1 Our vision is a welfare state where no one is written off and everyone is expected to contribute. We want to do more to prevent people from drifting into long-term unemployment or inactivity and becoming detached from the labour market.
- 2.2 The next steps we will take so that people do not become locked into long-term dependency on benefits include:
- Taking new powers, and testing those powers, to require long-term unemployed people to engage in a programme of full-time, community-based work experience to improve their employability skills and build up their work habits.
 - Toughening the Jobseeker's Allowance (JSA) sanctions regime, by introducing automatic benefit sanctions for those failing to attend a mandatory interview without good cause. Also, introducing new rules that would tackle violent behaviour as it undermines efforts to seek and sustain employment.
 - Expecting problem drug users on benefits to take appropriate steps – such as drug treatment or employment provision – that support a return to work.
 - New measures on skills, including piloting mandating jobseekers, lone parents and people on incapacity benefits, to train. Proposals include pilots for lone parents with younger children to undertake agreed skills-related activity to support their path into work, in return for increased benefit payments.

- 2.3 The support available will help to break down the barriers that prevent many people from fulfilling their potential. However, we are clear that individuals themselves need to meet their responsibility to make the best of these opportunities.
- 2.4 These reforms will go further in shaping an active, work-focused welfare state, with increased support and higher expectations in return. The approach is central to – and will take us a long way towards – achieving our long-term ambition of an 80 per cent employment rate.

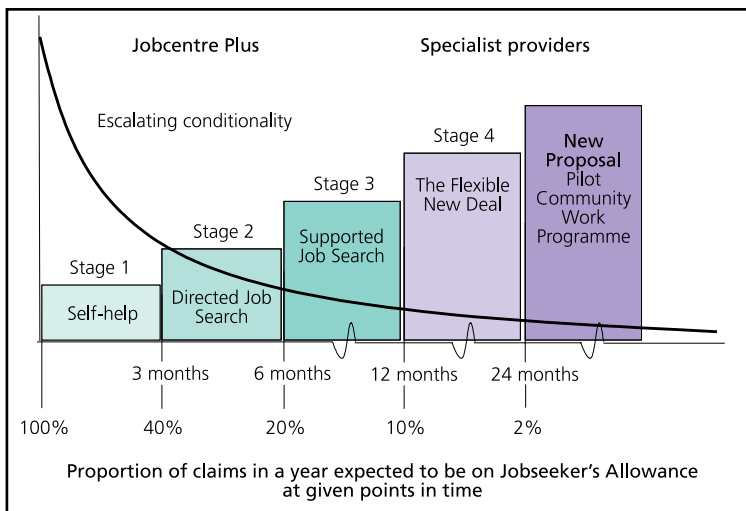
A stronger sanctions regime

- 2.5 Benefit sanctions have been successful for the majority of jobseekers. Of those claimants who are sanctioned, most (73 per cent) are only sanctioned once – claimants say they would not repeat the behaviour that led to the sanction. Research shows that most jobseekers agree with this approach – even 40 per cent of those who are sanctioned think their own sanction was fair. We want to make it clear that everyone has an obligation to take up the support that is now on offer, and so we will further improve the conditionality regime. Our proposals include:
- looking at how to speed up and improve the effectiveness and quality of the decision-making processes;
 - failing to attend a fortnightly job review or appointment without good cause would mean losing that week's benefit;
 - escalating sanctions so that a second failure to attend or another failure to comply with work preparation activity without good cause would mean the loss of two weeks' benefit;
 - imposing a similar sanction on people who use actual violence or the threat of violence towards staff in Jobcentre Plus offices and organisations delivering services; and
 - conducting a review of conditionality in other countries.

‘Work for your benefit’

- 2.6 In December 2007 we set out our plans for a Flexible New Deal for jobseekers who have not found a job after one year. We said that we would look at what we should expect of people who are still out of work at the end of 12 months of personalised support from a Flexible New Deal provider. We want to make sure that we continue to increase what we expect of people the longer they've been on benefit. Moreover, people who reach the end of the Flexible New Deal without finding sustained work are likely to face considerable barriers to work. We think that Jobcentre Plus should look again at every case where someone reaches this point, in discussion with the Flexible New Deal provider.
- 2.7 We have already announced that everyone in the Flexible New Deal will be required to work full-time or undertake full-time, work-related activity for at least four weeks as part of their action plan for return to sustained employment. We are proposing to contract with public, private and voluntary providers to test models of mandatory, full-time activity for those who have not found work at the completion of the Flexible New Deal.
- 2.8 We want to be clear that this ‘work for your benefit’ is not about introducing compulsory volunteering or forcing people to volunteer. Instead, we want to send out a clear message that people capable of work, but who have not found a job by this stage, will be required to work full-time or undertake full-time, work-related activity in return for their benefits.

