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### RUSHMOOR BOROUGH COUNCIL

# POLICY AND PROJECT ADVISORY BOARD

To be held at the Council Offices, Farnborough on Tuesday, 10th June, 2025 at 7.00 pm

To:

Cllr Abe Allen (Chairman)

Cllr A. Adeola
Cllr Lisa Greenway
Cllr Peace Essien Igodifo
Cllr Rhian Jones
Cllr Halleh Koohestani
Cllr Mara Makunura
Cllr T.W. Mitchell
Cllr M.J. Roberts
Cllr M.D. Smith
Cllr Ivan Whitmee

#### **Standing Deputies:**

Cllr C.W. Card Cllr Leola Card Cllr Steve Harden Cllr S.J. Masterson Cllr Dhan Sarki Cllr Becky Williams

Enquiries regarding this agenda should be referred to the Administrator, Chris Todd, Democracy Team, Tel. (01252) 398825, Email. chris.todd@rushmoor.gov.uk.

#### AGENDA

#### 1. APPOINTMENT OF VICE-CHAIRMAN –

To appoint a Vice-Chairman of the Board for the 2025/26 Municipal Year.

#### 2. **MINUTES –** (Pages 1 - 4)

To confirm the Minutes of the Meeting held on 25th March, 2025 (copy attached).

### 3. LOCAL GOVERNMENT REORGANISATION - APPROACH TO PUBLIC ENGAGEMENT AND INVOLVEMENT -

To consider the Council's approach to public engagement and involvement in relation to the next stages of the Local Government Reorganisation process (papers to follow).

Karen Edwards, Executive Director and Alex Shiell, Service Manager – Policy, Strategy and Transformation will be in attendance at the meeting to guide the discussion.

#### 4. POTENTIAL FUTURE CHANGES TO INTEGRATED CARE BOARDS -

To receive an update from Karen Edwards, Executive Director, on potential future changes to Integrated Care Boards.

#### 5. **PATHWAYS TO WORK CONSULTATION –** (Pages 5 - 88)

To consider the Council's response to the Government's consultation on 'Pathways to Work' (Green Paper attached).

Cllr Jules Crossley, Policy, Performance & Sustainability Portfolio Holder and Alex Shiell, Service Manager – Policy, Strategy and Transformation will be in attendance at the meeting to guide the discussion.

#### 6. **APPOINTMENTS 2025/26 –**

#### (1) Progress Group

To appoint the Membership of the Progress Group. The appointments are to be made on the basis of five cross party Members including the Chairman and Vice-Chairman of the Policy and Project Advisory Board, one further Labour Group Member and two representatives of other Groups.

#### (2) Elections Group

To appoint the Membership of the Elections Group for 2025/26. The appointments are to be made on the basis of seven cross party Members including the Cabinet Member with responsibility for electoral issues, the Chairman or Vice-Chairman of the Corporate Governance, Audit and Standards Committee, the Chairman or Vice-Chairman of the Policy and Project Advisory

Board, one further Labour Group Member and three representatives of other Groups (2 Conservative, 1 Liberal Democrat).

All groups will be politically balanced and a report on nominations from the political groups will be made at the meeting.

#### 7. **WORK PLAN –** (Pages 89 - 96)

To discuss the Policy and Project Advisory Board Work Plan (copy attached).

#### **MEETING REPRESENTATION**

Members of the public may ask to speak at the meeting on any of the items on the agenda by writing to the Panel Administrator at the Council Offices, Farnborough by 5.00 pm two working days prior to the meeting.

Applications for items to be considered for the next meeting must be received in writing to the Panel Administrator fifteen working days prior to the meeting.

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# POLICY AND PROJECT ADVISORY BOARD

Meeting held on Tuesday, 25th March, 2025 at the Council Offices, Farnborough at 6.30 pm.

#### **Voting Members**

Cllr M.J. Roberts (Chairman)

Cllr Abe Allen
Cllr Lisa Greenway
Cllr Steve Harden
Cllr Rhian Jones
Cllr Halleh Koohestani

Apologies for absence were submitted on behalf of Cllrs Sue Carter, A.H. Gani, S.J. Masterson, T.W. Mitchell and Ivan Whitmee.

Cllr Thomas Day attended the meeting as a Standing Deputy.

#### 17. CHANGE OF BOARD MEMBERSHIP

The Committee **NOTED** the appointment of Cllr Abe Allen as a member of the Board in place of Cllr Julie Hall for the remainder of the 2024/25 Municipal Year.

#### 18. APPOINTMENT OF VICE-CHAIRMAN

**RESOLVED**: That Cllr Lisa Greenway be appointed as Vice-Chairman for the remainder of the 2024/25 Municipal Year.

#### 19. MINUTES

The minutes of the meeting held on 19th November, 2024 were agreed as a correct record.

#### 20. GOVERNMENT CONSULTATION ON DEVOLUTION

The Chairman welcomed Mr Alex Shiell, Service Manager – Policy, Strategy and Transformation, who presented the emerging draft return to the Government's consultation on the effect of establishing a Mayoral Combined County Authority (MCCA) to cover the Hampshire and Solent area.

The Board was reminded that this new administration would comprise the areas covered currently by Hampshire County Council and the Southampton, Portsmouth and Isle of Wight unitary authorities.

Members were informed that the consultation had commenced on 7th February and would close on 13th April.

It was confirmed that details of the consultation would be circulated through the Council's usual communications channels to encourage residents, partners and businesses to respond. During discussion on this, the view was expressed by the opposition group that an extension to the deadline for returns should be sought to enable a Borough-wide survey to be carried out to gather residents' views. It was contended that this was vital in light of the County Council elections having been cancelled. This approach was not supported by the Board overall, however, and the majority view was that Councillors would know the feelings of their residents through their normal interactions with them.

As Mr Shiell worked through the consultation contents, the following comments were made by members of the Board:

#### Governance

- North Hampshire is a long way away from Winchester we do a lot of cross border work with Surrey and Berkshire
- How do we avoid being a small outlier?
- Mayoral precept how do we protect our residents from large increases?
- Government confirms that number of constituent members could change from five
- A pictorial version of the proposed structure might help local residents to understand
- Important the differences between local government reorganisation and devolution are made clear to prevent powers is being passed down and not taken away

#### **Economic Development**

- Concern expressed over how the Rushmoor area will get a voice fears that the big cities will swallow up large amounts of funding
- Easier to see the economic benefits in a city area less obvious elsewhere

#### **Social Outcomes**

- Concerns devolved funding from central government for housing and local transport
- Feels like local transport is disconnected from rest of Hampshire
- Why not take the opportunity to build Council houses rather than housing association properties?

- Need to take account of Marmot findings
- Trains in Rushmoor used extensively for commuting

#### **Local Government Services / Local Natural Environment**

• There was insufficient time for Members to consider these areas, so Members were urged to get any views to Mr Shiell ahead of the April deadline

#### 21. WORK PLAN

The Board noted the current Work Plan.

The meeting closed at 7.27 pm.

CLLR M.J. ROBERTS (CHAIRMAN)

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## Pathways to Work: Reforming Benefits and Support to Get Britain Working

March 2025

CP 1297



## Pathways to Work: Reforming Benefits and Support to Get Britain Working

Presented to Parliament by the Secretary of State for Work and Pensions by Command of His Majesty

March 2025

CP 1297



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This publication is available at

https://www.gov.uk/government/consultations/pathways-to-work-reforming-benefits-and-support-to-get-britain-working-green-paper

Any enquiries regarding this publication should be sent to us at <a href="mailto:consultation.pathwaystowork@dwp.gov.uk">consultation.pathwaystowork@dwp.gov.uk</a>

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#### **Ministerial Foreword**

#### Liz Kendall, Secretary of State for Work & Pensions

Growing the economy and driving up living standards across the country is this Government's number one mission in our Plan for Change. A thriving and inclusive labour market – where the benefits of good work are realised by as many people as possible – is key to achieving that goal.

There's clear evidence that shows good work is good for health and plays a vital role in recovery. Too many disabled people and people with health conditions want to work but are denied the right support to do so. Tackling this is central to our commitment to spread opportunity and improve the health of the nation.

We have already hit the ground running since the election to get Britain working again. We are investing almost £26 billion of extra funding for the Health and Social Care System so people can get the treatment they need to get back to work instead of being stuck on waiting lists, delivering over two million extra appointments seven months ahead of schedule.

We are also increasing the National Living Wage and legislating to Make Work Pay and strengthen workers' rights protections. We are delivering the biggest reforms to employment support in a generation to Get Britain Working, including overhauling Jobcentres and creating a new jobs and careers service focused on skills and support towards and into work, rather than monitoring and managing benefit claims. We are also introducing a Youth Guarantee to ensure every young person is either learning or earning.

But we also need to confront the broken welfare system we've been left with which is no longer a safety net for those that need support. Instead, it snares millions of people in a cycle of unemployment and inactivity, failing the very people it's meant to be there for, as well as the taxpayers who foot the bill.

The numbers are stark and speak for themselves.

One in every 10 working-age people in Britain is now claiming at least one type of health or disability benefit.<sup>2</sup> One in every eight young people (aged 16-24) isn't currently in work, education or training.<sup>3</sup> And that is not all.

<sup>&</sup>lt;sup>1</sup> Is work good for your health and well-being? An independent review – GOV.UK (www.gov.uk), published January 2006. Available at: Is work good for your health and well-being? An independent review – GOV.UK

<sup>&</sup>lt;sup>2</sup> Benefit Combinations: Official Statistics to February 2024 – GOV.UK (www.gov.uk), published August 2024. Available at: Benefit Combinations: Official Statistics to February 2024 – GOV.UK <sup>3</sup> Young people not in education, employment or training (NEET) – Office for National Statistics (www.ons.gov.uk), published February 2025. Available at: Young people not in education, employment or training (NEET) – Office for National Statistics

- When this Government took office last July, more than 9.3 million people were out of work and not looking for employment<sup>4</sup>, more than the population of London.
- 2.8 million people were out of work and classed as long-term sick<sup>5</sup> one of the highest rates of any G7 country.
- The number of people claiming health related benefits with no requirement to work has increased by 800,000 since 2019/20 – an increase of 45%.<sup>6</sup>

The UK is an international outlier when it comes to this issue.<sup>7</sup> We are the only major economy whose employment rate hasn't recovered from the pandemic. We are also seeing a growing problem where young people are leaving school and not entering further education, an apprenticeship, or work. Instead, they've been abandoned by the state and left behind, consigned to a life on health and disability benefits instead. These failures are neither inevitable nor acceptable.

Behind every one of these numbers is someone whose potential isn't realised, whose ambitions aren't fulfilled and who hasn't been given the helping hand they deserve to get them back into work. The current system stifles aspiration and limits ambition, and that is not good enough – for individuals or our country.

Tackling this broken welfare system makes moral sense. It is common sense too. Total spending on incapacity and disability benefits for working-age adults has soared by £20 billion since the pandemic, an increase of almost two-thirds. In five years' time, we expect to spend over £70 billion.<sup>8</sup> That is more than a third of our current NHS budget and more than three times what we currently spend on policing and keeping our communities safe.

We simply can't justify spending this much on a system which is failing on all counts – failing young people, failing disabled people and people with health conditions who need it, failing taxpayers and denying people the opportunities and support they need to get back to work.

For too long, meaningful reform to our welfare system has been ducked and delayed – stunting productivity, slowing down growth and ultimately holding our people and our country back. That is why this Government is stepping up to its duty to fix this and restore trust and fairness in the system.

2

<sup>&</sup>lt;sup>4</sup> LFS: Economically Inactive: UK: All: Aged 16-64: Thousands: SA – Office for National Statistics (www.ons.gov.uk), published February 2025. Available at: LFS: Economically Inactive: UK: All: Aged 16-64: Thousands: SA – Office for National Statistics

<sup>&</sup>lt;sup>5</sup> INAC01 SA: Economic inactivity by reason (seasonally adjusted) – Office for National Statistics (www.ons.gov.uk), published February 2025. Available at: INAC01 SA: Economic inactivity by reason (seasonally adjusted) – Office for National Statistics

<sup>&</sup>lt;sup>6</sup> Universal Credit statistics, 29 April 2013 to 9 January 2025 – GOV.UK (www.gov.uk), published February 2025. Available at: Universal Credit statistics, 29 April 2013 to 9 January 2025 - GOV.UK <sup>7</sup> Health-related benefit claims post-pandemic: UK trends and global context – Institute for Fiscal Studies (ifs.org.uk), published September 2024. Available at: Health-related benefit claims post-pandemic: UK trends and global context | Institute for Fiscal Studies

<sup>&</sup>lt;sup>8</sup> Outturn and Forecast tables: Autumn Statement 2024 – GOV.UK (www.gov.uk), published April 2024. Available at: outturn-and-forecast-tables-autumn-budget-2024.xlsx

There's no silver bullet solution to this problem, which has been left to fester for more than a decade. The system needs wholesale reform – that is what we're focused on delivering.

Our starting point is simple: no one should be consigned to a life on benefits just because they have a health condition or a disability, especially when they're able to and want to work with the right support in place. We also need to be honest about the fact that, in the majority of cases, leaving someone to be financially dependent on the state isn't the best outcome for them.

There will always be people who cannot work due to the severity of their disability or health condition, alongside those who will legitimately be out of work for short periods of time. There will always, and should always, be a safety net for those in genuine need.

However, we must grasp the nettle and decisively reshape the benefits system towards being more proactive, more pro-work and sustainable. Our reforms will be underpinned by five clear principles:

- Stopping people from falling into long-term economic inactivity through early intervention and support.
- Restoring trust and fairness in the system by fixing the broken assessment process that drives people into dependency on welfare.
- Delivering better and more tailored employment support to get more people off welfare, into work alongside a higher expectation to engage with that support.
- Ensuring the system is financially sustainable to keep providing for those who need it most.
- We will protect disabled people who can't and won't ever be able to work and support them to live with dignity.

Our approach will always be underlined by the fundamental principle of treating people with dignity and respect, and we will work closely with disabled people and disabled people's organisations as we bring forward these reforms, to ensure their voices shape our proposals.

We will deliver reform with real people and real voices at the heart of the changes – people who for too long have been 'signed off' rather than 'signed up' to programmes to support them with health or other barriers to getting a decent job.

That is why we will raise the Universal Credit standard allowance and provide an additional £1 billion employment, health and skills support package to make the system pro-work and reduce perverse incentives. These reforms are vital to achieving our goal of spreading the benefits of good work to as many people as possible. However, in making these crucial changes we must also be building a benefit system that is more affordable, so we have taken decisive action now.

This Government is putting an end to sticking plaster politics and chasing cheap headlines, and is instead taking forward fundamental, structural reforms to effect meaningful change and help people to improve their lives.

Through our reforms, we will deliver a welfare system that is fit for the future. We will build a system that is fairer and provides vital support for those who need it most, ensuring they are supported to live with dignity and independence, whilst making sure that everyone who can realise the benefits of work is expected and supported to do so.

#### **Executive Summary**

- 1. This Government's number one mission is to grow the economy and drive up living standards right across the country as part of our Plan for Change. Building a thriving and inclusive labour market which spreads the benefits of good work to as many people as possible is central to achieving that goal. It is also vital to delivering our missions to spread opportunity and improve the health of the nation.
- 2. For many people, work is an important source of purpose and relationships in their lives. It also significantly reduces their risk of poverty and is the best way to raise living standards. The benefits of employment also go beyond a payslip. The research is clear: good work is good for physical and mental health<sup>9</sup> and the negative impact on your health of being out of work can be significant<sup>10</sup>.
- 3. Our Work Aspirations Survey found that for many people who no longer work, it is something they deeply miss and aspire to. One person said: "I hate that I can't work. I loved my job... and I just love working with people, so I really, really miss it, and I feel like I'm not a valuable member of society if you like."

  Among those who had never been employed, they saw work as central to feeling valued and connected to society.
- 4. Many people are desperate to work but are being denied that opportunity. Everyone should have equal chances and choices to work and benefit from all that employment brings. That is why, as part of our Plan for Change, we have taken action since July 2024 to help people get into work and on in work:
  - Putting the health and care system back on its feet, tackling the unacceptably high waiting times with almost £26 billion of extra funding so people get the treatment they need to get back to health and back to work.
  - Making work pay increasing the National Living Wage and introducing our Employment Rights Bill to strengthen workers rights and support disabled people to access reasonable adjustments and flexible working.
  - Reforming employment support to Get Britain Working overhauling
    Jobcentres so they provide the employment support people need to get a
    job and get on in their career, introducing a Youth Guarantee of
    employment support, training or an apprenticeship for all 18 to 21 year
    olds, and joining up work, health and skills support locally to tackle
    economic inactivity.
  - Working in partnership with employers to create healthier workplaces and prevent people getting sick and falling out of work in the first place,

<sup>&</sup>lt;sup>9</sup> Is work good for your health and well-being? An independent review – GOV.UK (www.gov.uk), published January 2006. Available at: Is work good for your health and well-being? An independent review – GOV.UK

<sup>&</sup>lt;sup>10</sup> Health Equity in England: The Marmot Review 10 years on – The Health Foundation (www.health.org.uk), published February 2020. Available at: the-marmot-review-10-years-on-full-report.pdf

<sup>&</sup>lt;sup>11</sup> Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK

with the former chair of John Lewis, Sir Charlie Mayfield, leading our Keep Britain Working review.

