

Chapter Nine

The result

We are in the middle of a sustained and radical reform of the Welfare State. We must complete this transformation to respond to the demographic challenge we face, to respond to poverty now and to prevent poverty in the future.

185. We are in the middle of a sustained and radical reform of the Welfare State. To meet the demographic pressures we face, and to ensure we succeed in our mission to tackle poverty we must push forward to complete this transformation.

186. The old approach was passive, indifferent to the specific needs of individuals, and dismissive of the economic potential of those traditionally not classed as part of the labour market. The new welfare state must instead offer active support tailored to the needs of individuals aimed at empowering them to achieve their ambition. As individuals gain more access to the tailored support that they need, they will be better placed to work and to save for the future.

187. We need to apply the new approach at every stage of the life cycle to:

- support families and children;
- have more people in work, choosing to work longer and save more; and
- provide security and dignity in retirement.

We also need to ensure rights and opportunities for disabled people across the life cycle.

188. Concretely, this means in the next five years we will:

- complete the roll-out of Jobcentre Plus and make further improvements to the New Deal with local solutions meeting individual needs;
- continue to take the action needed to halve child poverty by 2010/11, on the way to eradicating it by 2020;
- improve the availability, affordability and quality of childcare for working parents, so that more parents can take up employment secure in the knowledge that their child will be cared for in a safe and stimulating environment;
- transform employment support for people with health conditions – focusing on what people can do, not what they can't;
- deliver better employment outcomes for those who have been disadvantaged in the past – lone parents, ethnic minorities, disabled people, those with low skills, older workers and those living in the most deprived areas;
- enable citizens to plan for their retirement, with the choice of working longer;
- build confidence in occupational pensions;
- tackle pensioner poverty by targeted activity to boost Pension Credit take-up and by taking steps to allow us to award Pension Credit more automatically;

- **reformed benefit structure** in place for new incapacity benefits claimants. Our goal is for the main elements of the new system to be in place for new claimants by 2008;
- **improve health and safety across the economy**, so that there are fewer fatal or serious accidents at work, less occupational ill-health and less sickness absence;
- **complete the implementation of the Government's commitment to full civil rights for disabled people**;
- **reduce fraud and error** – achieve a further reduction in fraud and error in Income Support, Jobseeker's Allowance and Housing Benefit; and
- **improve our efficiency and reduce staffing by a net 30,000 posts** – this means that our organisation will be smarter and leaner but still more effective.