Chart 3: The Jobseeker's Allowance regime and a new Work for your benefit programme pilot



A new regime for problem drug users

- 2.9 The social and economic cost of drug misuse is unacceptably high. We estimate that up to 240,000 people in England are in receipt of out-of-work benefits and are dependent on opiates or crack cocaine. This is around three-quarters of the estimated total number of people who are dependent on these drugs. Drug addiction is not, in itself, grounds for claiming benefit, but it is clear that many people who are dependent on benefit are also dependent on drugs.
- 2.10 Through the progress2work scheme, we invest £20 million a year in specialist, integrated employment support benefiting over 10,000 recovering drug users. However, it is clear that we must go further. The Green Paper sets out our proposals for a new regime for problem drug users. The first priority is to

ensure that we can effectively identify these problem drug users in the benefits system. We need to develop a new approach to identification – based on using interventions in the new Employment and Support Allowance (ESA) and Jobseeker's Allowance (JSA). Once problem drug use has been identified, those who are not in drug treatment already will be required to see a drug treatment provider and specialist employment adviser to draw up a rehabilitation plan or receive a sanction. We are also considering whether to require people claiming benefit to declare problem drug use.

Work skills

- 2.11 Without the right skills we cannot compete effectively in the world market. Without the right skills many individuals will not feel the full benefits – to their health, self-esteem and income – of being in work. Recent documents have set out our plans to help people on benefit to identify and address their skills needs. We have also explained how we will update key training provision so that it is designed around what people really need, and what fits in with their lives. Further proposals in this Green Paper include:
- for people on JSA: requiring a skills check if their adviser thinks this is necessary;
 - for people on ESA: consulting on whether to require people who need training to attend a course;
 - for lone parents: consulting on whether to require a skills health check and participation in relevant training when their youngest child is five; and piloting a 'skills for work' premium for those with children under the age of five.
- 2.12 We are also proposing moving lone parents with younger children from Income Support onto a modified JSA that reflects the particular barriers to work which result from their caring responsibilities.