#### The challenge: a broken benefits system that is letting people down

- 5. But we must go further. We will fix the broken incapacity and disability benefits system. It is driving up economic inactivity and driving down opportunity. It is failing people and the country by producing poor employment outcomes, low living standards and high costs to the public purse.
- 6. Specifically, this Government has inherited a benefits system which:
  - Asks people to demonstrate their incapacity to work to access higher benefits, which then means many worry about trying employment for fear of losing them.<sup>12</sup> This is because the system is built around a fixed "canversus-can't work" divide which does not reflect the variety of jobs, the reality of fluctuating health conditions, or the potential for people to expand what they can do, with the right support.
  - Directs people with a work-limiting health condition or disability to a long queue for an outdated assessment. Once judged as not able to work, most are abandoned – with no contact, no expectations, and no support to help move closer to work. This drives them further away from the labour market.
  - Fails to actively intervene early to prevent people from losing touch with the labour market and misses opportunities to support a return to work.
  - Pushes people towards economic inactivity due to the stark and binary divide between benefits rates and conditionality rules for jobseekers compared to those on the health element of Universal Credit (UC).
  - Generates poor experiences and low trust among many people who use it<sup>13</sup>, with lengthy and outdated assessment processes that can be hard for people to navigate, with delays and too many disputed decisions.
- 7. The result of this broken system is poor employment outcomes, with too many people limited in their choices and chances to improve their lives.
- 8. Nearly three million people are not working or looking for work due to ill health, a significant increase of nearly 800,000 since early 2019. 14 Close to one million or one in eight young people (aged 16-24) are not in education, employment or training 15, and the number of young people (aged 16-34) economically inactive specifically due to a mental health condition has increased by over a quarter in

<sup>14</sup> INAC01 SA: Economic inactivity by reason (seasonally adjusted) – Office for National Statistics (www.ons.gov.uk), published February 2025. Available at: INAC01 SA: Economic inactivity by reason (seasonally adjusted) – Office for National Statistics

<sup>&</sup>lt;sup>12</sup> Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK

<sup>&</sup>lt;sup>13</sup> See accompanying Evidence Pack

<sup>&</sup>lt;sup>15</sup> Young people not in education, employment or training (NEET) – Office for National Statistics (www.ons.gov.uk), published February 2025. Available at: Young people not in education, employment or training (NEET) – Office for National Statistics

the last year alone to 270,000.<sup>16</sup> As rates of health-related economic inactivity have risen, progress in closing the disability employment gap has stalled at 28 percentage points.<sup>17</sup>

- 9. The impact of this broken benefits system has been magnified by rapid increases in the prevalence of long-term health conditions and disability. Over a third (36%) of the working-age population now has a long-term health condition, compared to 29% a decade ago. The risk of economic inactivity is significantly increased by comorbidities, with four out of five people who are economically inactive due to long term sickness having more than one health condition. Almost a quarter (23%) of the working-age population are disabled. There were almost 10 million disabled adults of working age in 2023/24, over 40% more than in 2013/14.
- 10. At the same time, there have also been major shifts in the nature of long-term health conditions and disability. For example, 25% of working-age disabled people had a mental health condition as their main condition in 2023/24, up from 18% 10 years previously. The prevalence of disability has risen, it nearly doubled from 11% to 20% for 25 to 34-year-olds between 2013/14 and 2023/24, whilst the corresponding increase for those aged 50 to 64 was from 26% to 30%.<sup>18</sup>
- 11. We have seen a substantial rise in the number of people receiving incapacity and disability benefits, with a steep increase in awards and long average claim durations. Over four million people one in 10 of the working-age population now claim at least one type of health and disability benefit<sup>19</sup>, and this is expected to continue to increase. People who are in receipt of Personal Independence Payment (PIP) are less likely to leave the benefit now than when it was first introduced.<sup>20</sup> This means both that more people are on health and disability benefits for longer and those that are on inactive benefits for long periods have lower chances of a return to work. This is having a significant drag on living standards and is a major driver of poverty.
- 12. The declining health of the population has contributed to a rise in the number of people claiming incapacity and disability benefits. This has been further impacted by long NHS waiting lists. These have led to people going untreated for longer, reducing earlier interventions that could have helped them manage their health condition better, prevent longer-term sickness and support more timely reintegration back into work. However, the significant rise in benefit claims is greater than the rise in overall prevalence of self-declared health

The employment of disabled people 2024 – GOV.UK (www.gov.uk), published November 2024.
 Available at: https://www.gov.uk/government/statistics/the-employment-of-disabled-people-2024
 A08: Labour market status of disabled people – Office for National Statistics (www.ons.gov.uk), published February 2025. Available at: A08: Labour market status of disabled people – Office for National Statistics

 <sup>&</sup>lt;sup>18</sup> The employment of disabled people 2024 – GOV.UK (www.gov.uk), published November 2024.
 Available at: https://www.gov.uk/government/statistics/the-employment-of-disabled-people-2024
 <sup>19</sup> Benefit Combinations: Official Statistics to February 2024 – GOV.UK (www.gov.uk), published
 August 2024. Available at: https://www.gov.uk/government/statistics/dwp-benefits-statistics-august-2024/benefit-combinations-official-statistics-to-february-2024

<sup>&</sup>lt;sup>20</sup> See accompanying Evidence Pack

- conditions. Between 2019/20 and 2023/24, the number of disabled working-age people in England and Wales increased by 17%<sup>21</sup>, but the numbers receiving an incapacity or disability benefit increased by double that amount (34%).<sup>22</sup>
- 13. It is therefore clear that the structure of the benefits system is also a factor contributing to the increase in claims for incapacity and disability benefits. The Office for Budget Responsibility (OBR) associates the rise with "the expansion of conditionality and sanctioning in the non-incapacity parts of the working-age welfare system." The Institute for Fiscal Studies (IFS) has stated that "falling real incomes caused by high inflation over recent years might mean higher value is placed on additional income, inducing more people to apply for health-related benefits". 24
- 14. The number of PIP new claim initial decision awards has gone up from 13,000 a month before the pandemic to 34,000 a month now.<sup>25</sup> The number of people of working-age receiving PIP is set to more than double by the end of the decade. The number of people on the health element in UC is set to rise by over 50% over the same period (from 1.9 million in 2019/20 to a forecast of three million by 2029/30).<sup>26</sup> This increase alone equates to the entire population of Birmingham.<sup>27</sup>
- 15. These trends do not represent good outcomes for people with less than one in 100 of those on the health element in UC entering employment each month<sup>28</sup> and only 17% of people in receipt of PIP in work.<sup>29</sup> As mentioned above, average claim durations are long. Of the total Employment and Support Allowance (ESA) and UC health caseload in August 2024, one in four (26%) have been on incapacity benefits for over 10 years.<sup>30</sup> However, whilst almost half of the two million on UC health have been on the benefit for less than two years, almost half of those on ESA at that time have been on the benefit from esa, with an average duration across both benefits of over seven years. 55,000 individuals on UC health had previously also been on ESA's predecessors,

<sup>&</sup>lt;sup>21</sup> The employment of disabled people 2024 – GOV.UK (www.gov.uk), published November 2024. Available at: The employment of disabled people 2024 – GOV.UK

<sup>&</sup>lt;sup>22</sup> See accompanying Evidence Pack

<sup>&</sup>lt;sup>23</sup> Welfare trends report – Office for Budget Responsibility (obr.uk), published October 2024. Available at: CP 1161 – Office for Budget Responsibility – Welfare trends report – October 2024

<sup>&</sup>lt;sup>24</sup> Recent trends in and the outlook for health-related benefits – Institute for Fiscal Studies (ifs.org.uk), published April 2024. Available at: Recent trends in and the outlook for health-related benefits | Institute for Fiscal Studies

<sup>&</sup>lt;sup>25</sup> See accompanying Evidence Pack

<sup>&</sup>lt;sup>26</sup> Benefit expenditure and caseload tables 2024 – GOV.UK (www.gov.uk), published April 2024. Available at: Benefit expenditure and caseload tables 2024 – GOV.UK

<sup>&</sup>lt;sup>27</sup> See accompanying Evidence Pack

<sup>&</sup>lt;sup>28</sup> INAC01 SA: Economic inactivity: People aged 16-64 by reason for inactivity (seasonally adjusted) – Office for National Statistics (www.ons.gov.uk), published 21 January 2025. Available at: INAC01 SA: Economic inactivity by reason (seasonally adjusted) – Office for National Statistics

<sup>&</sup>lt;sup>29</sup> See accompanying Evidence Pack

<sup>&</sup>lt;sup>30</sup> Total durations on incapacity benefits for claimants on Universal Credit Health or Employment and Support Allowance – GOV.UK (www.gov.uk), published March 2025. Available at: Total durations on incapacity benefits for claimants on Universal Credit Health or Employment and Support Allowance – GOV.UK

- Incapacity Benefit (IB) or Severe Disablement Allowance (SDA), and remained on incapacity benefits for over 15 years.<sup>31</sup>
- 16. Furthermore, these trends do not represent good or financially sustainable outcomes for the country. Total spending on incapacity and disability benefits for working-age adults has risen by £20 billion since the pandemic, an increase of almost two-thirds. In five years' time, spending is forecast to be over £70 billion.<sup>32</sup> That is more than a third of our current NHS budget and more than three times what we currently spend on policing and keeping our communities safe.
- 17. All major economies have seen rising prevalence in long-term health conditions and disability, but the UK is an international outlier in terms of its impact on benefits. According to the IFS, UK spending on disability benefits has increased by over 30% since the pandemic, and by 20% on incapacity benefits. Over the same period, across 11 similar countries, all but one have seen stable or falling spends on their nearest equivalent benefits, with only Denmark seeing a significant increase. Even then, Denmark's increase is lower than the UK's at 13%.<sup>33</sup>
- 18. Spending on disability and incapacity benefit that is rising faster than overall public expenditure reduces the resources available for public services, given the Government's fiscal rules. This includes the NHS, social care, housing, transport, and the police services we all rely on, and which disabled people and those with health conditions need to live independent lives. The rate of increase also constrains the scope to reverse the squeeze on social security for other working-age adults and families with children over the last 15 years. Over this period, spending on working-age social security has been broadly flat as a share of Gross Domestic Product (GDP), but spending on working-age incapacity and disability benefit spend has increased from 1.1% in 2007/08 to 1.8% of GDP in 2024/25.<sup>34</sup>
- 19. The rate of increase in spending requires us to take steps to ensure the affordability of the system in the near term, as well as more fundamental reform to put it on a sustainable footing for the long term by improving the health of the nation, getting more people into work and focusing health and disability benefits on those who need them most.
- 20. These reforms are vital to achieving our goal of spreading the benefits of good work to as many people as possible. However, in making these crucial changes, we also need to take urgent and decisive action now and in the future to make the benefits system affordable. Action has been

<sup>32</sup> Outturn and Forecast tables: Autumn Statement 2024 – GOV.UK (www.gov.uk), published April 2024. Available at: outturn-and-forecast-tables-autumn-budget-2024.xlsx

<sup>&</sup>lt;sup>31</sup> See accompanying Evidence Pack

<sup>&</sup>lt;sup>33</sup> Health-related benefit claims post-pandemic: UK trends and global context – Institute for Fiscal Studies (ifs.org.uk), published September 2024. Available at: Health-related benefit claims post-pandemic: UK trends and global context | Institute for Fiscal Studies

<sup>&</sup>lt;sup>34</sup> Ratchets, retrenchment and reform: The social security system since 2010 – Resolution Foundation (www.resolutionfoundation.org), published June 2024. Available at: Ratchets, retrenchment and reform • Resolution Foundation

necessary to control future increases in health and disability benefit spending and to enable reinvestment in priority areas.

- 21. We have taken action to reduce the gap between disability benefit spend and disability prevalence trends. PIP will remain an important non-means tested benefit for disabled people and people with long-term health conditions. However, the rate of increases in claims and expenditure is not sustainable, outstripping growth in disability prevalence. To better control spend on the welfare bill, we will make changes to PIP to focus it more on those with higher needs. We will introduce a new, additional eligibility requirement so that a minimum of four points must be scored on one PIP daily living activity to receive the daily living element of the benefit. This means that people who only score the lowest points on each of the PIP daily living activities will lose their entitlement in future. In Chapter 2, we outline considerations for how to support people affected by these changes and we will consider how those affected can be supported. We plan to undertake a review of the PIP assessment.
- 22. More must be done to make the benefit system as pro-work as possible for disabled people and people with health conditions. While recognising the scale of this challenge, fundamental reform starts with a firm rejection of the fatalistic idea that nothing can change, because:
  - Despite being an older, sicker nation, we have more disabled people and people with health conditions in work than ever before.<sup>35</sup>
  - We know that many people want to work. Research suggests that 200,000 people on incapacity and disability benefits could work now, with the right support and in the right job and that over a million believe that work could be possible in the future if their health improved.<sup>36</sup>
  - Good work is good for health both physical and mental health, and can support recovery from illness.<sup>37</sup>
  - The potential for work to be accessible and inclusive has improved considerably, with advances in assistive technology, and the wider use of aids, appliances and adaptations.
  - Where they exist, modern employment practices, such as flexible working, have opened many more opportunities for people to participate.

<sup>&</sup>lt;sup>35</sup> A08: Labour market status of disabled people – Office for National Statistics (www.ons.gov.uk), published February 2025. Available at: A08: Labour market status of disabled people – Office for National Statistics

<sup>&</sup>lt;sup>36</sup> Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK

<sup>&</sup>lt;sup>37</sup> Is work good for your health and well-being? An independent review – GOV.UK (www.gov.uk), published January 2006. Available at: Is work good for your health and well-being? An independent review – GOV.UK

- 23. Crucially, there is also now strong evidence about the types of support that can improve the employment prospects of disabled people and people with a health condition.<sup>38</sup> <sup>39</sup> <sup>40</sup>
- 24. We recently published the evaluation of a programme called Work Choice which provided intensive employment support to disabled people. The programme had a significant and enduring impact on people's employment prospects after eight years had passed participants were 40% more likely to be in work (and 13% less likely to be receiving a looking-for-work or low income benefit) than a comparable group that did not participate.<sup>41</sup>
- 25. We also know from a recent pilot that positive conversations with a work coach can lead to better employment outcomes. When we took the simple step of offering this to people placed in the LCWRA group, those who took part were a third more likely to be in work 12 months later.<sup>42</sup>
- 26. Poor employment outcomes are unacceptable but not inevitable. Current public spending trends are not only unsustainable but undesirable. This cannot go on. It is time to end the inertia and inaction. We must fix the broken system.

#### A plan for better health, higher employment and sustainable spending

#### Getting people back to health and back to work

- 27. The foundation to delivering better employment outcomes for disabled people and people with health conditions is a strengthened health and care system. A system where people can get the treatment and care they need to stay in work or return to work. The fact that two in five people on incapacity and disability benefits are on a waiting list for treatment for their health condition(s) underlines this.<sup>43</sup>
- 28. The forthcoming 10 Year Health Plan will set out how the Government intends to transform the health system to make it fit for the future and improve health outcomes. The Plan will set out broader actions to shift to prevention across the health and care system in England to enable everyone to live a healthy life.
- 29. This will build on action already taken since the election to start to get the health and care system back on its feet, supported by an injection of almost £26 billion of additional funding. This will:

<sup>&</sup>lt;sup>38</sup> Work Choice impact evaluation – GOV.UK (www.gov.uk), published February 2025. Available at: Work Choice impact evaluation – GOV.UK

<sup>&</sup>lt;sup>39</sup> Health-led Employment Trials Evaluation – GOV.UK (www.gov.uk), published April 2023. Available at: Health-led Employment Trials Evaluation – GOV.UK

Work and Health Programme evaluation: synthesis report – GOV.UK (www.gov.uk), published October 2023. Available at: Work and Health Programme evaluation: synthesis report – GOV.UK
 Work Choice impact evaluation – GOV.UK (www.gov.uk), published February 2025. Available at: Work Choice impact evaluation – GOV.UK

<sup>&</sup>lt;sup>42</sup> See accompanying Evidence Pack

<sup>&</sup>lt;sup>43</sup> Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK

- Ensure patients are treated within 18-weeks of referral by the end of this Parliament, including extra capacity in areas with the highest levels of economic inactivity.
- Continue to prioritise mental health by ensuring that funding is ringfenced through the Mental Health Investment Standard, which continues in 2025/26. It supports the delivery of several priorities outlined in the NHS Planning Guidance, including improving Children and Young People access and the continued rollout of mental health support teams.
- Support thousands more disabled people to remain in their homes and live independently through a £172 million total uplift to the Disabled Facilities Grant over two years (2024/25 and 2025/26). This will fund home adaptations for eligible older and disabled people on low incomes, and all eligible disabled children through practical changes like installing stair lifts or level access showers to make them safe and suitable for their needs. This is an important step to improving independence and reducing hospitalisations.
- Include the investment of an additional £889 million in General Practice in 2025-26 to reinforce the front door of the NHS and bring back the family doctor. This is the biggest increase in over a decade.
- 30. In addition, Baroness Louise Casey, a cross-bench peer, has been commissioned to develop options for immediate action to improve adult social care in England before charting a course for longer term reform as announced in January. The Department for Work and Pensions (DWP) will support this review and work closely with the Department for Health and Social Care (DHSC) as we take forward the proposals in this Green Paper.
- 31. In the short term, up to £3.7 billion of additional funding will be made available for social care authorities in 2025/26, including an £880 million increase in the Social Care Grant. To support unpaid carers to combine caring responsibilities with some paid work, from April 2025 the Carers' Allowance earnings limit will be pegged to 16 hours work at National Living Wage (NLW) levels (rounded to the highest pound), and in future it will increase when the NLW increases. This is an increase from £151 to £196 a week. DHSC are also commissioning research on the link between the adult social care system and PIP.

#### Creating a more pro-work and sustainable benefits system

- 32. Alongside a health and care system that is supporting everyone and getting people back to health, this Green Paper sets out a plan to fix the country's fundamentally broken incapacity and disability benefits system. This is so that the benefits system enables employment, supports disabled people to live independently, and is financially sustainable and affordable.
- 33. It is vital that the system supports those who are not able to work, sometimes for temporary periods or sometimes for a long time, as well as recognises that disability can impose extra costs, result in lower earnings capacity and lead to a higher risk of poverty. The system must also protect those who need it most.
- 34. This can and must go hand in hand with a more active, enabling, pro-work benefits system that takes every opportunity to help people manage their health

- condition or disability so they can, if they are able to, participate in the labour market in a way that works for them.
- 35. We want to give disabled people the support and confidence to move towards work, and to live independently. Underpinned by a benefits system that people can have confidence in that gets the basics right, that gets decisions right first time, that is there for when you need it.
- 36. To achieve this ambition, there are several steps we will take.
- 37. First, we will scrap the Work Capability Assessment (WCA). This will end the state categorising people into binary groups and labelling them as either 'can or can't work'. Instead, any extra financial support for health conditions in UC will be assessed via a single assessment the PIP assessment and be based on the impact of disability on daily living, not on capacity to work. This will de-couple access to the health element in UC (current LCWRA rate referred to as UC health throughout) from work status, so people can be confident that the act of taking steps towards and into employment will not put their benefit entitlement at risk. We will implement this change via primary legislation. Further details will be published in the forthcoming White Paper. We are not consulting on this measure.
- 38. Under this change, those in receipt of the health element of UC will continue to benefit from a work allowance, so they can earn up to £404 a month before their income from UC is affected, or up to £673 a month if they don't have a housing amount in UC. Under this new system, financial support from PIP (non-means tested) and the health element of UC (means-tested) will both be non-work related. They will be there to help reduce the risk of poverty, meet extra costs, and take account of lower earnings capacity often associated with long term health conditions and disability. But they will not be linked to capacity to work.
- 39. To reinforce our commitment to removing the barriers to work, we will also be legislating to guarantee that work in and of itself will not lead to someone being called for a reassessment or award review. Beyond this, we are also keen to hear views on what other changes could provide people with the confidence to try work (e.g., whether reassessment periods should change if someone starts a job).
- 40. The previous government consulted on a range of changes to the WCA which were due to be implemented in 2025. The High Court recently ruled that consultation unlawful based on deficiencies in the previous government's consultation back in 2023. This government has consistently outlined that it is committed to reforming or replacing the WCA, and we believe that scrapping the WCA, under the reformed system, best achieves that ambition. Therefore, following careful consideration, we have decided not to take forward any of the previous government's proposed interim changes to the WCA.

<sup>&</sup>lt;sup>44</sup> In taking forward this reform, we will consider how to best support those with work-limiting health conditions who may not be entitled to PIP and the appropriate rules for those in specific circumstances, such as end of life, pregnancy or cancer.

- 41. Second, we will start to rebalance payment levels in Universal Credit to promote work, address perverse incentives and to start to improve basic adequacy. Benefit changes over the last decade or so have had the effect of making the health element of UC relatively more attractive, despite this being associated with very poor employment outcomes and higher costs for the taxpayer. Independent experts, like the OBR and the IFS, suggest this been a factor in driving higher incapacity benefits claims. The rate of UC for those on the health element is now double that for those on the standard allowance. A series of benefit freezes and benefit increases at a lower rate than inflation has left the value of the standard allowance at a 40 year low by the early 2020s, contributing to hardship and destitution. The value of the standard allowance (or its pre-UC equivalent) has fallen from around 40% of full time earnings at the minimum wage at the turn of the century to less than 25% of the same at the National Living Wage today.
- 42. To address this fundamental imbalance, we will legislate to take a decisive step to reset payment rates in UC over this Parliament, starting from April 2026.
  - We will increase the UC standard allowance for new and existing claims.
    This would mean the single person 25+ rate of UC standard allowance
    increasing by £7 per week (pw) (from £91pw in 2024/25 to £98pw in
    2026/27).
  - For people who already receive the UC health element the rate of the UC health element will be frozen at £97pw until 2029/30 but this group will receive an increased UC entitlement in cash terms as a result of the increased standard allowance.
  - We will guarantee that no-one who has been found LCWRA prior to April 2026 and remains LCWRA following reassessment will see their UC health element entitlement changed.
  - We will ensure that this group do not fear a loss of their benefit rate from working. Linking rules are already in place which mean people can return to their previous benefit rate, within a period of six months, if their earnings mean they are no longer entitled to UC but then it doesn't work out and they need to restart their claim. We will also legislate to establish in law the principle that work in and of itself will never lead to a reassessment.
  - For new claims the rate of the UC health element will be reduced by £47pw (from £97pw in 2024/25 to £50pw in 2026/27). However, this group will benefit from the higher standard allowance, which will partially offset this reduction.
  - For those receiving the new reduced UC health element after April 2026, we are proposing that those with the most severe, life-long health

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<sup>&</sup>lt;sup>45</sup> Guarantee our Essentials: reforming Universal Credit to ensure we can all afford the essentials in hard times – Joseph Rowntree Foundation (www.jrf.org.uk), published March 2025. Available at: Guarantee our Essentials: reforming Universal Credit to ensure we can all afford the essentials in hard times | Joseph Rowntree Foundation

conditions, who have no prospect of improvement and will never be able to work, will see their incomes protected through an additional premium.<sup>46</sup> <sup>47</sup> We will also guarantee that for both new and existing claims, those in this group will not need to be reassessed in future.

- 43. This change to the UC Health rate for new claims will be combined with much more active engagement and support (our third step) so that entry onto the UC health element is not a one-way street where people are abandoned and very unlikely to ever work again, as is the case now. This group will continue to benefit from a substantial work allowance, which means they can earn up to £673 a month (or £404 a month if they get help with housing costs) without their UC income being affected (and without paying any income tax).
- 44. Our goal is that the combination of much more active support and a strong financial incentive to work, will create a space for people to be on a pathway to working and earning in a way that is consistent with their health condition or disability, including with UC as an in work benefit supplementing their income. This will be supported by clear rules and communication to emphasise that engaging with support and moving into work will not trigger a reassessment and that existing linking rules mean that someone can come back onto their previous benefit rate, without a further assessment, if a job does not work out. Further details on removing barriers to trying work are set out in Chapter 2.
- 45. The objective of this change is to reduce perverse incentives, promote labour market engagement over inactivity, and improve the adequacy of the standard allowance. This is a significant change to the structure of UC and so we will track its impact, especially on employment, earnings and poverty. We believe structural change of this kind is an important step to shape the social security system in a way that combines strong incentives to work, an adequate basic safety net, and additional non-means tested support for disabled people alongside PIP.
- 46. Third, we will build towards a guarantee of personalised employment, health and skills support for anyone on out of work benefits with a work-limiting health condition or disability who wants it. Catalysed by an additional £1 billion a year by 2029/30, this will improve returns to work and prevent economic inactivity, as part of rebalancing spending towards work over welfare. A key objective from this new investment is to entrench early intervention, so there is help for people to recover from, adapt to, or manage their condition so they can return to work offered at the point it is most likely to make a positive impact.
- 47. Our goal is to combine this new investment with existing capacity to establish a big, clear and simple offer of work, health and skills support to those with a health condition or disability. Under the banner of "pathways to work" this will bring together and build on existing support from WorkWell, Individual

<sup>47</sup> UC rates apply for each assessment period, which is a calendar month. The amounts referred to in this paragraph are the weekly equivalent of the UC monthly rate amounts.

<sup>&</sup>lt;sup>46</sup> Equivalent changes will be made to UC rates for single claimants under 25 and joint claimants both under 25 and joint claimants either aged 25 or over.

Placement and Support for those with severe mental illness or substance dependency, Connect to Work and the new Get Britain Working trailblazers as well as the new national jobs and careers service – to offer a range of different options tailored to individual needs, from a diversity of providers.

- 48. We are keen to engage widely on the design of this support guarantee and the components needed to deliver it, including through mechanisms like the collaboration committees described later. To get this right, we will need input from local health systems, local government and Mayoral Strategic Authorities, private and voluntary sector providers, employers and potential users.
- 49. Our ambition is that additional resource will mean a very different offer for the around 700,000 people a year who currently undergo a WCA. Instead of queuing for a benefit assessment, disabled people and people with a work-limiting health condition will have a support conversation. This will focus on their goals and act as a gateway to a range of personalised support to help achieve them, for anyone who wants it. This support conversation will centre on employment, but in the context of someone's wider health and independent living aspirations.
- 50. In addition to entrenching early intervention, our ambition is also a system that keeps in touch with everyone on the health element of UC, so no-one is left out or abandoned. In return, people will be expected, as a minimum, to participate in periodic conversations about work and support (with exceptions where this would not be appropriate). This will create opportunities to check in with people, understand their situation and how it might have changed, and to explain the support available to them. If someone does not attend or engage in a planned conversation, we will seek to understand the reasons before benefits are affected.
- 51. Fourth, as part of restoring faith in the social security system, people need to know that if they have paid in, they will get support when they need it. We are consulting on establishing a new, simple and clear "Unemployment Insurance" benefit through the reform of contributory working-age benefits.
- 52. This change would provide greater income protection for those who have paid into the system, supporting people to find a new job that makes the most of their skills, in support of a dynamic and productive economy alongside the employment support offer.
- 53. Unemployment insurance would be a new non-means tested entitlement for people who have contributed into the system. It would be created by replacing contribution-based Jobseeker's Allowance (JSA) and Employment and Support Allowance (ESA) with a new single entitlement, paid at the current ESA rate (currently £138pw) and will be time-limited. This would provide stronger income protection during periods of unemployment for those with a recent work record, while revitalising the 'something-for-something' contributory principle in the working-age system. People claiming this would be expected to actively seek work, with easements for those with work-limiting health conditions.

- 54. Alongside levelling up the rate, this change would end the indefinite entitlement to contributory ESA for those assessed as having limited capability for work-related activity (for new people claiming). Those unemployed after the time-limited period would be able to claim UC, depending on their personal circumstances. We believe this reform would align with the removal of the WCA, by offering a route to financial support for those with temporary and short-term health conditions, including for those who may not be entitled to PIP and therefore not entitled to the health element of UC.
- 55. Fifth, improving people's experience of, and trust in, the benefits system. By scrapping the WCA, we will reduce the number of assessments that many people have to go through. There are currently 1.7 million people assessed as limited capability for work on UC or ESA in England and Wales who are also in receipt of PIP or a similar disability benefit, meaning that they have been through more than one health and disability benefit assessment.<sup>48</sup> We are also looking at recording assessments as standard, to build greater trust in the system. The combined total of face-to-face assessments delivered across PIP and WCA has dropped from around 75% before the pandemic to less than 10% today. 49 We will therefore shift the balance towards doing more face-to-face assessments, while ensuring we continue to meet the needs of our people who are claiming, who may require a different method of assessment (e.g., due to the need for a reasonable adjustment). In addition, in advance of scrapping the WCA, we will restart re-assessments to make sure that people are accessing the benefits and support they should be, which will mean better outcomes for people who undergo a WCA and for taxpayers. We will smooth and improve the assessment process for people who have severe and lifelong health conditions that will never improve. We are not consulting on these measures.
- 56. There are other ways we want to improve people's experiences and trust. We are also consulting on a new DWP safeguarding approach, to make it clear what the department and its staff are expected to do to in order to safeguard the public.
- 57. The removal of the WCA is part of the fundamental reform to decouple financial support from capability to work. This change in turn means in future the PIP assessment would become the single assessment to receive both financial support in PIP and any extra financial support through UC. This places additional importance on the PIP assessment and making sure it is fit for the future. It is also over a decade since the PIP assessment was designed, during which time there have been significant shifts in the nature of disability and in wider society. In addition, we know that user experience of the PIP assessment is not always positive. So, we plan to undertake a review of the PIP assessment, involving experts, stakeholders and disabled people to consider how it needs to adapt for the future.
- 58. This Green Paper also addresses **the role of employers and the workplace** as crucial to improving employment outcomes and skills for disabled people and people with a long-term health condition. We are already taking important

<sup>&</sup>lt;sup>48</sup> See accompanying Evidence Pack

<sup>&</sup>lt;sup>49</sup> See accompanying Evidence Pack

steps through our Make Work Pay legislation: expanding access to statutory sick pay and flexible working, as well as introducing mandatory disability pay gap reporting for large firms. Sir Charlie Mayfield's Keep Britain Working review will report in the Autumn, in time for its conclusions to be alongside responses to this Green Paper.

- 59. Alongside that review, this Green Paper consults on **the future of Access to Work**. There is a strong case for updating the role it plays in making work accessible for disabled people. Access to Work has not been substantially changed since its introduction in 1994. We want to consider how public resources can generate the most value for the greatest number of people. **We are consulting on three potential future approaches:** 
  - Supporting employers directly to make workplaces accessible and inclusive, consistent with their legal responsibilities.
  - Providing targeted funds to individuals to pay for workplace adaptations, beyond what could be considered reasonable adjustments.
  - Shaping the market for aids, appliances and assistive technology, to reduce their cost and spread their adoption.
- 60. We are also consulting on future delivery models. This could range from the continuation of a DWP administered programme through to alternative organisational forms that could more directly involve disabled people and employers.
- 61. Finally, this Green Paper considers how the proposals across the board particularly affect **young people** in light of the Government's commitment to a Youth Guarantee. The transition from school to work is a vital and distinct phase and there are real and lasting 'scarring' effects from youth unemployment and inactivity. The damage can be especially grave and enduring for young people with poor mental health or low skills. This is why it is so unacceptable that there are now almost one million young people not in education, employment or training (NEET).<sup>50</sup>
- 62. This Green Paper sets out how changes to the benefit system and employment activation could underpin the Youth Guarantee, so that young people have work and training rather than a pathway to economic inactivity. We are therefore consulting on delaying access to the health element of UC within the reformed system until someone is aged 22, on the basis that the savings generated would be reinvested into work support and training opportunities for this age group. We are also consulting on whether to raise the age at which young people transition from Disability Living Allowance for children to PIP from 16 to 18. We believe this would better align the stage at which young people claim PIP with other key milestones in the transition to adulthood.

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<sup>&</sup>lt;sup>50</sup> Young people not in education, employment or training (NEET) – Office for National Statistics (www.ons.gov.uk), published February 2025. Available at: Young people not in education, employment or training (NEET) – Office for National Statistics

#### **Across the UK**

- 63. As set out in Annex B, DWP is responsible for all health and disability benefits in England and Wales. In Northern Ireland, health and disability benefits are the responsibility of the Northern Ireland Executive, although the UK government and the Northern Ireland Executive work closely together to maintain parity between their respective social security systems. In Scotland, some elements of support for disabled people and people with health conditions remain reserved (for example, the health element in UC) and some have been devolved to the Scottish Government (for example PIP and DLA).
- 64. Employment support is a transferred matter in Northern Ireland. DWP and the Scottish and Welsh Governments all have powers to provide employment support. The proposals in this paper would only apply directly to UK Government areas of responsibility. The interactions between reserved and devolved areas will need to be fully considered before implemented. This will be particularly important in Scotland where responsibility for certain disability benefits is devolved.

#### **Consultation next steps**

- 65. This Green Paper is an important staging post on a journey of reform, building on the vision and approach set out in the Get Britain Working White Paper in November 2024. It sets out our vision, strategy and proposals for change. We want to improve and refine our plans by consulting on certain measures, as described and highlighted above.
- 66. We are committed to putting the views and voices of disabled people and people with health conditions at the heart of everything we do. We will set up collaboration committees to develop our reforms further, directly with disabled people and people with health conditions and experts. We provide further detail on this in the 'Stakeholder Engagement' section of this Green Paper. This will involve bringing together disabled people, experts and civil servants around specific issues to collaborate, provide ideas, challenge, and input into recommendations. The initial policy areas to be included are, removing the barriers to trying work (Chapter 2), supporting people towards employment (Chapter 3) and supporting employers and making work accessible the future of Access to Work (Chapter 4).
- 67. Our conversations with disabled people and people with health conditions, as well as experts, have already shaped and informed this Green Paper. We are committed to continuing this dialogue and drawing on a wide range of insights and experiences to get these reforms right.
- 68. Throughout the consultation period we will listen, learn and take feedback through an online form, email, post and through in-person and online events. We look forward to hearing your responses. A White Paper will follow later this year with final proposals ahead of future, further legislation.
- 69. The reforms set out in this Green Paper involve major change. However, there is a huge opportunity from turning a passive system that labels and abandons people pushing them towards economic inactivity and low living standards –

- into an active system. One that supports and engages people, with more personalised support to help people towards work. One that steps up for people rather than gives up on people. One that provides a route to good work, better health, higher living standards, and greater independence.
- 70. The publication of this Green Paper marks the beginning of our consultation period. The consultation will close 12 weeks after the point at which the accessible versions of this Green Paper are available. We have published this paper ahead of the accessible versions to put detailed information about the matters subject to consultation in the public domain at the earliest opportunity. The production of accessible versions requires additional time, which is why the consultation period will not close until 12 weeks after these are released, so as to ensure all stakeholders have sufficient time to engage.

## Chapter 1: The case for change and our ambition for change

#### **Introduction**

- 72. Our starting point is simple: disabled people and people with health conditions, who are able to, should have the same access to opportunities, choices and chances as everyone else. That is what we mean by an equal society. Many disabled people and people with health conditions want to work but are not supported to do so.
- 73. In the Executive Summary, we highlighted the challenges of a broken benefits system and of major demographic changes. We know that once people move on to incapacity benefits, they stay on for a long time, with fewer than 1% of those placed in the limited capability for work and work-related activity (LCWRA) group moving into work in any month.<sup>51</sup>
- 74. As set out in the Get Britain Working White Paper, good work is good for health and being out of work may worsen health outcomes for many. The trajectory of health-related inactivity is bad for people, bad for taxpayers and bad for growth. Working-age ill health and health conditions which prevent individuals from working have a considerable cost to the economy and individuals.
- 75. Good quality employment is an important determinant of health. The Marmot Review in 2010 concluded that to reduce health inequalities and improve the health of the nation we needed action on six policy objectives. One of those was the creation of fair employment and good work for us all. Unemployment is associated with an increased risk of mortality, long-term illness, cardiovascular disease, poor mental health, suicide, and health-harming behaviours. <sup>52</sup> Good work can be therapeutic and reverse adverse health effects of unemployment. It can also meet important psychosocial needs in societies where employment is the norm. It can also be central to individual identity, social roles and social status. <sup>53</sup>
- 76. Our current health and disability benefits system does not encourage and enable disabled people and people with health conditions to engage with the labour market or thrive in employment. Without change, this will harm people's living standards, wellbeing and life chances, as well as harming our economy, including by restricting our ability to reach the goal of an 80% employment rate.
- 77. Alongside poor outcomes for those who rely on benefits, the current welfare bill has continued to grow. Expenditure on working-age incapacity and disability benefits has already risen by £20 billion since the pandemic. It is forecast to

<sup>&</sup>lt;sup>51</sup> Welfare trends report – Office for Budget Responsibility (obr.uk), published October 2024. Available at: CP 1161 – Office for Budget Responsibility – Welfare trends report – October 2024

<sup>&</sup>lt;sup>52</sup> Fair Society, Healthy Lives (The Marmot Review) – Institute of Health Equity (www.instituteofhealthequity.org), published February 2010. Available at: Fair Society Healthy Lives (The Marmot Review) – IHE

<sup>&</sup>lt;sup>53</sup> Is work good for your health and well-being? An independent review – GOV.UK (www.gov.uk), published January 2006. Available at: Is work good for your health and well-being? An independent review – GOV.UK

- increase by a further £18 billion between 2024/25 and 2029/30, to reach over £70 billion by the end of the Parliament.<sup>54</sup>
- 78. Our objective is to ensure more disabled people and people with health conditions are able to work and get the benefits bill onto a more sustainable footing.
- 79. That means delivering a system which supports those:
  - a. Trying to stay in work.
  - b. Jobseeking.
  - c. Trying to adapt and adjust on a pathway back to work.
  - d. Unable to work.
- 80. As part of the reforms set out in this Green Paper, we will work across government to ensure we are supporting independent living and improved quality of life for those who are unable to work. However, we also now need to urgently reform the system of health and disability benefits to deliver across all of these needs by ensuring that it is supportive and pro-work.

We have identified five core ways in which our current system<sup>55</sup> of health and disability benefits hinders, rather than promotes and enables employment and how we will tackle these problems

- 1 It asks people to demonstrate their incapacity to work, to determine their access to financial support.
- This is based on binary categories Fit for Work and not Fit for Work that do not reflect the complex reality, and fluctuating nature, of modern health, nor the range of jobs and adaptations available in the labour market.
- 82. Our research shows that 54% of those claiming Universal Credit (UC) or Employment and Support Allowance (ESA) who had no work-related activity requirements were worried that they would not get their benefits back if they tried work and it didn't work out. 56 Binary categories based on work capacity make it necessary for people to show what they cannot do and make taking steps towards work feel risky.
- 83. Our ambition is to create a system where people can engage with support and try work, without the fear of losing access to additional financial support related to their health condition or disability.

<sup>&</sup>lt;sup>54</sup> Outturn and Forecast tables: Autumn Statement 2024 – GOV.UK (www.gov.uk), published April 2024. Available at: outturn-and-forecast-tables-autumn-budget-2024.xlsx

<sup>&</sup>lt;sup>55</sup> For a description of the current system and how it works, see Annex B.