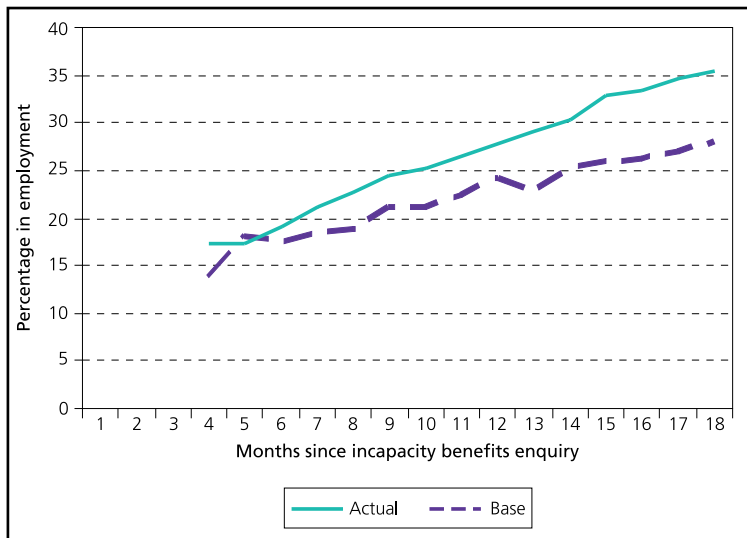
Chapter 3 – No one written off

- 3.1 Most disabled people or people with a long-term health condition either have a job or would like one. However, despite an increase in the employment rate of disabled people over the last decade, too many people are excluded from work and left behind on benefits for long periods. This is bad for their health and well-being, and for society as a whole. That is why we reformed Incapacity Benefit (IB), which rewarded people the longer they remained on it. We want to complete this reform process so that no disabled people or people with long-term health problems are written off.
- 3.2 We will increase support and help for both new and existing claimants. In return, most people will have to take up the offer of support to help them back into work, or face benefit sanctions. The most severely disabled people will receive extra financial assistance and will be able to access support on a voluntary basis. We will deliver our vision by:
- using the new Work Capability Assessment to re-assess existing incapacity benefits claimants for eligibility to the Employment and Support Allowance (ESA) – to ensure people are receiving the right benefit and their personal needs are identified;
 - making a universal offer of personalised back-to-work support for all new and existing claimants of incapacity benefits – building on the success of Pathways to Work. For the vast majority, ESA will be a temporary benefit as people recover from, or adapt to, their condition and prepare for a return to work;
 - contracting with private and voluntary sector providers and paying them by results out of benefit savings – the funding mechanism recommended by David Freud;

- piloting Fit for Work services which will bring together health and employment support to help people in the early stages of sickness absence to stay in touch with work;
- doubling the budget for Access to Work by 2013/14 and investing more in our supported employment provision, so that we can move closer to realising our aspiration that this support should be available for everyone who needs help to fund the cost of essential workplace adjustments, beyond what is reasonable for an employer to bear;
- reviewing the medical assessment in line with a capabilities approach to focus it on what people can do rather than what they cannot, with repeat assessments at more frequent intervals that take better account of changing circumstances; and
- seeking views on whether, in the future, we should move towards a system that makes an assessment of the types of work someone on ESA may be able to do on the advice of a doctor and asking people to look for work in these areas – recognising that there will be limitations to the types of work considered, based on the nature of the health condition or disability.

3.3 These reforms mark a radical shift towards a truly active and personalised welfare state, boosting employment and tackling long-term benefit dependency. They increase support and raise the expectations of disabled people – backed up by positive action by Government and employers to help them make their aspirations a reality. The success of this approach is shown in the impact of Pathways on the employment rate (see Chart 4).

Chart 4: Pathways to Work: impact on employment over time



The Work Capability Assessment

- 3.4 We need to make sure that people who can work do not get trapped on benefits. It was for this reason that we overhauled the process of assessing people's capacity to work. We will introduce a new Work Capability Assessment (WCA) for all those applying for the Employment and Support Allowance (ESA) from October this year. Between 2009 and 2013, we will also re-assess existing IB claimants using the WCA, to ensure people are receiving the right benefit and their individual needs are identified. From this point, IB claimants will be subject to the ESA regime.

- 3.5 For both physical and mental health conditions, the WCA focuses far more on what an individual can do rather than what they cannot. Individuals judged eligible for ESA will either be assigned to the Work Related Activity Group (and expected to take active steps to prepare for a return to employment) or the Support Group (where the most severely disabled people will receive a guarantee of a higher basic rate of benefit and can still volunteer for back-to-work support if they wish).
- 3.6 In the light of the growing consensus that work is good for people's health, we will further review the WCA to ensure that the right people receive ESA, with those able to look for and work in a wide range of jobs straight away being placed on the more active Jobseeker's Allowance (JSA) regime.

A universal offer of personalised back-to-work support

- 3.7 People on benefit for a long time risk losing confidence and contact with the labour market – exacerbating their disadvantage. Many may also lack the skills they need to get back to work. These are major barriers to helping them back into employment. They may also contribute to the low numbers of people who come forward for voluntary support.
- 3.8 There is now welcome evidence that barriers such as these can be overcome. The initial findings from a pilot which extended Pathways to Work to existing Incapacity Benefit (IB) claimants showed that it substantially increased their prospect of getting a job, even if they had been on benefits for several years. So we will now step up help for this group so that they can also gain from the individual support on offer and make sure that no one is abandoned to a life on benefits. As people are transferred from IB to ESA, we will ensure all those placed in the Work Related Activity Group are given a personalised programme of back-to-work support based on Pathways to Work.