<sup>&</sup>lt;sup>56</sup> Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK

- 2 It is designed around gateways to benefits, not pathways to goals or access to support.
- 84. When someone becomes unwell or their health condition gets worse, they are directed to a queue for a benefit assessment. If they are placed in the LCWRA group, they are not required to have any further engagement with the jobcentre and therefore do not automatically receive any routine support to achieve their goals or move towards meaningful activity and work.
- 85. Around two-thirds of those going through the Work Capability Assessment (WCA) are placed into this group, up from a fifth in 2011 under ESA.<sup>57</sup>
- 86. Once people become economically inactive due to long-term sickness, they are very unlikely to move into work (3% of those economically inactive due to long-term sickness moved into work on average each year between 2014 and 2023). Once people are placed in the LCWRA group, less than 1% move into work each month and sustain work for at least two months.
- 87. Our research finds that 200,000 people receiving incapacity and disability benefits feel they could work now if the right job or support was available, and approximately one million, or 27%, say they might be able to work in the future but only if their health improved.<sup>60</sup>
- 88. We also know that employment support makes a significant difference to the work prospects of disabled people and people with health conditions, as demonstrated by the evidence published alongside this Green Paper. Additional Work Coach Support, where people on the health journey spent more time with a work coach, found that voluntary participants in the LCWRA group were a third more likely to be in work than a comparison group 12 months later. 11% of participants were in work 12 months later, compared to 8% of the comparison group. The Work-Related Activity Group pilots provided additional Job Centre Plus support for the work-related activity group in ESA. Participants were more likely to work more months in any given year, between years two and six, and were more likely to be earning through employment or self-employment up to three years after the support.<sup>61</sup>
- 89. By not designing our benefit pathways around the work ambitions of disabled people and people with health conditions, and by not ensuring people get the support they need, we are at risk of writing off their employment prospects.

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<sup>&</sup>lt;sup>57</sup> See accompanying Evidence Pack

<sup>&</sup>lt;sup>58</sup> The employment of disabled people 2024 – GOV.UK (www.gov.uk), published November 2024. Available at: The employment of disabled people 2024 – GOV.UK

<sup>&</sup>lt;sup>59</sup> Welfare trends report – Office for Budget Responsibility (obr.uk), published October 2024. Available at: CP 1161 – Office for Budget Responsibility – Welfare trends report – October 2024

<sup>&</sup>lt;sup>60</sup> Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK

<sup>&</sup>lt;sup>61</sup> The impact of additional jobcentre plus support on the employment outcomes of disabled people – GOV.UK (www.gov.uk), published March 2025. Available at: The impact of additional jobcentre plus support on the employment outcomes of disabled people – GOV.UK

- 90. Our ambition is a system built instead around early intervention and support that takes every opportunity to help people stay in work, begin a pathway to working through meaningful activity or get back to work as soon as possible. This includes encouraging participation in volunteering that builds skills, confidence and connections, helping individuals transition towards employment.
- 3 It is structured around stark distinctions in benefit rates and conditionality rules that have pushed people towards economic inactivity
- 91. The Office for Budget Responsibility (OBR) suggests that benefit changes over the last decade or so have likely had the perverse effect of driving more people into the most inactive parts of the system. The Resolution Foundation have highlighted that 'changes to the benefits system over the last decade have strengthened the incentive to claim incapacity and disability benefits. In particular, the real value of both UC standard allowance and basic out of work benefits has fallen significantly over time'. 63
- 92. People claiming UC health who are placed in the LCWRA group can receive an additional £416.19 per month in benefits, but get no access to routine support, and have no expectations to engage with work support. The Institute for Fiscal Studies (IFS) have stated that 'Falling real incomes caused by high inflation over recent years might mean higher value is placed on additional income, inducing more people to apply for health-related benefits'.<sup>64</sup>
- 93. The IFS also added that 'Another possibility [for rising health-related benefits] is job search conditionality...[whereby]...if the conditionality regime becomes more demanding, that increases the incentive to apply for incapacity benefits'.<sup>65</sup>
- 94. In its October 2024 Welfare Trends Report, the OBR stated that 'by making the financial distinction between more and less severe incapacity groups sharper, it may have led people, outsourced assessors, and DWP decision-makers to be more likely to conclude that there is a health risk to placing someone in the less severe incapacity group'.<sup>66</sup>
- 95. The OBR also stated that 'rising incapacity benefits caseloads in recent years have been associated with the expansion of conditionality and sanctioning in the non-incapacity parts of the working-age welfare system. And rising spending since 2017 may be associated with a reduction in the generosity of

<sup>&</sup>lt;sup>62</sup> Welfare trends report – Office for Budget Responsibility (obr.uk), published October 2024. Available at: CP 1161 – Office for Budget Responsibility – Welfare trends report – October 2024

<sup>&</sup>lt;sup>63</sup> Under strain. Investigating trends in working-age disability and incapacity benefits – Resolution Foundation (www.resolutionfoundation.org), published June 2024. Available at: 20-Under-strain.pdf
<sup>64</sup> Recent trends in and the outlook for health-related benefits – Institute for Fiscal Studies (ifs.org.uk), published April 2024. Available at: Recent trends in and the outlook for health-related benefits | Institute for Fiscal Studies

<sup>&</sup>lt;sup>65</sup> Recent trends in and the outlook for health-related benefits – Institute for Fiscal Studies (ifs.org.uk), published April 2024. Available at: Recent trends in and the outlook for health-related benefits | Institute for Fiscal Studies

<sup>&</sup>lt;sup>66</sup> Welfare trends report – Office for Budget Responsibility (obr.uk), published October 2024. Available at: CP 1161 – Office for Budget Responsibility – Welfare trends report – October 2024

- payments to the less severe conditionality group, pushing people (or assessors) towards the more generous more severe incapacity group'.<sup>67</sup>
- 96. Our ambition is a system where people have adequate financial support if they are not working, irrespective of the reason, as part of a benefit system designed to promote employment and reduce economic inactivity.
- 4 Too many people have poor experiences of the system
- 97. Whilst many people have a good experience of interacting with the health and disability benefits system, some do not. It can be complicated and bureaucratic to navigate and people report the negative impact the process can have on them. There is low trust in the process, and a high proportion of appeals against decisions are upheld. Of all the ESA WCAs that have been completed, 3% have been heard at a tribunal hearing.<sup>68</sup>
- 98. Of the 3.1 million working-age people on UC health or claiming ESA, two million (63%) claim either Personal Independence Payment (PIP) or Disability Living Allowance (DLA).<sup>69</sup> This means that two million people have had to undergo two separate health and disability benefit assessments.
- 99. Our ambition is to create a system that is simple for people to navigate, is trusted by the people who use it, where users have good experiences, whilst producing the right decisions first time, as far as possible.
- 5 Without reform the increase in spending on health and disability benefits that the OBR forecast for the coming years is not sustainable.
- 100. As outlined above, the incapacity benefit caseload and the disability benefits caseload are both forecast to increase significantly between 2024/25 and 2029/30. The increase in forecast is based on a combination of factors, including demographic changes, the changing prevalence of disability and health-related inactivity and current trends relating to benefit demand, duration and off-flow, and employment outcomes.
- 101. Whilst spending on working-age welfare as a proportion of GDP is not significantly higher than before the 2008-10 recession, the share of GDP spent on disability and incapacity benefits has risen from 1.1% in 2007/08 to 1.8% in 2024/25, and almost all of this increase has occurred in the last six years. This requires us to take both immediate action on the affordability of our system, as well as reforming our system to put it on a sustainable footing for the long term.

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 <sup>&</sup>lt;sup>67</sup> Welfare trends report – Office for Budget Responsibility (obr.uk), published October 2024. Available at: CP 1161 – Office for Budget Responsibility – Welfare trends report – October 2024
 <sup>68</sup> ESA: outcomes of Work Capability Assessments including mandatory reconsiderations and appeals: December 2024 GOV.UK (www.gov.uk), published December 2024. Available at: ESA: outcomes of Work Capability Assessments including mandatory reconsiderations and appeals: December 2024 – GOV.UK

<sup>&</sup>lt;sup>69</sup> See accompanying Evidence Pack

<sup>&</sup>lt;sup>70</sup> Ratchets, retrenchment and reform: The social security system since 2010 – Resolution Foundation (www.resolutionfoundation.org), published June 2024. Available at: Ratchets, retrenchment and reform • Resolution Foundation

- 102. Our ambition is a system that is affordable and sustainable in the context of steadily rising prevalence of long-term conditions and disability in the workingage population. One in every 10 working-age people in Britain is now claiming at least one type of health or disability benefit.<sup>71</sup>
- 103. We are committed to reforming the system of health and disability benefits so that it promotes and enables employment among as many people as possible.<sup>72</sup> The system must also support disabled people to live independently. It is also vital to ensure that the system is financially sustainable in the long-term.

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Proposed Formula Statistics of February 2024 – GOV.UK (www.gov.uk), published August 2024. Available at: Benefit Combinations: Official Statistics to February 2024 – GOV.UK Proposed Febru

# Chapter 2: Reforming the structure of the health and disability benefits system

- 105. In the Get Britain Working White Paper, we announced that we would bring forward plans to reform the health and disability system to promote and enable employment. Chapter one set out the five core ways in which our current system of health and disability benefits hinders, rather than promotes and enables employment. It also set out that, without reform, the increase in spending on health and disability benefits that the Office for Budget Responsibility (OBR) forecast for the coming years is not sustainable. This chapter sets out our objectives and plans for the reformed system to tackle those challenges. We are announcing our plans to scrap the Work Capability Assessment (WCA) and use the single Personal Independence Payment (PIP) assessment to assess entitlement for the Universal Credit (UC) health element. These measures will be delivered by primary legislation and we are not consulting on these measures. Details will be set out in the forthcoming White Paper.
- 106. **We are consulting** on establishing a new, simple and clear "Unemployment Insurance" benefit through the reform of contributory benefits New Style Jobseeker's Allowance (NS JSA) and New Style Employment and Support Allowance (NS ESA).
- 107. This forms part of our wider plan to reform the system by rebalancing the generosity of the UC standard allowance and the UC health element, a change which aligns with our objective of having a social security system which is prowork but which provides adequate financial support for people when they are not working, regardless of the reason. This will be introduced by separate primary legislation and we are not consulting on this measure.
- 108. We are taking action now to control the rising increase in spend on PIP and to make it more sustainable. We will introduce a new, additional requirement for people to score at least four points in one daily living activity to be eligible for the daily living part of PIP. This will focus PIP more on those with higher needs and will be introduced by the same separate primary legislation. We are not consulting on this measure.

#### 109. This chapter covers:

- Section 1 What the reformed health and disability system will look like.
- Section 2 Improving user experiences: The future of PIP, assessment processes and safeguarding.

#### Section 1 – What the reformed system will look like

- (1) A system where people can engage with support and try work, without the fear of losing access to additional financial support related to their health condition or disability
- 110. We will achieve this system by:
  - a. No longer asking people to demonstrate incapacity to work to receive financial help for a health condition or disability, by scrapping the WCA.
  - b. Removing barriers to trying work.

#### Scrapping the Work Capability Assessment (WCA)

- 111. As explored in the case for change, the outcome of a WCA carries significant consequences. The outcome can stop people from engaging in support and trying work due to the fear of losing their additional financial support, related to being assessed as unable to work. The WCA plays the role of policing the overly binary gateway to means-tested incapacity benefits, rather than focusing on a pathway to employment through meaningful activity, accessing support or tapping into people's motivations. At its core is the idea that capacity to work is objective, fixed and knowable that people can be split into those who can work and those who cannot. In reality, this is not the case.
- 112. Of the 3.1 million working-age people on the health element of UC or claiming Employment and Support Allowance (ESA), two million (63%) claim either PIP or Disability Living Allowance (DLA)<sup>73</sup>. This means that many people in England and Wales must go through both the WCA and PIP assessment processes to get full access to the benefits they are entitled to. This can be a complex, time-consuming and duplicative process. It can also cause stress for individuals who may need to compile similar evidence and attend separate assessments for each benefit. This is a further important reason for scrapping the WCA.
- 113. This means that in the reformed system in England and Wales<sup>74</sup>, there will only be a **single assessment** for financial support related to health and disability benefits, rather than two. This will be based on the current PIP assessment.
- 114. Both UC and PIP will still exist in the reformed system. UC will remain a meanstested benefit for those people that are in work and on a low income, or are out of work. Without the WCA eligibility criteria, the additional health element in UC will no longer be linked in any way to someone's capacity to work or their work status. Instead, eligibility to the additional UC health element will be based on whether someone is receiving any Daily Living Award in PIP.<sup>75</sup>
- 115. This means we would focus any health-related financial support in UC on those with long-term conditions and disabilities that have lasted for three months and are expected to last for at least a further nine months. We are considering how

<sup>73</sup> See accompanying Evidence Pack

<sup>&</sup>lt;sup>74</sup> For further detail on devolution implications, see Annex B.

<sup>&</sup>lt;sup>75</sup> As stated in the 'Across the United Kingdom' in Annex B, the interactions of the reformed system and the implications for Devolved Governments will need to be fully considered before implemented.

any change of this kind could affect individuals who currently meet limited capability for work and work-related activity (LCWRA) criteria due to non-functional special circumstances; for example, those affected by cancer treatment, people with short term conditions that get better, women with a high-risk pregnancy and those currently classed as having substantial risk. Individuals in these categories may not be eligible for PIP, and therefore the UC health element, in the reformed system.

- 116. In the reformed system these groups will still be eligible for UC and for the proposed new higher rate Unemployment Insurance if they meet relevant eligibility criteria. Individuals who are nearing the end of their life with 12 months or less to live will continue to be able to access PIP through the existing fast track route (Special Rules for End of Life (SREL))<sup>76</sup> to ensure we protect those who are nearing the end of their life, irrespective of the duration of their illness.
- 117. The Department for Work and Pensions (DWP) will work with the Department for Health and Social Care (DHSC) to ensure the changes we are making do not increase demand for medical evidence and requests for fit notes or place additional pressure on any part of the health service including general practice (GP). We are determined to reduce the pressure on primary care and ensure everyone can access GP services.
- 118. As stated in Annex B, the interactions of the reformed system and the implications for Devolved Governments will need to be fully considered before being implemented. This will be particularly important in Scotland where consideration will be needed as to how entitlement to the new UC health element will be determined, given that UC is reserved and PIP is devolved and has been replaced by Adult Disability Payment.

#### Removing barriers to trying work

- 119. The DWP Work Aspirations Survey interim report (February 2025)<sup>77</sup> suggests that, of those claiming UC or ESA who had no work-related activity requirements, 54% felt worried that they would not get their benefits back if they tried paid employment that did not work out. It also highlights that 37% of people claiming PIP with no other health-related benefits were worried that they would not get their benefits back.
- 120. Additionally, 60% of people surveyed (across all health and disability benefits) agreed with the statement "I am worried DWP will make me look for work that I'm not suitable for if I ask for help" This demonstrates that people fear engaging with employment support.

PIP assessment guide part 1: the assessment process – GOV.UK (www.gov.uk), published
 November 2024. Available at: PIP assessment guide part 1: the assessment process – GOV.UK
 Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK

<sup>&</sup>lt;sup>78</sup> Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK

- 121. There are already rules in place that are intended to encourage working-age people who are in receipt of health and disability benefits to try work. Both PIP and UC health are in and out of work benefits. In UC there are work allowances specifically for those who have a disability or a health condition (the limited capability for work (LCW) and LCWRA groups). In addition, there is also a single taper rate that withdraws financial support at a steady rate as earnings increase, smoothing the transition into work and ensuring you are always better off in work. Both the work allowance and single taper rate will remain unchanged to continue to incentivise trying work.
- 122. Under permitted work rules, anyone claiming ESA can work for fewer than 16 hours per week and earn up to £183.50 per week (increasing to £195.50 from April 2025), without it affecting their benefit entitlement. People claiming ESA that work over and above these thresholds are no longer eligible for the benefit.
- 123. At present, people claiming UC and NS ESA can return to their previous benefits should they stop working. If a person claiming UC starts work and has earnings which exceed the threshold for entitlement to UC following application of the Work Allowance and the UC taper, their UC entitlement and award can resume if their earnings fall below the threshold again within six months. For NS ESA, if a person leaves the benefit to try work, ESA linking rules allow people to reclaim within 12 weeks without needing to undergo a WCA (providing there are no other changes of circumstances).
- 124. These rules can be complex, meaning that many people misunderstand them and fear getting something wrong, which they worry could lead to them being forced to look for unsuitable work or losing their benefits. For too many disabled people and people with health conditions on benefits, these rules act as a barrier that stops some from getting into work and getting on. So, we are determined to remove as many of these barriers, both real and perceived, as we possibly can.
- 125. This is why we will implement a series of measures to alleviate people's worries around trying work. We want to give people the confidence that working will not in and of itself trigger a reassessment, a potential loss of benefits, and remove the risk of trying work whilst on benefits. This will fulfil our manifesto commitment to "give disabled people the confidence to start working without the fear of an immediate benefit reassessment if it does not work out".
- 126. To achieve the objectives above and remove barriers to trying work, we will:
  - Establish in law the principle that work will not lead to a reassessment. For people receiving UC, PIP (in England and Wales), or NS ESA (whilst and if it is in place), we will introduce legislation that guarantees that trying work will not be considered a relevant change of circumstance that will trigger a PIP award review or WCA reassessment. We will make these changes as soon as possible, so that they apply in the current system and as well as in the reformed system. By legislating, we aim to give people more confidence that they will not be reassessed because they have tried work. This change will also be communicated to work

- coaches delivering the benefit as well as to benefit recipients themselves to best support people into work.
- Increase awareness of the rules about working whilst in receipt of benefits by engaging with those who claim benefits and stakeholders. DWP research suggests that current policy and measures around trying work are not well understood by people<sup>79</sup>. We will therefore gather further insight to better understand whether an increased awareness of the rules about working whilst on benefits will encourage more people to try work.
- 127. In addition, over the coming months we will engage with stakeholders to support the development of further proposals to help reduce the real or perceived risks people feel to trying work because of its impact on their benefits (e.g., whether reassessment periods should change if someone starts a job). We will create a collaboration committee on this important issue. This means we will bring together groups of people for specific work areas who will meet to collaborate with civil servants and provide discussion, challenge, and recommendations. We will provide more detail on this in the Stakeholder Engagement section later in this Green Paper.
- 128. In addition to the measures outlined above, in consultation question 1, we are consulting on what further steps the Department could take to make sure that the benefit system does not prevent people from carrying out meaningful activity to prepare them for work.
- 129. Finally, although the benefits system is designed to enable disabled people to be active in all aspects of their lives, as with trying work, many fear losing financial support if they are seen to be active resulting in an 'activity trap'. The Government will consider whether more can be done in the benefit system to make sure that those who can and want to be active, have the confidence to do so.
- (2) A system where people have adequate financial support if they are not working, irrespective of the reason, as part of a benefit system designed to promote employment and reduce economic inactivity
- 130. We will achieve this system by:
  - a. Rebalancing between UC standard allowance and the UC health element.
  - b. Consulting on establishing a new Unemployment Insurance that will provide a higher rate of time-limited financial support for those who have paid in by reforming contributory benefits.
  - c. Investing significantly in additional employment support.

<sup>&</sup>lt;sup>79</sup> Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK

Rebalancing between the UC health element and the standard allowance

- 131. We want to make fundamental changes to the structure of social security to support our goal of a decisively more pro-work system. A core principle is that the social security system should provide adequate financial support for people when they are not working, irrespective of the reason alongside additional non-means tested support for disabled people.
- 132. As outlined in the Case for Change in Chapter One, the current benefit system is structured around stark distinctions in benefit rates and conditionality rules that have pushed people towards economic inactivity. Furthermore, benefit changes over the last decade or so have created perverse incentives that may have contributed to pushing people towards claiming incapacity and disability benefits<sup>80</sup>, where employment outcomes are lowest and costs to the taxpayer are highest. Currently, the means-tested support available through UC for the LCWRA element is £416.19 per month, which is in addition to, and is more than the £393.45 per month for the standard allowance for a single person over aged 25. The difference between the standard allowance and LCWRA rate has increased over time because of a four-year benefit freeze between 2015 and 2019, which applied to the standard allowance but not to the LCWRA element.
- 133. Reducing the differential between the UC standard allowance and additional means-tested financial support for health and disability aligns with our objective of having a social security system which is pro-work but which provides adequate financial support for people when they are not working, regardless of the reason. To address this fundamental imbalance, we will legislate to take a decisive step to reset payment rates in UC over this Parliament, starting from April 2026.
  - We will increase the UC standard allowance for new and existing claims.
    This would mean the single person 25+ rate of UC standard allowance
    increasing by £7 per week (pw) (from £91pw in 2024/25 to £98pw in
    2026/27).
  - For people who already receive the UC health element the rate of the UC health element will be frozen at £97pw until 2029/30 but this group will receive an increased UC entitlement in cash terms as a result of the increased standard allowance.
  - We will guarantee that no-one who has been found LCWRA prior to April 2026 and remains LCWRA following reassessment will see their UC health element entitlement changed.
  - We will ensure that this group do not fear a loss of their benefit rate from working. Linking rules are already in place which mean people can return to their previous benefit rate, within a period of six months, if their earnings mean they are no longer entitled to UC but then it doesn't work out and

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<sup>&</sup>lt;sup>80</sup> Welfare trends report – Office for Budget Responsibility (obr.uk), published October 2024. Available at: CP 1161 – Office for Budget Responsibility – Welfare trends report – October 2024

- they need to restart their claim. We will also legislate to establish in law the principle that work in and of itself will never lead to a reassessment.
- For new claims the rate of the UC health element will be reduced by £47pw (from £97pw in 2024/25 to £50pw in 2026/27). However, this group will benefit from the higher standard allowance, which will partially offset this reduction.
- For those receiving the new reduced UC health element after April 2026, we are proposing that those with the most severe, life-long health conditions, who have no prospect of improvement and will never be able to work, will see their incomes protected through an additional premium.<sup>81</sup> 82 We will also guarantee that for both new and existing claims, those in this group will not need to be reassessed in future.
- 134. This change to the UC Health rate for new claims will be combined with much more active engagement and support (our third step) so that entry onto the UC health element is not a one-way street where people are abandoned and very unlikely to ever work again, as is the case now. This group will continue to benefit from a substantial work allowance, which means they can earn up to £673 a month (or £404 a month if they get help with housing costs) without their UC income being affected (and without paying any income tax).
- 135. The objective of these changes is to reduce perverse incentives, promote labour market engagement over inactivity, and improve the adequacy of the standard allowance whilst supporting those with most severe needs. As well as, to begin to address the basic adequacy of the UC standard allowance, to meet essential costs to benefit UC claimants in and out of work. Our action is the first sustained rise above inflation in the basic rate of UC since introduction. Our goal is that the combination of much more active support and a strong financial incentive to work, will create a space for people to be on a pathway to working and earning in a way that is consistent with their health condition or disability, including with UC as an in work benefit supplementing their income. This will be supported by clear rules and communication to emphasise that engaging with support and moving into work will not trigger a reassessment and that existing linking rules mean that someone can come back onto their previous benefit rate, without a further assessment, if a job does not work out. Further details on removing barriers to trying work are set out in this chapter.
- 136. We think it is right that existing claimants in receipt of the UC Health element should have their benefit entitlement protected. At the same time, we want to provide support and opportunity for anyone in this group who wants to get on a pathway to work (and take advantage of their Work Allowance). To support this aim, we will legislate to guarantee that work in and of itself will never lead to a reassessment.

<sup>82</sup> UC rates apply for each assessment period, which is a calendar month. The amounts referred to in this paragraph are the weekly equivalent of the UC monthly rate amounts.

<sup>&</sup>lt;sup>81</sup> Equivalent changes will be made to UC rates for single claimants under 25 and joint claimants both under 25 and joint claimants either aged 25 or over.

- 137. Importantly, we will ensure that those with the most severe, life-long health conditions, who will never be able to work, will see their incomes protected, including through an additional premium for new claims. We will also ensure this group face no future reassessment.
- 138. This is a significant change to the structure of UC and so we will track its impact, especially on employment, earnings and poverty. We believe structural change of this kind is an important step to shape the social security system in a way that combines strong incentives to work, an adequate basic safety net, and additional non-means tested support for disabled people alongside PIP.

#### Focussing PIP more on those with higher needs

- 139. PIP will remain an important, non-means tested benefit for disabled people and people with health conditions regardless of whether they are in or out of work. However, the number of people receiving PIP is rising significantly and is becoming unaffordable. In 2024/2025, there were three million working-age people in receipt of PIP at a cost of £21.8 billion. By 2029/30, the working-age PIP caseload is forecast to be 4.2 million people, at a cost of £34.1 billion per year.<sup>83</sup> The rate of increases in claims and expenditure is not sustainable and has outstripped the growth in disability prevalence.
- 140. Changes are needed that will control the spend on the welfare bill, while continuing to support those people with higher needs relating to their long-term health condition or disability. As described above, we will introduce a new eligibility requirement to ensure that only those who score a minimum of four points in at least one daily living activity will be eligible for the daily living component of PIP. This requirement will need to be met in addition to the existing PIP eligibility criteria.
- 141. This means that people who have lower needs only in the daily living activities (scoring three or less for each activity) will no longer be eligible for the daily living component of PIP. Meanwhile, people with a higher level of functional need in at least one activity for example, people who are unable to complete activities at all, or who require more help from others to complete them will still receive PIP.
- 142. We will introduce this change through primary legislation. It will apply to new claims and for existing people who claim, future eligibility will be decided at their next award review. This change means that people could lose entitlement to the daily living element of PIP and potentially other entitlements linked to this award.
- 143. We are mindful of the impact this change could have on people and so want to consider how we can best support those affected. This includes options for transitional protection for those who are no longer eligible for PIP and the entitlements linked to their award. In addition, we also want to consider how to support those with lower needs in a large number of PIP activities, as part of

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<sup>&</sup>lt;sup>83</sup> Benefit expenditure and caseload tables 2024 – GOV.UK (www.gov.uk), published April 2024. Available at: Benefit expenditure and caseload tables 2024 – GOV.UK

- these changes. We are consulting on whether those who lose entitlement need any support and what this support could look like (see consultation question 2).
- 144. As stated in Annex B, the impact and interactions of any changes to the PIP gateway will need to be fully considered with the Devolved Governments. This will be particularly important in Scotland as PIP is devolved and has been replaced by Adult Disability Payment.

Ensuring those who are no longer eligible for PIP have their health and eligible care needs met

- 145. We want to ensure that anyone in receipt of PIP now who would lose entitlement when they are reassessed under the new eligibility criteria, has their health and eligible care needs met.
- 146. Everyone should have their healthcare needs met by the NHS which is why we are investing almost £26 billion to fix the health and care system and we are investing an additional £889 million in General Practice in 2025/26 to reinforce the front door of the NHS and bring back the family doctor.
- 147. DWP will work with DHSC to ensure that existing people who claim PIP who may no longer be entitled to the benefit following an award review under new eligibility rules have their health and eligible care needs met, in addition to being able to access our support conversation and employment support if they want to.
- 148. We are consulting on how best we can achieve this, including by offering a review of health and eligible care needs to anyone who is no longer entitled to PIP in future (see consultation question 3). The review will identify the type of health and eligible care support they need and the potential ways to unlock it, including addressing any health barriers to employment.
- 149. Some people who may no longer qualify for PIP may value additional choice and control over how they access their healthcare. For instance, Personal Health Budgets allow people to manage their healthcare and support, such as treatments, equipment and personal care, in a way that suits them. In consultation question 3, we are also seeking views on whether expanding this type of arrangement would help meet people's health and eligible care needs.
- 150. Such developments would sit alongside our ambition as set out in chapter 3 to guarantee personalised employment support to anyone claiming out of work benefits with a health condition or disability who wants to work but is currently outside the labour market.

Introducing a new Unemployment Insurance by reforming contributory benefits

151. We are consulting on creating a new Unemployment Insurance for those that have made National Insurance contributions. This would mean people receive the income they need alongside the right employment support to get back into work. The welfare system was founded upon the contributory principle

- the idea of 'something-for-something'. Contributory benefits are a form of non-means tested support for those who experience unemployment. Currently, New Style Employment and Support Allowance (NS ESA) and New Style Jobseeker's Allowance (NS JSA) provide support for those who have recently become unemployed. To qualify for these benefits, two to three years' worth of National Insurance credits must have been paid or credited prior to the date of a person's claim. NS ESA supports individuals whose ability to work is restricted due to a disability or health condition. NS ESA relies on the WCA to determine eligibility. After the WCA, NS ESA places people in either a work-related activity group or a support group, which determines how much work preparation activity they are required to do and how long they are able to access the benefit. NS JSA also supports unemployed individuals, or those working on average less than 16 hours a week, but it does not have a health-related requirement. People receiving NS JSA are expected to be actively searching for work and are able to access the benefit for up to 6 months.
- 152. Under the reformed system, we are consulting on replacing NS ESA and NS JSA with one new Unemployment Insurance benefit. The rate of financial support would be set at the current higher rate of NS ESA. The benefit would not require a health assessment and would be based on an individual's National Insurance record as is currently the case.<sup>84</sup> Individuals, such as those with long term health conditions, would also be able to claim other relevant benefits where eligible.
- 153. We believe this would make the contributory system simpler and significantly more pro-work by first removing the binary distinction between jobseekers and those considered unable to work (by removing the WCA) and second by removing the financial incentive to be considered unable to work (by paying at a flat rate). We would also be improving the income protection available to people who lose their job, while time-limiting that entitlement (for example for 6 to 12 months) to create a strong incentive to get back into the labour market.
- 154. We know that the chances of getting back to work are higher in the initial period after someone loses a job. Once people enter economic inactivity, where the main reason is long-term sickness, they are very unlikely to move out of inactivity: on average, from one year to the next, 3% of this group move into employment.<sup>85</sup> So, we will design employment support with the intention of preventing people from falling out of the labour market altogether and supporting them to adapt and adjust to health issues, aiming to help them get back to meaningful activity and work during this time limited period. Unlike now, where some of those on NS ESA do not have to engage with any employment support (i.e. those in the Support Group), almost all disabled people and people with long-term health conditions receiving the new contributory benefit would be required, as a minimum, to participate in conversations as part of a new offer of tailored employment support with appropriate exemptions. As part of our thinking about support for those on UC, we would also consider what support

<sup>&</sup>lt;sup>84</sup> People are currently required to have paid National Insurance Contributions (NICs) in the most recent two full tax years, we would look to carry over this rule.

<sup>&</sup>lt;sup>85</sup> The employment of disabled people 2024 – GOV.UK (www.gov.uk), published November 2024. Available at: The employment of disabled people 2024 – GOV.UK

- would benefit those on the new contributory benefit specifically. Chapter 3 outlines our plans for employment support.
- 155. Our expectation is that providing people with active employment engagement and a non-means tested, time-limited, financial award would allow them to get back to work, engage in meaningful activity and look for the right job, where they are able to. We want to support people to find the right work for them, fulfilling their potential, and using the skills they have, preventing them from becoming long term economically inactive where possible. Therefore, we are consulting on how long individuals should receive the Unemployment Insurance, and what support should be available for individuals during this time (see consultation question 4).
- 156. As we move to a reformed system, we would also provide self-employed individuals access to any new Unemployment Insurance too.

#### Section 2 – The future of PIP, assessment processes and safeguarding

- 157. In future, under proposals set out in this Green Paper, the WCA will be scrapped, with the PIP assessment becoming the single assessment to receive both financial support in PIP and any extra financial support related to health and disability through UC. This places additional importance on the PIP assessment and making sure it remains fit for the future.
- 158. The PIP assessment needs modernising. It is over a decade since PIP was introduced, during which time there have been significant shifts in the nature of long-term conditions and disability, as well as changes in wider society and the workplace. People reporting mental health or neurodiverse conditions as their primary condition have increased more rapidly than those reporting other conditions<sup>86</sup>, and increases in disability have been more marked among younger adults than older people, although older working-age people are still more likely to be disabled.<sup>87</sup>
- 159. Therefore, we will launch a process to review the PIP assessment. This is a major undertaking which will take time and require extensive engagement, so any changes to the PIP assessment would only be introduced following the reforms set out in this Green Paper. To make sure we get this right, we will bring together a range of experts, stakeholders and people with lived experience to consider how best to do this and to start the process as part of preparing for a review. It will also provide an opportunity to consider how to extend the goals and approach set out as a result of this Green Paper through any future change to the PIP assessment. In particular, the ambition is to shape a system of active support that helps people manage and adapt to their long-term condition and disability in ways that expand their functioning and improve their independence.

 <sup>&</sup>lt;sup>86</sup> UK disability statistics: Prevalence and life experiences – House of Commons Library (commonslibrary.parliament.uk), published October 2024. Available at: CBP-9602.pdf
 <sup>87</sup> The employment of disabled people 2024 – GOV.UK (www.gov.uk), published November 2024. Available at: The employment of disabled people 2024 – GOV.UK

160. In the meantime, we will take more immediate action to get the basics right and improve the experience for people who use the system of health and disability benefits, including looking again at our safeguarding processes.

#### Switching back on WCA Reassessments

- 161. Whilst the WCA is still in place, we will restart reassessments as they play an important role in taking account of how changes in health conditions and disabilities affect people over time. This includes where there is a deterioration in someone's health condition but also any improvements, which may mean they would benefit from more active engagement and support to return to work.
- 162. During the COVID-19 pandemic, scheduled reassessments were turned off. In 2019, 611,000 WCA reassessments were carried out. This has fallen to 118,000 in 2023.88 We will turn on WCA reassessments as we build up capacity to do so. We will initially prioritise reassessments for people who are most likely to have had a change in their circumstances including those who have short-term prognoses, for which we can reasonably anticipate a change in health condition has occurred (e.g., those with risks from pregnancy complications or those who have recovered following cancer treatment). Over time, we will then prioritise available reassessment capacity for other cohorts who are likely to change award.
- 163. At the same time, we do not want the prospect of a future reassessment to deter people from trying out work and fearing a loss of benefits. There are already mechanisms in place in both UC and ESA which allow people to try work and return to the benefit should it not work out. However, we will go further by introducing legislation that clarifies that trying work in and of itself is not a relevant change of circumstance that will trigger a PIP award review or WCA reassessment. We will also work with stakeholders to explore going further (for example, by restarting the assessment period if someone gets a job).

#### Increasing the number of Face-to-Face assessments in PIP and WCA

164. Before the COVID-19 pandemic, in 2019, 77% of face-to-face assessments as a combined total were delivered across PIP and WCA. During the COVID-19 pandemic, it was necessary to move away from face-to-face assessments to assessments largely carried out over the telephone as a public health response. As of 2024, the volume of all PIP or WCA assessments carried out face-to-face remains low, at 7%.89 Given the move to a multi-channel approach was driven by a public health emergency we now think we need to revisit this position and recalibrate – to focus on returning to doing more face-to-face assessments, while preserving alternative health assessment channels to meet the specific needs of people who require a different channel, for example as a reasonable adjustment.

<sup>88</sup> See accompanying Evidence Pack

<sup>89</sup> See accompanying Evidence Pack

#### Recording assessments

- 165. Disability stakeholder feedback and departmental disability-focused research has found that some disabled people who claim health and disability benefits lack trust in the health assessment process.
- 166. Currently, people can request an audio recording of their assessment across PIP, the WCA in UC and ESA, and in Specialist Benefits which require an assessment. We are therefore looking at recording assessments as standard based on a recommendation from the Work and Pensions Select Committee.
- 167. The aims are to improve people's trust in the health assessment process through greater transparency, using recordings as a learning opportunity to consider potential improvements to the quality of the assessment process and to be available to people who are appealing the initial award given.

Reducing the initial assessment requirement in PIP for certain groups with very severe conditions

- 168. The assessment process is an important part of claiming PIP to ensure that people receive the right level of support. For some people with very severe health conditions and disabilities, however, by the time they come to make a PIP claim, they have already undergone intensive assessments and provided detailed evidence about their condition to receive support from other services.
- 169. We are exploring ways we could use evidence from eligibility for other services to reduce the need for some people with very severe health conditions and disabilities to undergo a full PIP functional assessment. For example, many young people who have been living with very severe conditions since childhood move onto PIP having already received awards for Disability Living Allowance for children (DLAc).

Improving communication with people receiving an ongoing award in PIP who are likely to remain on disability benefits for life

- 170. In the current system, people receive an ongoing award in PIP if the impact of their health condition or disability is not likely to change in the long-term, or if they have the highest level of award and the impact of their condition is only likely to get worse. Ongoing awards can be given at any award level in PIP.
- 171. Most people with ongoing awards are not formally reassessed. Instead, they have a 'light touch' review every 10 years which aims to maintain a minimal level of contact with people to ensure their details are kept up to date and adjust awards if necessary.
- 172. By providing PIP awards for an ongoing period, we remove the need for people whose conditions are unlikely to improve to undergo more regular award reviews. Yet we still hear that people with lifelong and progressive conditions are concerned they are being put through unnecessary repeated assessments.
- 173. We are considering making changes to improve communication around receiving ongoing awards in PIP. These include improving the information we provide when we write to people about ongoing PIP award decisions, what

support is offered to people receiving ongoing awards between 'light touch' reviews and reviewing the length of time between 'light touch' reviews.

#### Medical evidence and digitalisation

- 174. Medical evidence plays an important role in the PIP assessment. People are asked to voluntarily provide evidence about how their health condition or disability affects their daily life. Good, upfront medical evidence can speed up the claims process as we can make a decision more quickly.
- 175. We want to see what more we can do to increase the quality of evidence we receive, and to encourage and support people to provide the right supporting evidence at the earliest opportunity without placing additional burdens on any part of the NHS, especially primary care. We believe this will help ensure people have a better assessment experience. We want to look at how we can make changes to the way we engage and communicate with people to achieve this.
- 176. In addition, we plan to explore how the process of transferring supporting medical evidence from the NHS to the department could be digitalised, where people have already consented to the NHS sharing that with us. This could reduce the administrative burden on both PIP applicants and the NHS as well as speed up the overall claim journey.