Harnessing the innovation of the private and voluntary sectors

- 3.9 A key component of extending personalised support to existing IB claimants will be a radical new approach harnessing the innovation and expertise of the private and voluntary sectors. In his report, David Freud set out a vision for funding upfront investment in helping individuals with complex needs to get back to work through future benefit savings – paying providers for achieving sustainable employment outcomes, but allowing them freedom in how they achieved these goals.
- 3.10 We believe this approach could deliver improved outcomes for significant numbers of those currently excluded from back-to-work support – while also achieving long-term savings for the State. We plan to run a number of pathfinder projects in various regions of the country. This will enable providers gradually to build their capacity, while enabling everyone to learn what works best.

Increased funding for Access to Work

- 3.11 A recent consultation found that Access to Work was both highly regarded and seen as effective by users, employers and disability groups. Indeed, respondents believed that, despite the four-fold increase in funding over the last decade, there was a clear need to expand the service to help more people and reassure employers that support is there if required. As we place greater responsibilities on people to look for work, it is right that we offer greater help. We will, therefore, double the Access to Work budget. We estimate that this would expand the programme's capacity to around 48,000 people by 2013–14.

Keeping people in work – an active partnership

3.12 The best way to prevent the long-term exclusion of disabled people and those with ill-health from the labour market is to help people remain in work or to return to their jobs quickly. The need for greater emphasis to be given to supporting the health and well-being of the working-age population was central to Dame Carol Black's report to the Government in March 2008. We are currently working across government to consider the detail of her analysis and will respond formally to her recommendations later this year. However, in a number of key areas we are already able to indicate our direction of travel:

- supporting employers to invest in the health of their workforce;
- reforming the sicknote to ensure that it helps, rather than hinders, recovery and a quick return to work;
- developing 'light-touch' action plans, agreed between employers and employees;
- implementing the recommendation for a Fit for Work service, providing timely access to a wide range of back-to-work support for people in the early stages of sickness absence.

Chapter 4 – Ending child poverty

- 4.1 Ending child poverty is a social, economic and moral imperative; an historic shared endeavour for our country. Growing up in poverty affects children's childhood and limits their life chances. That is why we have committed to eradicate child poverty by 2020. We have announced measures in recent Budgets that will lift around 500,000 further children out of poverty.
- 4.2 In March 2008, we set out the next steps towards the 2020 child poverty goal, including an investment of £125 million in pilots over the next three years, to explore pioneering policy approaches and discover those that deliver the best results and can make a long-term, and sustainable, impact on child poverty.
- 4.3 The Government cannot eradicate child poverty on its own. It requires sustained national, regional and local effort, involving devolved administrations, across all agencies, service providers and professionals, and including communities and businesses. Families need to be active participants in this process. Our welfare reform measures aim to accelerate progress towards this goal by providing additional support, while strengthening parents' responsibilities to contribute financially and emotionally to their children's upbringing.
- 4.4 These measures include allowing parents on income-related benefits to keep every penny of child maintenance they receive, to maximise the incentive for separated parents to meet their obligations to their children. We will also introduce measures to promote the joint registration of births and shared parental responsibility.

- 4.5 These policies underline our determination to work with parents to give every child the best start and chance in life. Measures detailed in other chapters will support more parents into employment – the most sustainable route out of poverty. The full maintenance disregard, combined with existing reforms to the child maintenance system, and measures to support lone parents with older children into work, will lift up to 200,000 children out of poverty. We will be consulting widely with stakeholders over the coming months to work out what more we can do to reach our goal of eradicating child poverty by 2020.

Supporting more partners into employment

- 4.6 The risk of poverty for children in workless couple families is 68 per cent – more than three times the UK average. But while we are insisting that many lone parents take up opportunities to help them into work or risk sanctions, and are doing the same for couples without children on Jobseeker’s Allowance (JSA), we make fewer demands on two-parent families where both partners are out-of-work. Around 350,000 partners receive support through the benefits system. While many partners in these cases are capable of work, only the person who makes the claim has been generally required to undertake any significant steps towards work.
- 4.7 Supporting partners into work would help them meet their own aspirations. We know that many partners of JSA claimants want to work. Nearly nine in ten JSA partners with children expect at least one of the couple to be in work over the next couple of years, with a third expecting both partners to be working at least 16 hours a week. In addition, almost all partners of someone on JSA state that they would be happy for their partner to take over childcare responsibilities if they got a job.