#### Safeguarding in DWP

- 177. Throughout this Green Paper, we have set out plans for helping disabled people and people with health conditions get into work. As we do this, we want to ensure we continue to support those who are vulnerable or at risk, because the welfare of people who use our services is at the core of everything we do.
- 178. The department has long-standing processes in place to help protect and support vulnerable people who use our services. Under the previous Government, there was confusion and a lack of clarity around these processes which has contributed to an erosion of trust in the department's services.
- 179. Here we outline the intention to change that, aiming to rebuild that trust. We believe we have a key role to play in safeguarding people who use our services, and we take this responsibility very seriously. We want to explore strengthening the work we already do and to introduce a new published 'safeguarding approach'.
- 180. As a first step, we will conduct a thorough review of our current processes and work with stakeholders to identify areas for improvement. We will then develop and implement a new departmental wide approach to safeguarding. We will publish this new approach to provide clarity on what the department does. It will outline what improvements we will make, what the public can expect from our staff, and how the department works and interacts with local authorities, safeguarding agencies, the health service and other professionals. This will be a significant departure from the way things are done now, so it is important we take the time to work with stakeholders to get this right and we are consulting on this (see consultation question 5).

- 181. However, we are not starting this work from scratch. The department already has processes in place throughout the journey to support and safeguard people who have complex needs or are vulnerable. For example, we have an Advanced Customer Support team who are trained to support vulnerable people and work closely with local partners to manage referrals to additional support. The team also helps arrange home visits by frontline staff and other agencies so that those who need it most have face-to-face support available to them.
- 182. All of our health care professionals undertaking assessments are trained in safeguarding. We have a comprehensive clinical safeguarding policy and a newly established Clinical Governance and Excellence Board to ensure learning is fed back across the department. Where things sadly do go wrong, we have a Serious Case Panel which aims to ensure lessons are learnt and mistakes are not repeated.
- 183. Despite these existing processes, we want to go further so that there is a clear and transparent process in place to ensure vulnerable individuals are adequately supported, which is why we will undertake our review and will publish our new safeguarding approach.
- 184. We also want to build trust through being more transparent. We will therefore look at our existing processes and:
  - Provide further information on the support available to help vulnerable people who use our services.
  - Continue to publish our additional support activities in our annual report and accounts.
  - Publish learning the department takes from cases and other evidence.
  - Consider publishing, in more detail, the minutes from the Serious Case Panel ensuring we maintain the confidentiality of cases discussed.
  - Develop an annual clinical governance progress report which will include clinical safeguarding referral data and departmental learning.
- 185. We believe the steps outlined above will go a long way to provide clarity and rebuild the trust in the department that has eroded over previous years. We are committed to ensuring we get this right and so in the autumn we will set out our plans in more detail and include a timeline to evaluate the success of a new safeguarding approach, so that we can consider further steps if needed.

#### **Chapter summary**

186. In the first section of this chapter, we outlined our plans to fundamentally reform the system of health and disability benefits by scrapping the WCA and removing barriers to trying work. We explained that there will be a single assessment for financial support related to health and disability in the reformed system, based on the current PIP assessment; people will no longer have to undergo two assessments to get additional financial support for a health condition or disability. Entitlement to the UC health element will then be dependent on award of PIP daily living in the reformed system.

- 187. In the first section we also set out plans to rebalance the UC health element and the standard allowance, this aligns with our ambition for a social security system which is pro-work but which provides adequate financial support for people when they are not working, regardless of the reason. Finally, we announced that we are consulting on the creation a new Unemployment Insurance through the reform of contributory benefits, to provide time-limited income protection during periods of unemployment, decoupled from any assessment of incapacity to work.
- 188. In the second section of this chapter, we set out our intention to launch a process to review the PIP assessment, given the additional importance that will be placed on it in the reformed system, to make sure it remains fit for the future.
- 189. Alongside this, we outlined further proposals to help us get the basics right and improve experiences for people using the system of health and disability benefits. These include proposals for changes to our current PIP and WCA assessment processes. We also announced our intention to review our safeguarding processes, starting in the autumn.

#### **Chapter 2 Consultation Questions:**

- 1. What further steps could the Department for Work and Pensions take to make sure the benefit system supports people to try work without the worry that it may affect their benefit entitlement?
- 2. What support do you think we could provide for those who will lose their Personal Independence Payment entitlement as a result of a new additional requirement to score at least four points on one daily living activity?
- 3. How could we improve the experience of the health and care system for people who are claiming Personal Independence Payment who would lose entitlement?
- 4. How could we introduce a new Unemployment Insurance, how long should it last for and what support should be provided during this time to support people to adjust to changes in their life and get back into work?
- 5. What practical steps could we take to improve our current approach to safeguarding people who use our services?

### **Chapter 3: Supporting people to thrive**

#### **Chapter Summary**

- 190. In this chapter, we set out our intention to guarantee that disabled people and those with long-term health conditions who are claiming out of work benefits can access tailored support to return to work. This will be achieved through new additional funding for employment, health and skills support, starting next year and building to around a £1 billion per year by the end of the decade.
- 191. In this chapter we also explore questions around how we can shift to a more active system that creates opportunities to understand people's aspirations, goals and the support they need to achieve them (including who should be expected to engage with conversations about work).
- 192. This Government has already started to bring about change to address health-related economic inactivity. We are injecting almost £26 billion of extra funding to get the health and social care system back on its feet and bring down waiting lists. We are taking action to get the economy growing and to help create good jobs across the country, such as through our industrial strategy, infrastructure investment and planning reform. We have increased the National Living Wage and are legislating to Make Work Pay.
- 193. We have also embarked on the biggest reforms to employment support in a generation through our Get Britain Working plan, by:
  - Taking action to get the NHS back on its feet to improve the health of the population.
  - Reforming Jobcentre Plus to create a new jobs and careers service.
  - Introducing a new Youth Guarantee for young people in England aged 18 to 21.
  - Mobilising local leadership to tackle economic inactivity by better connecting work, health, and skills support and increasing engagement with that support.
  - Supporting employers to promote healthy workplaces, and to recruit and retain workers with a health condition or disability.

194. In this chapter we explain our intention to go further by:

- Establishing a new guarantee of support for all disabled people and people with health conditions claiming out of work benefits who want help to get into or return to work, backed up by £1 billion of new funding.
- Shifting the focus of the system from benefit assessment towards early intervention.
- Introducing a new support conversation to explore people's goals and aspirations, and help them to access the right support for them.
- Providing access to a range of options, so people can get one-to-one help alongside access to more intensive employment and skills support where appropriate.
- Delivering a coherent "Pathways to Work" offer building on and extending existing provision, and employment support through the

- Connect to Work programme, WorkWell and local Get Britain Working 'trailblazers'.
- Exploring pairing this increased support offer with an expectation that
  most people in receipt of the health element of Universal Credit (UC) will
  need, as a minimum, to periodically participate in conversations to
  discuss their goals and needs and to hear about the services that would
  be available to support them.
- Developing our approach to ensuring young people are earning or learning, by reforming the system of benefits and support to underpin the Government's Youth Guarantee.
- 195. We are consulting on aspects of the new support offer and our expectations of engagement. We are also consulting on delaying access to the health element of UC until someone is aged 22, on the basis of switching resources into an expanded Youth Guarantee, and on raising the age at which people can claim Personal Independence Payment (PIP).

#### **Introduction**

- 196. There is growing evidence that many people who are currently not working due to a health condition or disability would like to work or believe they could work. Data on economic inactivity published in January 2025 by the Office for National Statistics (ONS) demonstrates that many people who are economically inactive due to long-term sickness want to work, with nearly 700,000 stating they would like a job.<sup>90</sup>
- 197. The Department for Work and Pensions (DWP) Work Aspirations Survey found that that 5% or 200,000 people claiming health and disability benefits believe they could work now if the right job or support was available. A further 27%, approximately one million, say they might be able to work in the future if their health improved.<sup>91</sup>
- 198. The survey also shows only 13% of all people receiving health and disability benefits received support, including activities such as building confidence or skills, assistance with CVs or finding suitable work. 92 It is therefore no surprise that less than 1% of those placed in the limited capability for work and work related activity (LCWRA) group move into work each month. 93 It cannot be right that so many on health-related benefits are effectively abandoned and offered little or no support.

<sup>&</sup>lt;sup>90</sup> INAC01 SA: Economic inactivity: People aged 16-64 by reason for inactivity (seasonally adjusted) – Office for National Statistics (www.ons.gov.uk), published 21 January 2025.

Available at: INAC01 SA: Economic inactivity by reason (seasonally adjusted) – Office for National Statistics

 $<sup>^{91}</sup>$  Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK

<sup>&</sup>lt;sup>92</sup> Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK

<sup>&</sup>lt;sup>93</sup> Welfare trends report – Office for Budget Responsibility (obr.uk), published October 2024. Available at: CP 1161 – Office for Budget Responsibility – Welfare trends report – October 2024

- 199. Providing the right support to people who are accessing the health and disability benefits system is critical to our reforms, and so is intervening and providing support early, so that people are less likely to enter the system in the first place. That is why in the Get Britain Working White Paper we set out a fundamentally different approach to the employment support system backed by £240 million of investment this year to target and tackle the root causes of unemployment and economic inactivity, and better join up health, skills and employment support based on the unique needs of local communities.
- 200. Through these reforms, we are reforming Jobcentre Plus into a genuine public employment service to help people into work and to get on in work. We are establishing a Youth Guarantee to set young people on the path to success. And we are taking a system wide-approach to tackling health-related inactivity by giving mayors and local leaders new powers and resources to join up help for work, health and skills. The proposals set out in this Green Paper therefore build on these reforms.

#### The role of the health service

201. Lord Darzi's independent investigation found that the National Health Service (NHS) is not contributing to national prosperity as it could be. For example, the waiting list for elective treatments was at 7.46 million in December 2024<sup>94</sup>, and Lord Darzi highlighted that, in September 2024, more than half of those on the waiting lists for inpatient treatment are working-age adults.<sup>95</sup>

#### 202. Therefore, the Government will be:

- Delivering the joint DWP, Department for Health and Social Care (DHSC) and NHS England 'Getting It Right First Time' Musculoskeletal Community Delivery Programme which will work with integrated care board leaders to further reduce musculoskeletal (MSK) community waiting times, improving data, metrics and referral pathways to wider support services.
- Delivering 'Further Faster 20'96 a targeted programme to improve inpatient productivity through rolling out NHS best practice in 20 areas of the country with high levels of economic inactivity, with the aim of reducing waiting times for surgery and enabling people to return to work as quickly as possible.
- Continuing to prioritise mental health services by ring-fencing funding through the Mental Health Investment Standard. This supports the

<sup>94</sup> Referral to Treatment (RTT) Waiting times – National Health Service (www.england.nhs.uk), published December 2024. Available at: Statistics » Referral to Treatment (RTT) Waiting Times <sup>95</sup> Independent Investigation of the National Health Service in England, The Rt Hon. Professor the Lord Darzi of Denham – GOV.UK (www.gov.uk), published September 2024. Available at: Independent investigation of the NHS in England – GOV.UK

<sup>&</sup>lt;sup>96</sup> 1. South Tees Hospitals 2. The Royal Wolverhampton 3. Sandwell and West Birmingham 4. The Newcastle Upon Tyne Hospitals 5. Rotherham 6. The Dudley Group 7. Doncaster and Bassetlaw Teaching Hospitals 8. Sheffield Teaching Hospitals 9. Wrightington, Wigan and Leigh 10. Bolton 11. Hull University Teaching Hospitals 12. Northern Lincolnshire and Goole 13. East Lancashire Hospitals 14. Mersey and West Lancashire Teaching Hospitals 15. Wirral University Teaching Hospitals 16. Manchester University 17. Blackpool Teaching Hospitals 18. University Hospitals of Morecambe Bay 19. Northern Care Alliance 20. Warrington and Halton Hospitals

delivery of several priorities outlined in the NHS Planning Guidance, including improving access for children and young people and continuing to roll out mental health support teams.

- 203. We will also put a greater focus on prevention to reduce working-age ill health. Mental health, musculoskeletal, and cardiometabolic conditions are the most prevalent primary conditions amongst those inactive due to ill health, significantly increasing the likelihood of people dropping out of work.<sup>97</sup> The effects are even greater among those with multiple physical and mental health conditions.<sup>98</sup> We know that the most efficient approach to addressing health conditions is by preventing them from developing in the first place (primary prevention). The Government's 10 Year Health Plan will set out broader actions to shift from sickness to prevention across the health and care system in England.
- 204. To tackle poor mental health, the leading driver of ill health-related inactivity, the government has committed to continuing to expand access to NHS Talking Therapies for adults with common mental health conditions in England. This is expected to increase the number of people completing courses of treatment by 384,000 and increase the number of sessions. There is extensive literature and studies showing that Cognitive Behavioural Therapy (CBT) and NHS Talking Therapies more widely have significant positive health impacts, as well as improving employment outcomes. Currently over 90% of NHS Talking Therapy Services in England also provide access to Employment Advisers, with an aspiration that by March 2025 100% of NHS Talking Therapies services in England will offer employment support as part of their service.
- 205. The government will also continue expansions to Individual Placement Support (IPS) for those with severe mental illness or substance dependency, increasing access for people with severe mental illness by an additional 140,000 people by 2028/29. The OBR judged that both these expansions of support would boost employment by 20,000 in 2028/29. The IPS scheme helps thousands of people with severe mental illness to find and keep employment. IPS for severe mental illness is an employment support service integrated within community mental health teams for people who experience severe mental health conditions. It is an evidence-based programme that helps people find and retain employment through intensive, individualised support, rapid job search followed by a placement in paid employment, and unlimited in-work support for both employers and employees. In December 2024, 41,260 people accessed IPS for severe mental health services in the previous 12 months, meaning the end of year target of 40,500 people accessing these services was met.<sup>99</sup>

<sup>&</sup>lt;sup>97</sup> Rising ill-health and economic inactivity because of long-term sickness, UK: 2019 to 2023 – Office for National Statistics (www.ons.gov.uk), published July 2023. Available at: Rising ill-health and economic inactivity because of long-term sickness, UK – Office for National Statistics

<sup>&</sup>lt;sup>98</sup> The employment of disabled people 2024 – GOV.UK (www.gov.uk), published November 2024. Available at: The employment of disabled people 2024 – GOV.UK

<sup>99</sup> Mental Health Services Monthly Statistics, Performance December 2024 – NHS England Digital

#### The role of local leadership in tackling economic inactivity

- 206. We will be mobilising local leadership to tackle economic inactivity by better connecting work, health and skills support and increasing engagement with that support. We are backing local areas in England to take the lead in shaping a coherent offer of support across work, health and skills, and to effectively engage local people and local employers in that offer. We are also sharing best practice with the Devolved Governments to understand how local partnerships can tackle the regional challenges of economic inactivity across the UK.
- 207. To achieve this, every area in England is developing their own local Get Britain Working plan, to improve labour market outcomes, including to tackle economic inactivity. These plans will be backed up by new funding for the Connect to Work supported employment programme. We are also funding 16 place-based trailblazers. Eight are testing delivery of the Youth Guarantee in areas across England. Eight are tackling economic inactivity through increased engagement and tailored approaches in England and Wales; three of those are also receiving NHS funding for Health and Growth Accelerators to reduce the projected increase in health-driven economic inactivity by improving the health of those in work or recently out of work. There will also be a new role for Government in making a more locally led system a success. Further, through WorkWell we are currently delivering pilots in 15 local partnerships formed by health systems, local government and Jobcentres in England to lead, design and deliver integrated work and health support that meets the needs of their communities.
- 208. We are also committed to supporting employers to promote healthy workplaces, and to recruiting and retaining workers with a health condition or disability. Our Keep Britain Working Review, led by Sir Charlie Mayfield, is exploring how employers across the UK can be better supported to employ disabled people and people with health conditions, and to keep them in the workplace, ensuring that more people can benefit from a sense of dignity, purpose and financial independence.
- 209. These priorities are all critical steps towards reducing economic inactivity. However, we want to go further to support and engage people who have a disability or health condition. In this chapter we set out our ambition to guarantee that anyone with a health condition or disability who is claiming out of work benefits will be able to access personalised employment, health and skills support to help them to stay in employment or get into work.

#### Case study (some details including names have been changed) 100

Peter had debilitating anxiety and addiction issues and struggled to leave the house. He was immediately referred to services that could help him improve his mental health and support his issues with addiction which then allowed him to begin to focus on employment goals. He told his advisor "I knew I had to leave the house eventually and as I felt more comfortable in attending appointments with my Employment Adviser, it became second nature." He was given help to set up his own bank account and attended in-house courses focusing on resilience, transferrable skills, effective job searching, and mock interview practise sessions, which has helped him to confidently apply for jobs. He has now been offered an ideal job that is local to him and is delighted.

#### Improving access to support and building a "pathways to work" offer

- 210. As part of rebalancing spending towards work over welfare, we will invest an additional £1 billion a year by 2029/30 to shape a new "pathways to work" support offer. This will bring together a range of current interventions, and invest in new ones, to establish a guaranteed offer of tailored, one-to-one help alongside access to appropriate employment, health and skills support.
- 211. Our reformed system will be built on a straightforward guarantee that if you are a disabled person or have a long-term health condition and are claiming out of work benefits, you will be able to access high quality, tailored help to support you on a pathway to work.
- 212. To deliver on this we are exploring:
  - A new support conversation.
  - Additional support options.
  - A new baseline expectation of engagement for those who receive the UC health element.
- 213. This 'pathways to work' support offer will work in tandem with reforms to the benefit system set out in chapter 2 to enable more people to engage with support without fear of losing access to benefits. It will involve better join up between services within DWP and in local areas, with a strong focus on entrenching early intervention.
- 214. The result would be that instead of the current situation, where around 700,000 people each year go through the WCA to be assessed for benefits and then the vast majority receive no offer or provision of support, we will have a system that provides a conversation to understand a person's barriers to work, aspirations and goals with a guaranteed offer of personalised support to help access employment for those who want it. Our intention is that our revised approach for disabled people and people with health conditions should apply to those on a reformed contributory benefit, as well as to those on UC.
- 215. We propose that this guarantee will have a particular focus on early support, by offering everyone who claims UC and has a work-limiting health condition or

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<sup>&</sup>lt;sup>100</sup> Case study from Restart delivered by Reed in Partnership in South London

- disability, or who has recently been in receipt of PIP, with a support conversation. This would be focused on their goals and the help they need to achieve them.
- 216. Whist we design and mobilise the "pathways to work" support offer at pace, we will work to increase engagement through proactive contact with people and signposting support that is already available or in development. For example, Workwell, Connect to Work, Get Britain Working Trailblazers, the emerging national jobs and careers service, local community services, skills training, housing support, condition management services and social prescribers.

#### A new support conversation

- 217. The new approach will be underpinned by a new support conversation which will be delivered by an appropriately skilled person, for individuals who have a health condition or disability that is affecting their ability to get into work or return to work. This conversation will enable individuals to set out their needs and goals, understand what support might be available to them and signpost them towards it.
- 218. The support conversation would help identify the best next steps, including a range of personalised and more intensive support for anyone who wants it, bringing together new and existing provision such as through Get Britain Working Trailblazers, WorkWell, Connect to Work and Individual Placement and Support (IPS) for those with severe mental illness or substance dependency but building on these to establish a guaranteed offer of high quality, personalised support that is tailored to individual needs.
- 219. We recognise that the support needs of disabled people and those with a work limiting health condition are varied and complex. This has rightly led to several different programmes of support within or commissioned by DWP, delivered within the health system, commissioned by local areas, or delivered within the voluntary and community sector (VCS). This diversity is a great strength, but also requires help for people to understand the options and identify the best support available for their needs and to help people to connect to that support.
- 220. This new support conversation will enable people to get help early, providing access to more rapid and timely support. However, for some people it may be more appropriate to engage with support later for example if they are receiving treatment or in recovery from an injury, and so where this is the case we will offer the opportunity to take up this conversation at the most appropriate point.
- 221. We want the support conversation to lead to:
  - A better shared understanding for people and those that support them of their goals and aspirations and the barriers to work and meaningful activity.
  - Engagement with ongoing employment support, where the individual is able to, with signposting to a range of support and activities such as debt advice, social prescribing services, health services for mental and

physical health conditions, housing support, adaptations, volunteering opportunities, community support groups, careers support, and skills training.

- 222. We want people to engage with the support conversation in a format, location and via channels appropriate to them and at a time suitable to them. We will ensure this is available to all who are able to engage, regardless of their health condition or disability. This will be a step change from the current system where the focus is on a benefit assessment based on what people can't do, which leads to many people being assessed as not Fit for Work and left without support.
- 223. We are consulting on how we should design and deliver the support conversation so that it is welcomed by individuals and is effective (see consultation question 6).

#### Additional support options

- 224. The support conversation will help identify the best next steps, including a range of personalised and more intensive support for anyone who wants it. We want our ongoing offer to be flexible, personalised and built on the evidence. We propose that our new additional offer of support would also include the following and be tailored to individual circumstances:
  - **Specialist one-to-one support** this will build on evidence from recent pilot schemes<sup>101</sup>, which has shown that for some people offering regular in-depth personalised appointments with a consistent advisor can help people who are ready to move towards or into work.
  - More intensive longer-term work, health and skills support for those who are ready building on evidence from programmes like the Work and Health Programme<sup>102</sup>, Work Choice<sup>103</sup>, Individual Placement and Support for those with severe mental illness or substance dependency, and evidence from successful skills training.
  - Periodic engagement for people not yet ready for more work-focused engagement. Content and frequency will vary depending on individual need and if and when ready we will signpost or refer onto other support.
- 225. Ensuring that there is an increased level of engagement with almost everyone is a key feature of the reformed system. We want a fundamental shift away from the current approach where people are usually left with virtually no contact or expectation of engagement, because this means we are missing opportunities to actively help people to improve their quality of life. **We are**

<sup>&</sup>lt;sup>101</sup> Employment & Support Allowance: Evaluation of pilots to support Work-Related Activity Group customers with an 18 to 24 month re-referral period. Process and Impact Assessment – GOV.UK (www.gov.uk), published January 2019. Available at: Process and impact assessment: Employment and Support Allowance: evaluation of pilots to support work-related activity group customers with an 18 to 24 month re-referral period

Work and Health Programme evaluation: synthesis report – GOV.UK (www.gov.uk), published
 October 2023. Available at: Work and Health Programme evaluation: synthesis report – GOV.UK
 Work Choice impact evaluation – GOV.UK (www.gov.uk), published February 2025. Available at: Work Choice impact evaluation – GOV.UK

## consulting on how to design and deliver conversations to people who currently receive no or limited contact (see consultation question 7).

- 226. This engagement would be based on a personalised approach with flexibility to set meetings at a frequency and time that suits and to make reasonable adjustments to ensure accessibility.
- 227. The Work Aspirations survey suggests that many people would welcome this contact. Most (69%) said they were open to receiving contact from DWP about offers of support for employment, benefits or disability services. A quarter (24%) wanted contact once a month or more, 21% every six months, 25% once every year or couple of years, and 31% never. 104 As noted above, we know from our Additional Work Coach Support evidence that even a small number of discussions can make a difference and help someone move into work. 105
- 228. We have good evidence that when people receive support it has an impact. For example, Additional Work Coach Support, where people on the health journey spent more time with a work coach, found that voluntary participants in the LCWRA group were a third more likely to be in work than a comparison group 12 months later. 11% of participants were in work 12 months later, compared to 8% of the comparison group. They were also twice as likely to take up more intensive externally delivered support. These findings were for 3,600 participants who took up the offer of support via journal message in the first year of the trial from summer 2022 when the service was beginning to embed. The cumulative total of LCWRA participants supported so far has been 12,000 and this group have on average had 4 meetings each. Whilst indicating scope to refine the service, qualitative research with Additional Work Coach Support recipients has also found other benefits from support for some participants including improved wellbeing. 106
- 229. Increasing our level of engagement will also help people gain access to the more intensive support, like Connect to Work, where that is the most suitable offer for them, and when they are ready to engage with it.
- 230. We have a wealth of evidence from the last 25 years to draw on in designing such intensive employment support. Recent evaluations such as those of the Work Programme, Work Choice, and Job Entry Targeted Support have demonstrated significant and sustained positive employment impacts. These programmes had a tangible impact on peoples' lives and deliver positive returns on investment. We also have strong international evidence of what

<sup>&</sup>lt;sup>104</sup> Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK

<sup>&</sup>lt;sup>105</sup> The impact of additional jobcentre plus support on the employment outcomes of disabled people – GOV.UK (www.gov.uk), published March 2025. Available at: The impact of additional jobcentre plus support on the employment outcomes of disabled people – GOV.UK

<sup>&</sup>lt;sup>106</sup> The impact of additional jobcentre plus support on the employment outcomes of disabled people – GOV.UK (www.gov.uk), published March 2025. Available at: The impact of additional jobcentre plus support on the employment outcomes of disabled people – GOV.UK

- works, for example on effective "supported employment" models, which we are implementing in Connect to Work.
- 231. We know that key features to a successful programme revolve around providing participants with an appropriate level of personalised support, based on an understanding of their lives and work aspirations. Those delivering the support need to have sufficient time and caseloads of an appropriate size to help people manage their unique barriers. Single points of contact can help build trust and make participants feel better understood. Support can be required for a long period of time and can continue into employment.
- 232. We will use this extensive evidence to determine which existing programmes should be boosted and where additional ones need to be designed.
- 233. As we do the detailed work on the design of these elements, we will explore how to make the best use of capabilities at national and at local levels, so that individuals receive seamless support from a coherent system. We want to work with the health system, local government, Mayoral Strategic Authorities, skills providers, employers, private and voluntary sector providers and service users to design our 'Pathways to Work' offer. We are committed to making sure the help on offer is appropriate to local needs and local labour markets, because for too many people, employment opportunities are shaped by where they live.
- 234. To get this right and ensure we have the right options in the support package we will need to work with a variety of stakeholders and disabled people themselves. We will need input from local health systems, local government and Mayoral Strategic Authorities, private and voluntary sector providers, employers and those with lived experience. We will use a 'collaboration committee' (described in the 'Stakeholder Engagement' section later) to develop our thinking further.

#### A new baseline expectation of engagement

- 235. Under current UC rules, the WCA assesses an individual's capability for work, which is then used to determine the conditionality rules for that individual. Other circumstances such as caring responsibilities and earnings are also taken into consideration. There are six different conditionality groups within UC with different levels of requirements for what individuals need to do as a condition of receiving their benefit. These relate to obligations to attend appointments, undertake work preparation activities, and search for and take up work. In the current system, access to employment support is also linked with the specific group that someone is placed in.
- 236. For people in the Intensive Work Search group there will continue to be requirements to attend meetings, undertake activity to prepare for and look for appropriate work and be available for that work. But within these rules and in line with the direction set out in the Get Britain Working White Paper we will shift to an approach that is tailored to individuals' needs and aimed to keep people motivated and engaged to find work, rather than being focused on checking compliance with benefits requirements.

- 237. 30% of people who start the UC health journey were previously in another part of the benefits system<sup>107</sup>. For many people, the current benefit system itself creates barriers to work: 60% of health and disability benefit customers who are not currently in work, and don't rule out work permanently, say they are worried that DWP will make them look for work that was not suitable for them.<sup>108</sup> Taking action to ensure that all parts of the benefit system offer a personalised and tailored approach should make it possible for more people with work limiting health conditions to remain job seeking or preparing for work rather than needing to claim health related benefits to replace earnings.
- 238. For disabled people and people with health conditions there will be no WCA in the reformed system and we therefore need a different approach to determining appropriate conditionality requirements. This needs careful consideration and a range of external input. We understand that many disabilities and health conditions are complex and fluctuate and that the support someone may benefit from may change over time.
- 239. Our starting point is that most people in receipt of the health element in UC should be expected in the reformed system to, as a minimum, engage in conversations from time to time about their aspirations to work and to hear about the support available to them. However, as now, we do not envisage the requirement on this group extending to undertaking specific work related activity or to look for work or take jobs.
- 240. In the reformed system, as now, there will be disabled people and people with health conditions who do not receive the health element. Unlike now however, once the WCA has been abolished, there will not be a separate 'Limited Capability to Work' group who are required to undertake work related activity but not to search or take-up work (compared to job seekers who are subject to the Intensive Work Search regime). It will be important in the reformed system for all disabled people and people with health conditions to have conditionality expectations tailored to their needs and capabilities. We are consulting therefore on how we should determine who is subject to a requirement only to participate in conversations, or work preparation activity rather than the stronger requirements placed on people in the Intensive Work Search regime (see consultation question 8).
- 241. In addition, given the importance of the support conversation described above in ensuring individuals understand the support available to them, we are considering making participation in this a requirement.
- 242. We are consulting on whether we should make it a requirement for most people to participate in a support conversation as a condition for receipt of their full benefit award or the UC health element (see consultation question 9).

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<sup>&</sup>lt;sup>107</sup> See accompanying Evidence Pack

<sup>&</sup>lt;sup>108</sup> Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK

- 243. We recognise that some people may only be able to engage in very occasional check-ins and conversations, and some may not be able to participate at all and we will design our new system ensuring people are safe to engage, without adding additional burden on the NHS and without increasing demand for a Fit Note.
- 244. We are consulting on how we should determine which individuals or groups of individuals should be exempt from requirements (see consultation question 10).
- 245. We think our approach should be different for young people aged 18-21, where our expectation is that all young people should be engaged in learning or the labour market, supported through the Youth Guarantee (with some exceptions where a disability or health conditions makes this not possible).

#### An International View<sup>109</sup>

- In Australia, all but the most severely disabled people are required to show 'active participation in a programme of support' for 18 months before being eligible for the disability benefit. During this time, they claim Newstart Allowance alongside single parents and unemployed people, with conditionality requirements being lessened for 19% and temporarily suspended for 17% of claimants at any one time. Young (under-40) disability benefit claimants are also required to attend work focused interviews.
- **In Norway**, when people move on to the long-term sick leave benefit after one year, they are required to participate in work-related activity based around an individual action plan.
- This is similar to the system in Sweden, where many people on sick leave are required to attend a face-to-face meeting for which non-participation can result in sanctions.
- In all of these examples whilst there are requirements which do have a backstop of sanctions or equivalent, in practice use of sanctions is very low.

#### What would happen if people do not engage?

- 246. Our goal is to change the current system from one based on almost no contact and no support for those in receipt of the UC health element leading to very low employment outcomes to one based on keeping in touch and generating opportunities to help people improve their health and employment prospects. Our research suggests that such active engagement will be welcomed by many, who do not want to be abandoned or have their chances of ever working again dismissed.
- 247. There will be the ultimate backstop of sanctions to underpin the expectations of engagement, but this should be used only as a last resort. Our priority will

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<sup>&</sup>lt;sup>109</sup> Baumberg Geiger Ben, Benefits conditionality for disabled people: stylised facts from a review of international evidence and practice. Journal of Poverty and Social Justice, 25 (2). pp. 107-128 – Kent Academic Repository (kar.kent.ac.uk), published May 2017. Available at: Benefits conditionality for disabled people.pdf

always be to reengage people with appropriate support and work together to overcome any barriers or issues that individuals will face in meeting requirements, and we will build in safeguards to ensure vulnerable people are properly protected.

#### Supporting young disabled people and young people with health conditions

- 248. As of December 2024, an estimated 987,000 (one in eight) 16-24 year olds in the UK were not in education, employment or training (NEET), with around 595,000 of them being economically inactive (meaning they were not looking for work). This (987,000) is a rise of an estimated 241,000 since September 2022. <sup>110</sup>
- 249. A key factor driving this is an increasing number of young people citing sickness as a barrier to work. In England, in 2023, 27% of 16–24-year-olds who were NEET cited long-term or temporary sickness as a barrier to joining the labour market, compared to 10% in 2012. This includes mental health conditions, which there is a 25% predicted probability of being NEET amongst those with mental health conditions. 112
- 250. Our future depends on young people being able to achieve their full potential. The period when young people transition from full-time education to building their careers is critical in shaping their professional future. Being out of work may leave a lasting negative impact on employment outcomes, and this may be particularly important for younger people. Being out of work is also damaging to a person's health.<sup>113</sup> <sup>114</sup> <sup>115</sup> Every young person deserves the opportunity for sustained employment and the chance to develop their knowledge and skills so they can build a successful career. However, right now too many of them are being left behind, unable to access the educational and career opportunities they need to build their futures.
- 251. Research suggests that if the UK could reduce the number of young people who are NEET by a third, to match Germany's rate, UK GDP could increase by

<sup>110</sup> Young people not in education, employment or training (NEET) – Office for National Statistics (www.ons.gov.uk), published February 2025. Available at: Young people not in education, employment or training (NEET) – Office for National Statistics

 $<sup>^{111}</sup>$  NEET and NET estimates from the LFS from NEET age 16 to 24 – GOV.UK (www.gov.uk), published June 2024. Available at: 'NEET and NET Estimates from the LFS' from 'NEET age 16 to 24', Permanent data table – Explore education statistics – GOV.UK

Risk factors for being NEET among young people – Youth Futures Foundation (https://youthfuturesfoundation.org), published December 2023. Available at: OVERLA2.pdf
 Nilsen, Øivind & Holm, Katrine, Scarring Effects of Unemployment, NHH Dept. of Economics Discussion Paper No. 26/2011 – SSRN (papers.ssrn.com), published December 2011. Available at: Scarring Effects of Unemployment by Øivind Anti Nilsen, Katrine Holm Reiso:: SSRN
 Gregg, Paul and Emma Tominey, The wage scar from male youth unemployment, Labour

<sup>114</sup> Gregg, Paul and Emma Tominey, The wage scar from male youth unemployment, Labour Economics, Volume 12, Issue 4 – Elsevier (www.sciencedirect.com), published August 2005. Available at: The wage scar from male youth unemployment – ScienceDirect

<sup>&</sup>lt;sup>115</sup> Is work good for your health and well-being? An independent review – GOV.UK (www.gov.uk), published January 2006. Available at: Is work good for your health and well-being? An independent review – GOV.UK

1.8% in the long-term (equivalent to £38 billion, built up over people's working lives). 116

#### The case for changing the benefits system for young people

- 252. The period after a person moves out of full-time education and begins to try and build their career is critical. Ensuring young people in early adulthood have access to the right support to manage health conditions and disabilities, and incentives to engage with support, is key.
- 253. Under the current system large numbers of young disabled people and young people with health conditions face a stark cliff-edge in support when they leave full-time education. Young people who pass through the WCA after leaving education and who are categorised as unable to work are usually then left with no engagement and no support. This risks them failing to continue learning or failing to stay connected to the labour market at the start of their adult life. Given the long average claim durations and low rates of entry into work, they then face the prospect of being trapped in long-term economic inactivity before their career has even begun. This affects around 150,000 16-24 year olds who are out of work and placed in the LCWRA group<sup>117</sup>, as well as a proportion of the 244,000 16-24 year olds claiming PIP or Disability Living Allowance (DLA) only.<sup>118</sup>
- 254. This is why we want to change the benefit rules to support and underpin the Youth Guarantee, to ensure all young people are learning or earning. As we set out in the Get Britain Working White Paper, the Youth Guarantee involves expecting virtually all young people covered by the guarantee (aged 18-21) to be engaging with work or training related activity. This would include those who are placed in the UC health group, where continued learning or other forms of meaningful activity would improve their longer-term employment prospects. We therefore want to establish a clearer youth phase for people aged 18-21 in the health and disability benefit system to align with the Youth Guarantee. This involves consulting on the age at which the UC health element is payable and the point at which young people move from child to adult disability benefits, as outlined below.

#### Reforms that could allow the benefit system to better support young people

255. To create a clearer youth phase, the Government is considering changing the system of financial support for 18-21 year olds, alongside introducing the Youth Guarantee. This could include, for instance, delaying access to the health element of UC until they are older, with resources diverted instead to expanding and improving the work and training opportunities available as part of the guarantee. This would be about establishing a distinct and active transition phase for 18-21 year olds, that ensured young people are earning or learning — and preventing economic inactivity before someone's career has even begun.

<sup>&</sup>lt;sup>116</sup> Youth Employment Index 2022: Building a resilient workforce for the future, published April 2022. Available at: Youth Employment Index 2022: Building a resilient workforce for the future

<sup>&</sup>lt;sup>117</sup> See accompanying Evidence Pack

<sup>118</sup> See accompanying Evidence Pack

- 256. Whilst for a small minority of young people work may never be a realistic goal, for most disabled young people and young people with a health condition, working at some point in the near future must be a credible ambition. We know amongst people on health-related benefits those under 25 are significantly more likely to think they could work now if the right job and support was available (22%, compared to 9% for the overall population on health-related benefits).119
- 257. We need to unlock more opportunities for disabled young people and young people with a health condition, so they can build the skills and experience they need to get on in the fields they want to work in. Through the Youth Guarantee our goal is to ensure all 18-21 year olds in England have access to employment, education and training opportunities. This will consider the diverse challenges young people face, including health conditions and disabilities as well as unpaid caregiving, homelessness, or transport barriers. Key to the success of the Youth Guarantee will be tailoring the offer to the individuals' needs and aspirations, including when their health prevents them from being able to work now finding other opportunities to set themselves up for success later.
- 258. Delaying access to the UC health element would remove any potential disincentive to work during this time. Proceeding with this change would be on the basis that resources could be better spent on improving the quality and range of opportunities available to young people through the guarantee, so they can sign up to work or training rather than long-term benefits. Such a change could further support the objective for a distinct and active transition phase for young people, based on learning or earning for all.
- 259. As with our wider plans to reform the benefits system through the scrapping of the WCA, we will consider what special provisions need to be put in place for those young people where engagement with the guarantee is not a realistic prospect. We are consulting on whether to delay access to the health element of Universal Credit within the reformed system until someone is aged 22 (see consultation question 11). In September 2024, there were 66,000 people aged 18-21 in the LCWRA group.