- 4.8 From later this year we will start requiring lone parents with older children to look, and be available, for employment. JSA conditionality has been improved to take into account the specific needs of being a parent. We recognise that all families face challenges in balancing work and caring responsibilities. But we consider that it is appropriate to expect partners of benefit recipients to take active steps to look for work once their youngest child is seven years old.
- 4.9 Under our proposals we will require the partner of someone on benefit who is able to work, and has a youngest child aged seven or over, to look for work. As with the changes proposed for lone parents, we believe it is reasonable to expect both parents to look for work once a child is settled in school.

Chapter 5 – Delivering choice and control for disabled people

- 5.1 Over the last decade, the Government has taken significant steps to improve the rights and opportunities for disabled people. This is underpinned by our commitment that by 2025, disabled people will be respected and included as equal members of society with full opportunities to fulfil their potential.
- 5.2 To support this goal, we will consult on a series of possible further changes that would give disabled people greater choice and control over their lives, giving them the right to request control over a range of public funding to which they are entitled, allowing them far greater choice over how best to spend this money so as to meet their needs.
- 5.3 The aim of these changes would be to ensure support is targeted to those who need it most, while increasing the independence and autonomy of disabled people. We recognise this is a major change, so we will consult widely on the potential opportunities and challenges of a redistribution of power from the State to the individual.

Progress towards choice and control for disabled people

- 5.4 We are making progress in removing the barriers that prevent disabled people participating in society as equal citizens. The Disability Discrimination Act has given disabled people comprehensive and enforceable rights, including a duty for public services to promote equality of opportunity and eliminate discrimination. We are now simplifying the law so that people can better understand their rights and responsibilities through a new Equality Bill.

- 5.5 Our five-year Independent Living Strategy sets out the Government's policy commitments, the difference these commitments are intended to make and how progress will be measured and monitored. But there is still a long way to go, as Box 1 shows:

Box 1: "I want to be in the driving seat" – Rose's story

Rose has multiple sclerosis and is finding it increasingly difficult to walk. She is currently holding down her job as an office administrator, but will require an electric wheelchair and some assistance to get to work if she is to continue. Aged 38, Rose has also had bouts of severe depression throughout her adult life and currently receives services from her local Community Mental Health Trust. In the current system, Rose will need to look to three different systems and sets of professionals to meet her needs. She has already experienced some conflict between the three different sets of professionals involved as to who is responsible for what. Rose wants to be put in the driving seat of sorting out what support she needs in order to live an ordinary life.

Right to control

- 5.6 When people understand the resources the State is prepared to spend to support them and are able to have an effective say in how those resources are spent, it can lead to a more satisfactory outcome for the citizen. It moves people from being under control, to in control, as active citizens. An evaluation of the individual budget pilot programme undertaken in 13 local authorities is expected later in the year. We want to explore how we might extend this by giving disabled adults greater control over the combined budget which the Government spends on their support. We consider that a system to give disabled people greater choice and control – could include the following:

- the outcomes to be achieved from public resources should be agreed with the individual;
- people should be told the resources available (expressed as an amount of money) to meet the agreed outcomes, and any shortfall should be made explicit; and
- people should have choice and control over how these resources are used to meet the agreed outcomes.

Chapter 6 – Simplifying and streamlining the benefits system

- 6.1 We believe that simplifying the benefits system and updating it to reflect modern society is central to delivering better outcomes for individuals and the country as a whole. Reducing unnecessary complexity means that people can better understand, and more quickly access, the support they need. It is also an essential part of focusing the welfare system more actively towards work and underpinning more personalised employment support and conditions. It will also help modernise those aspects of the benefits system which were designed for an earlier era and don't meet the needs of 21st century families and society.
- 6.2 This cannot be achieved overnight and this chapter sets out a series of proposals to accelerate progress including:
- abolishing Income Support (IS) and so creating a system based around two benefits, Jobseeker's Allowance (JSA) and the Employment and Support Allowance (ESA), when resources allow;
 - seeking views on how carers and others who receive IS can be provided for within this structure;
 - reducing the differences between existing rates of incapacity benefits and ESA; and
 - changes to the National Insurance contribution conditions for ESA and JSA.
- 6.3 These proposals signal our commitment to continue the process of simplifying and streamlining the system of benefits for people of working age. Some of the proposals are radical, but we believe that they are necessary to revitalise the benefits system and produce better outcomes for individuals.

Working-age benefits: the need for change

- 6.4 The benefits system deals with millions of claims from millions of people – all with individual needs and circumstances. This means there will always be some complexity in the system. But at the moment the current tangle of conflicting and overlapping benefits leads to confusion for customers and our staff. For claimants, the complexity of the system can obscure their choices and mask what they can expect from us – as well as what we expect of them. The benefits of moving into employment are not always easy to see, creating doubt and uncertainty about leaving the benefits system.

The way forward

- 6.5 We believe that the idea of reducing the number of benefits has great merit – a radical, modernising reform to remove some of the complexity inherent in the current system. In designing a simpler system, we must still recognise that people's needs are many and varied. Any welfare system must have the flexibility to cope with these diverse needs. Such a system would be based more on individual need and less on the type of benefit received. For those capable of work in the longer-term, but with significant barriers or responsibilities, activity would start gently and increase as they are able to manage more activity.
- 6.6 We think there is a strong case for abolishing IS altogether as it is a largely passive benefit that expects very little from its recipients and does nothing to prepare them for a life after benefits. In fact, its very name implies financial dependence and inactivity.

- 6.7 With the proposals to move lone parents to a modified JSA and disabled people and people with long-term health conditions claiming IS to ESA, IS would be a benefit mainly for carers plus an assortment of much smaller groups. We want to consult widely on how the best interest of these groups and in particular carers, can be best served within the benefits system.

Further reforms

- 6.8 ESA is a new benefit with a very different structure of rates and allowances to incapacity benefits. Over time, we believe it is fair to make sure that everyone receiving benefit because of sickness and disability, is treated equally. To smooth the transition from existing incapacity benefits to ESA, we will begin the process of aligning rates from April 2009 in advance of incapacity benefits claimants being moved to ESA. Nobody will have their benefit levels reduced in cash terms.
- 6.9 At the moment, people can qualify for contributory IB and JSA by working for as little as four weeks. We propose to strengthen the link between claiming contributory benefits and periods of recent work by reducing the number of contribution years in which a claimant can qualify for ESA from the last three years to the last two and modernising the qualifying contributions period for benefit, so that people can qualify only after a reasonable period of work. In future, our reforms will ensure that people have to work for around six months before they can qualify for contributory ESA and JSA.

- 6.10 We consider that there may be attractions in reforming the Bereavement and Industrial Injuries Disablement Benefits to meet the expectations of a modern welfare state. In particular, we are interested in how we might reform the benefits to support people while they adjust to changed circumstances and help them return to living independent lives. This could mean, for example, ensuring the benefits provide more support upfront through lump-sum payments to those in need, but do not unduly undermine a person's motivation to move into work or begin a relationship with a new partner, where appropriate, in the longer-term.

Chapter 7 – Empowerment and devolution – a new way of delivering our services

- 7.1 Since 1997, the Government has increasingly delivered services to customers through a variety of providers in the public, private and voluntary sectors. By using their skills and expertise, we have improved the quality of services, allowed more local flexibility, given individuals more control over the services they receive and achieved better outcomes.
- 7.2 We now want to go further by devolving more power to individual customers, local partnerships and providers to improve the quality and effectiveness of services.
- 7.3 This chapter sets out how we will carry out this triple devolution by:
- bringing together Government programmes to improve and unify services;
 - giving customers increased power to choose who provides their services;
 - allowing providers greater freedom to innovate and deliver services through a new 'Right to Bid' process; and
 - handing a bigger role to local partnerships in developing, monitoring and even letting contracts for services.
- 7.4 We will be trialling new approaches and putting learning into practice as we go. Working collaboratively across government, with local partnerships and with providers, we will set the pace of change to deliver reform as soon as possible.

Empowering individuals

- 7.5 Individual responsibility is at the heart of these reforms. For people to exercise this responsibility, we need to increase choice. People know what works best for them, but we need to give them the ability to act on that knowledge. Where possible we should allow our customers the choice over which services they access and which providers they use. We will test this again in the Flexible New Deal after contracts have been running for a year and we have built up a body of information that will inform customer choice.
- 7.6 Our customers should – and do – aspire to more than low-skilled, low-paid jobs. More and more opportunities are available in higher skill sectors, so we are reforming the system to make it easier for people to access and benefit from skills development. Integrated commissioning will demand a common set of objectives and targets in contracts which will be based on helping more people find sustained work with continuing skill development and progression.

Freedom for providers to deliver

- 7.7 Jobcentre Plus has won international acclaim for its success in delivering cutting-edge services to thousands of customers every week. The core service, based on regular contact with customers, is extremely effective. It is important that we look for further opportunities to use the skills and expertise of personal advisers. In pilot schemes in Derbyshire and South West Wales, we will give them more flexibility in the support they provide.

- 7.8 We will match this by giving new freedoms to those providing services. We intend to do this through a 'black box' approach – where we set out the outcomes required, but don't prescribe the method, where there is both a framework of accountability and freedom for the frontline. Looking further ahead, we are interested in the potential benefits, particularly around economies of scale, in asking providers to deliver a single employment programme for both ESA and JSA customers.
- 7.9 Where providers identify services they think they can improve, to help more people back into work, we want to hear their proposals. To this end, we propose to build new contracting arrangements – putting in place a 'Right to Bid' process. We will increasingly look to use our commercial relationships to build flexibility into contracts so that we can harness expertise across the delivery chain and create capacity for market innovation.

Three levels of devolution to local partnerships

- 7.10 We are determined to devolve more power to the right level to improve employment and skills outcomes for individuals – in some cases this could be at the level of an individual local authority. In others, a strategic approach that reflects the wider labour market is needed at the sub-regional level, for example through Multi-Area Agreements (MAAs). But some areas will want to go further, either through innovative local proposals or a sub-regional approach, such as that already being adopted by the first MAAs, signed this month. This will need to be a deal: something for something. We only want to devolve power where we believe it will get more people back into work, not for devolution's own sake. Box 2 gives an example of a successful local partnership.

- 7.11 Where partnerships have demonstrated further success, we are ready to devolve power even more by giving them a role in the letting of contracts. Most radically, for the most committed areas, we want to experiment with a fully devolved model. In this third tier of autonomy, we would challenge areas to meet strict criteria – including the ambitious pooling of budgets and a record of successful delivery, partnership working and clear governance arrangements.

Box 2: Newcastle Futures Ltd

The Newcastle Strategic Partnership, made up of partners from Newcastle City Council, Jobcentre Plus, the Learning and Skills Council (LSC), the local Primary Care Trust and others, identified worklessness as one of its key priorities in November 2005.

To tackle the challenge, the partnership created the not-for-profit company, Newcastle Futures Ltd. Its purpose is to work with partners in the community and key stakeholders to maximise performance for the city in the employability agenda. The company has two main functions:

- A strategic coordinator of employability services across the city to encourage and alter current delivery styles and promote collaborative working.
- A delivery agent in the community, offering advice, guidance and support that adds value to mainstream offers.

The company's first year of operating saw almost 2,000 people registered across the city. It supported over 750 people into work, of which 70 per cent were from areas of high deprivation and 75 per cent were classified as priority customers.

List of consultation questions

Question 1: How long should 'work for your benefit' last at different stages in the claim?

Question 2: How could capacity and capability to provide full-time work experience in the community sector be provided and incentivised to produce the best employment outcomes for participants?

Question 3: Is full-time 'work for your benefit' as an alternative to a sanction of loss of benefit for repeated non-compliance with work search requirements an effective option for some jobseekers? How should it be targeted?

Question 4: What penalties do you think would be most effective to deter more people from committing benefit fraud?

Question 5: Do you think it would be appropriate to reduce or withdraw entitlement to benefit after a first offence? How long should the sanction period be?

Question 6: Do you agree with the proposed approach for identifying problem drug use? How should it be implemented? Do you think that everyone claiming a working-age benefit should be required to make a declaration of whether or not they use certain specified drugs?

Question 7: What elements should an integrated system of drug treatment and employment support include? Do you agree that a rehabilitation plan would help recovering drug users to manage their condition and move towards employment?

Question 8: When is the right time to require ESA claimants to take a skills health check?

Question 9: Should ESA customers be required to attend training to gain the identified skills they need to enter work?

Question 10: In view of the need to help lone parents develop the skills they need to find work, are we right to require lone parents to have a skills health check and training as a condition of receiving benefit?

Question 11: Should we pilot extra benefit payments for lone parents in return for training, and if so, when the youngest child is what age?

Question 12: Are there any other circumstances where customers cannot get the skills they need to enter employment under present and planned arrangements?

Question 13: How might we build on the foundations of the current rules so they do not discourage unemployed people from volunteering as a deliberate back-to-work strategy, while retaining a clear focus on moving off welfare into paid employment?

Question 14: Do you agree that the WCA and WFHRA should be re-focused to increase work-related support?

Question 15: What expectations should there be of people undertaking the personalised support we will now be offering in the Work Related Activity Group? Could this include specific job search?

Question 16: How can we make Access to Work more responsive to the needs of claimants with fluctuating conditions – including mental health conditions?

Question 17: What additional flexibilities in the system, or forms of support, would claimants with multiple and complex problems need to enable them to meet the new work-focused requirements proposed in this Green Paper?

Question 18: What are the key features of an action planning approach that would best support employees and employers to take the steps for the employee to make a swifter return to work?

Question 20¹: What approach might be suitable to assist partners of benefit claimants who can work into employment?

Question 21: What are the next steps in enabling disabled people, reliably and easily, to access an individual budget if they want one? Should they include legislation to give people a right to ask for a budget or will the other levers the Government has got prove sufficient? What are the safeguards that should be built in? How can this be done?

Question 22: Is a system based on a single overarching benefit the right long-term aspiration? How could a simpler system be structured so as to meet varying needs and responsibilities?

Question 23: Would moving carers currently on IS onto JSA be a suitable way of helping them to access the support available to help combine caring with paid work or preparing for paid work?

Question 24: How might we reform Bereavement Benefit and IIDB to provide better support to help people adjust to their new circumstances while maintaining the work focus of the modern welfare state?

¹ Please note that, owing to a typographical error, there is no question 19.

Question 25: Are lump sum payments a good way of meeting people's needs? Do they give people more choice and control? Could we make more use of them?

Question 26: What information would providers need to make the Right to Bid effective? How would the evaluation process need to work to give providers confidence that their ideas would be evaluated fairly and effectively?

Question 27: What would the processes around contributing to commissioning and performance management look like in a range of different partnership areas? How might they best be managed to achieve the desired outcomes?

Question 28: How could a link be made to the radical proposals for the pilots set out in Chapter 3 of the Green Paper, which seek to reward providers for outcomes out of the benefit savings they achieve?

Question 29: How effective are current monitoring and evaluation arrangements for City Strategies?

Make your views heard

Please respond to the consultation before 22 October using the FREEPOST reply slip at the end of this booklet or by emailing welfare.reform@dwp.gsi.gov.uk.

You can also find other ways to make your views heard by looking at the back cover of this booklet.

This publication can be accessed online at **www.dwp.gov.uk/noonewrittenoff**

The Executive Summary and full version of the Welfare Reform Green Paper, 'No one written off: reforming welfare to reward responsibility' are available in a range of formats including Welsh, Braille, Easy Read, Large Print, audio cassette/CD, British Sign language (BSL) on DVD, free of charge from **www.dwp.gov.uk/noonewrittenoff**

Alternatively you can request copies by post, email, telephone or textphone:

Email: welfare.reform@dwp.gsi.gov.uk

Address: FREEPOST RRYL - AXHG - LSTA, Welfare Reform Green Paper Team, Room 249, The Adelphi, 1-11 John Adam Street, London, WC2N 6HT

Telephone: 020 7712 2316

Textphone: 020 7928 8380

The lines are open Monday to Friday, 9am–4pm. We will consider any additional requests for other alternative formats that may be required.

Make your views on the proposed changes to the benefit system heard

We are keen to hear your views on 'No one written off: reforming welfare to reward responsibility'. You can respond by 22 October 2008.

You can respond online, by post, email, or fax as follows:

Online: Fill in the online response form at **<https://secureonline.dwp.gov.uk/welfarereform/consultation-questions.asp>**

Post: You can use the FREEPOST response form at the end of this booklet or alternatively you can write to us at the FREEPOST address provided.

Email: welfare.reform@dwp.gsi.gov.uk

Fax: 020 7712 2458

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