#### Raising the age at which young people start claiming adult disability benefits

260. We are consulting on raising the age at which young people move from Disability Living Allowance for children (DLAc) to the adult disability benefit (PIP), and that new claims can be made to PIP, from age 16 to 18 (see consultation question 12). The aim of this proposed change is to better align the age at which young people first claim adult disability benefits with other key milestones in the transition to adulthood and support available. It also aims to reduce pressure on still relatively young people going through adult PIP assessments.

<sup>&</sup>lt;sup>119</sup> Work aspirations and support needs of health and disability customers: Interim findings – GOV.UK (www.gov.uk), published February 2025. Available at: Work aspirations and support needs of health and disability customers: Interim findings - GOV.UK

- 261. DLAc is a benefit like PIP which contributes to the extra costs associated with having a disability or health condition. It is available to children under the age of 16 who, due to a health condition or disability, have mobility issues and/or care needs which are substantially in excess of the normal requirements of a child of the same age without a health condition or disability. The needs of children are distinct from those of adults and change as they get older and reach developmental milestones. Until the age of 16 it is the parents or guardians who make a claim to DLAc on their child's behalf, and they may decide what the benefit could be used for.
- 262. When PIP was introduced to replace DLA for working-age adults in 2013, 16 was chosen as the age at which PIP could be claimed on the basis that children were previously reassessed for DLA at or around age 16 and treated as an adult from that age. Young people who are receiving DLAc are invited to make a claim for PIP when they reach 16. On average, 48,000 young people who have been receiving DLAc apply for PIP per year, with a success rate of 82%. 120
- 263. We often hear that 16 is too young to be subject to an adult PIP assessment. Since PIP was introduced in 2013, the age at which children are required to remain in either full time education, training, or working or volunteering while in part-time education or training has risen to 18. This raises questions as to whether age 16 continues to be the right age for young people to transition onto the adult disability benefit. Issues have also been raised about the appropriateness of questions in the PIP assessment concerning ability to manage a budget or pay bills for young people under 18, many of whom live at home supported by family.
- 264. We are consulting on if 18 would be a more appropriate minimum age for young people to claim the adult disability benefit (PIP) and for young people to stay on, or claim, DLAc until then (**see consultation question 12**). There would be some who gain financially under this proposal and others who would lose out, depending on the difference between the amount they would receive under DLAc and PIP and at what age they are first assessed for PIP. Overall, the proposal would reduce expenditure.
- 265. As stated in Annex B, the impact and interactions of any changes to DLAc will need to be fully considered with the Devolved Governments. This will be particularly important in Scotland as DLAc is devolved and has been replaced by Child Disability Payment and PIP is devolved and has been replaced by Adult Disability Payment.

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<sup>120</sup> See accompanying Evidence Pack

#### **Summary:**

- 266. In this chapter, building on the Get Britain Working White Paper, we have explained how £1 billion per year additional investment by the end of the decade in a new "pathways to work" support offer would sit alongside the reforms to the benefit system. We have explained that this guarantee of an employment support offer should include:
  - A new support conversation.
  - Specialist one-to-one support.
  - More intensive longer-term work, health and skills support.
  - Periodic engagement.
- 267. We have also explained how we intend to personalise our expectations of people on their engagement with the support on offer.
- 268. We have also set out our intentions to take a different approach for young people, so that we can more effectively support their transition into early adulthood. We have set out:
  - Why early adulthood is a critical period, and the damaging impact of prolonged periods away from work and education.
  - The principles for increasing engagement with young people with health conditions.
  - How we might widen the scope of support with young people with health conditions to place more emphasis on career development.
  - How changes to the future structure of the benefit system could support the goals and intention of the Youth Guarantee, to support all young people to be learning or earning.
  - Raising the age of transition from DLAc to PIP from 16 to 18.

#### **Consultation questions**

#### Our new support offer

- 6. How should the support conversation be designed and delivered so that it is welcomed by individuals and is effective?
- 7. How should we design and deliver conversations to people who currently receive no or little contact, so that they are most effective?

#### A new baseline expectation of engagement

- 8. How we should determine who is subject to a requirement only to participate in conversations, or work preparation activity rather than the stronger requirements placed on people in the Intensive Work Search regime?
- 9. Should we require most people to participate in a support conversation as a condition of receipt of their full benefit award or of the health element in Universal Credit?
- 10. How should we determine which individuals or groups of individuals should be exempt from requirements?

#### Delaying payment of the health element of Universal Credit

11. Should we delay access to the health element of Universal Credit within the reformed system until someone is aged 22?

### Raising the age at which young people start claiming adult disability benefits

12. Do you think 18 is the right age for young people to start claiming the adult disability benefit, Personal Independence Payment? If not, what age do you think it should be?

## Chapter 4: Supporting employers and making work accessible

#### **Chapter Summary**

- 269. The success of reforms to health and disability benefits are dependent on a strong and dynamic labour market that is accessible and inclusive. To support disabled people into work we need to ensure that the workplaces they enter are able to accommodate their needs. We want to galvanise a cultural shift to ensure that accessibility and workplace adjustments are fully embedded into recruitment and retention practices. Evidence has shown that some disabled people find employers to be inflexible in changing working practices or implementing reasonable adjustments, and similarly employers are often perceived to be 'untrained and uninformed' about disability. We also know that, when asked, just 23% of employers reported they provided workplace adjustments to support disabled staff and staff with long-term health conditions. 122
- 270. Access to Work is an existing DWP-managed scheme that provides tailored support for disabled people and people with health conditions. In recent years, demand for support from the scheme has increased significantly (contributing to a backlog of claims that is still too high). Spending on the Access to Work Scheme increased considerably in recent years from £142 million in 2019/20 to reach £258 million in 2023/24, with the expenditure expected to rise to £385 million in 2025/26<sup>123</sup>. However, even with this increase in resources, it only supports around 60,000 not much more than 1% of working disabled people. 124
- 271. At the same time, the scheme itself has not changed significantly since it was established in 1994, since then there have been changes in the types of disability that people report and profound changes in the labour market and technology. This government is also embarking on a programme of major reform: to employment support, the benefits system and support to employers (including through the Keep Britain Working review). As part of these changes, we want to consider the future role and functions of Access to Work in this emerging landscape.

272. In this chapter, we will outline:

<sup>&</sup>lt;sup>121</sup> Olsen, J. (2022). *Employers: influencing disabled people's employment through responses to reasonable adjustments. Disability & Society* – Taylor & Francies Online (www.tandfonline.com), published July 2022. Available at: Full article: Employers: influencing disabled people's employment through responses to reasonable adjustments

<sup>&</sup>lt;sup>122</sup> Department for Work and Pensions Employer Survey 2022: research report – GOV.UK (www.gov.uk), published September 2023. Available at: Department for Work and Pensions Employer Survey 2022: research report – GOV.UK

<sup>&</sup>lt;sup>123</sup> Access to Work Grant Expenditure Forecasts – GOV.UK (www.gov.uk), published March 2025. Available at: Access to Work Grant Expenditure Forecasts – GOV.UK

<sup>&</sup>lt;sup>124</sup> Access to Work statistics: April 2007 to March 2024 – GOV.UK (www.gov.uk), published October 2024. Available at: Access to Work statistics: April 2007 to March 2024 – GOV.UK

- Our plans to help more disabled people into work and to support employers.
- The role of the Access to Work Scheme and the case for change.
- The purpose underpinning any changes to Access to Work and the possible models for what that might be. **We are consulting on this.** This will fundamentally reform the support we provide.

#### **Introduction**

- 273. Plans to reform the labour market and employment rights framework are a central part of the government's plan for long-term national renewal and growth. By strengthening the underlying framework that supports workers, we are making employment more secure and predictable. We are also putting more money in working people's pockets by making wages fairer, and we are strengthening the foundations that underpin a modern economy. A strong package of workers' rights and protections goes hand in hand with a strong economy because a secure workforce will be more productive and have more confidence to spend in the economy. The Employment Rights Bill package is pro-growth, pro-business and pro-worker, and supports the government's objective to boost growth and improve living standards.
- 274. Alongside this, the Get Britain Working White Paper highlighted the Government's commitment to support employers to promote healthy workplaces and to recruit and retain workers with a health condition or a disability. Changes in employer practice are an important part of enabling more disabled people and people with health conditions to be able to work and to thrive in employment. Flexible working practices, inclusive recruitment and efforts to implement reasonable adjustments will all need to improve in order to increase the employment rate.
- 275. To progress these issues, the Government has tasked Sir Charlie Mayfield with leading our "Keep Britain Working" review, which will report later this year. The Independent Review will consider and make recommendations on the role of employers in creating and maintaining healthy and inclusive workplaces and preventing health-related economic inactivity. It will focus on what employers and government can do to increase the recruitment, retention and return to work of disabled people and people with long-term health conditions.
- 276. We spend a significant proportion of our time at work, and employers play an important role in creating a positive and supportive workplace, free from stigma or judgement. We know that good work can help prevent new mental health problems and support those with existing conditions to get on in work and thrive. The government wants all employers and employees to understand the benefits of good work. We are committed to working with employers to create accessible and inclusive workplaces.
- 277. We want to start making changes now to ensure we are maximising the opportunities to create accessible and inclusive workplaces. This includes

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<sup>&</sup>lt;sup>125</sup> Thriving at Work: a review of mental health and employers – GOV.UK (www.gov.uk), published October 2017. Available at: Thriving at Work: the Stevenson/Farmer review on mental health and employers

working with other areas of government to develop the digital support offer to employers. This builds on from the 'Support with Employee Health and Disability Service (SEHD)', which is a digital resource aimed at small and medium-sized employers that helps them to feel more confident having conversations about health and disability, understand and fulfil their legal obligations and signposts to sources of expert knowledge.

- 278. We are consulting on how the government can support a shift in culture and practice around workplace adjustments. In line with our wider strategy, we want to reform our support on workplace adjustments so that it is more active, supportive and ensures we support employers to fulfil their legal obligations (see consultation question 13).
- 279. These changes are critical to achieving our 80% employment target and making a step change in the number of disabled people in work. For example, if we increased the disability employment rate from 54% to 65% (which would be among the best in the developed world), this would close just over half of the gap to an 80% employment rate overall.

#### **Access to Work**

- 280. Access to Work is a demand-led, discretionary grant scheme that supports people who have a disability or health condition to move into or sustain, paid employment. The grant is intended to support workplace adjustments that go beyond what would normally be expected from an employer through their duty to provide reasonable adjustments under the Equality Act 2010. 126
- 281. The grant is awarded for three-year periods and provides personalised support and workplace assessments, travel to work, support workers, and specialist aids and equipment. The Scheme also includes the Mental Health Support Service (MHSS) which provides up to nine months of non-clinical support for people who need help with their wellbeing while in employment.

#### Case for change

- 282. Since Access to Work was first designed, the style, scope and cost of support that people require has changed significantly. Whilst these factors have changed, Access to Work has stayed broadly the same in its aims and delivery. We think there is a strong case for looking at the future role and purpose of Access to Work, as part of the wider changes to Get Britain Working. The key issues we want to consider are:
  - Recruitment versus retention: We want to consider the right balance between helping people access employment and helping them stay in work
  - **Scale and reach:** Access to Work currently provides highly personalised support. This limits its reach to a relatively small number of people

<sup>&</sup>lt;sup>126</sup> Access to Work: get support if you have a disability or health condition: What Access to Work is – GOV.UK (www.gov.uk). Available at: Access to Work: get support if you have a disability or health condition: What Access to Work is – GOV.UK

- (around 61,630 in 2023/24). <sup>127</sup> To put this in context, there are around 5.5 million working disabled people in the UK. So, the scheme is currently reaching just 1% of the working disabled population. We want to consider whether there are ways for resources to help more people or make an impact on a wider number of people.
- Shared responsibility: Access to Work awards are based on funding rules rather than an assessment of action that has been taken by the employer. We need to get the balance right between supporting employers to understand and provide reasonable adjustments as part of their legal duties and interventions that go beyond this to enable employment.
- Efficiency and user experience: the current scheme is administratively complex, contributing to a significant backlog in applications (in February 2025 there were 62,000 applications outstanding). This means long waiting times for people and perceived inconsistencies in award decisions. Significant increases in expenditure in recent years also focus the question of how resources should be best directed to have maximum impact, in the context of the Government's wider strategy to increase disability employment. Without change, if these trends continue, the service will not be financially sustainable.
- **Impact and value for money:** through evaluation, ensuring value for money and impact of any future intervention is a priority.
- 283. For these reasons, we want to consider the future role and design of Access to Work (see consultation question 15).

#### **Purpose**

- 284. Overall, we want to improve accessibility and support more disabled people into work, which includes helping employers increase productivity by supporting their employees with disabilities and health conditions. It has been estimated that, on average, employers could save between £5,000 and £11,000, for each employee they prevent from falling out of work. 129 As we consider the future of Access to Work, we are consulting on the potential nature and balance of future support in three areas:
  - supporting employers directly to make workplaces accessible and inclusive, consistent with their legal responsibilities.
  - providing targeted funds to individuals to pay for workplace adaptations, beyond what could be considered reasonable adjustments for employers to make.
  - shaping the market for aids, appliances and assistive technology, to reduce their cost and spread their adoption.

<sup>&</sup>lt;sup>127</sup> Access to Work statistics: April 2007 to March 2024 – GOV.UK (www.gov.uk), published October 2024. Available at: Access to Work statistics: April 2007 to March 2024 – GOV.UK

<sup>&</sup>lt;sup>128</sup> Access to Work Grant Expenditure Forecasts – GOV.UK (www.gov.uk), published March 2025. Available at: Access to Work Grant Expenditure Forecasts – GOV.UK

<sup>&</sup>lt;sup>129</sup> Government response: Health is everyone's business – GOV.UK (www.gov.uk), published October 2021. Available at: Government response: Health is everyone's business.

285. As part of considering future options, we are keen to consider the potential for greater support for assistive technology ('Atech') to help people access employment and wider society. There is evidence that assistive technology could transform the employment prospects of disabled people. <sup>130</sup> However, our findings highlight a gap for many disabled people, with 31% not having the assistive products they need. <sup>131</sup>

#### **Reform Options**

- 286. We want to create systemic change in the labour market. We want to ensure that employers create accessible and inclusive workspaces, and we recognise that more needs to be done to help employers meet their legal obligations. Further, we want the employment and retention of disabled people and those with health conditions to be embedded in our working practices and in how we think about workplaces.
- 287. To do this, we are consulting on how we could more directly support the employers that need it most. Evidence suggests that significant numbers of employers remain unaware of their legal responsibilities or, if they are aware, of how to fulfil them (see consultation questions 13 and 16). As we consider the future of Access to Work, we want to consider:
  - The existing legal duties on reasonable adjustments in the Equality Act 2010.
  - The support government currently provides to both employers and individuals.
  - Advice and guidance available to both workers and employers.
  - The enforcement powers that currently exist.
- 288. The entire system that underpins how we create workplaces that are welcoming and inclusive for disabled people needs to be a part of this process. This means we need to think about how organisations like the Equality and Human Rights Commission (EHRC), the Advisory, Conciliation and Arbitration Service (ACAS), and the Health and Safety Executive (HSE) play a role. Part of making the future of Access to Work sustainable will be considering how we utilise the respective knowledge, legal duties and operating framework of these organisations to leverage this step-change in culture. We see this as a combination of the information government communicates, when it is presented and how. It is also the support we provide to employers to promote accessible and inclusive workplaces, how we empower individuals to seek support and action that can be taken where things aren't working. Our immediate next step to achieve this goal will be informed by both responses to this Green Paper as well as findings from the independent review into the role of employers, Keep Britain Working.

House of Commons Work and Pensions Committee, Assistive technology, Tenth Report of Session 2017-19 – GOV.UK (www.gov.uk), published April 2018. Available at: Assistive technology Assistive Technology Changes Lives: an assessment of AT need and capacity in England – Global Disability Innovation Hub (www.disabilityinnovation.com), published 2023. Available at: Assistive Technology Changes Lives: an assessment of AT need and capacity in England – Publications – Global Disability Innovation Hub

- 289. In addition, we want to consider the best way to support individuals with specific costs or needs that make a job possible for them, beyond reasonable adjustments. This could consist of grants as now, but also workplace assessments and advice on adjustments and other interventions.
- 290. Finally, we are also keen to explore how a new approach could involve working with suppliers to offer deals or discounts on certain aids or appliances, using the purchasing power of government to drive down costs. Similarly, we want to work with charities, the NHS and local government to improve economies of scale for aids and adaptations. This market shaping will help to lower the cost of specialist technology and encourage more employers to implement assistive software. This would go hand-in-hand with investment from Government into innovation in new technology, working with universities and higher education institutions to promote a specialist workforce and to champion this type of adjustment.
- 291. In this way, we can be more innovative in how we create accessible workplaces. We have been working closely with disabled people, disability stakeholders, Atech experts and technology companies to understand some of the biggest barriers that disabled people face in accessing Atech to support them into employment and wider society. Feedback from disability stakeholders and research commissioned by the Disability Unit (DU) in the Cabinet Office, published in 2023, found that 87% of disabled people need at least one assistive product, but 31% reported not having the products they need to thrive or even participate in daily life.<sup>132</sup>
- 292. Insights from this research will inform options for the future, to support individuals and employers. In the short term, the Government is going to develop and deliver a digital resource that will help raise awareness of existing Atech and provide guidance on how it can be used to support disabled people. The first stage of the digital resource will be developed and launched in 2025. We will also be setting up an Atech expert working group in 2025, made up of specialists from the Atech industry, disabled people's organisations, researchers, and relevant public and third sector organisations, to identify and, where possible, develop solutions to the barriers disabled people face when trying to use and access Atech. We will build on the work of the Atech expert working group to identify a longer term, sustainable approach in support of broader Access to Work reform. One initiative the Cabinet Office DU are considering is the establishment of a Centre for Assistive and Accessible Technology, which we are considering as part of these broader reforms.
- 293. All of these elements taken together will mean that, in the future, our support will be more coordinated, underpinned by a clear strategy. In this landscape, we need to consider the future of the current delivery model of Access to Work. This is why we are also consulting on future delivery models (see consultation question 17). This could range from continuation of a DWP-

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<sup>&</sup>lt;sup>132</sup> Assistive Technology Changes Lives: an assessment of AT need and capacity in England – Global Disability Innovation Hub (www.disabilityinnovation.com), published 2023. Available at: Assistive Technology Changes Lives: an assessment of AT need and capacity in England – Publications – Global Disability Innovation Hub

- administered programme through to alternative organisational forms that could more directly involve disabled people and employers.
- 294. For example, a hybrid scheme that supports both employers and individuals with direct funding could require a new delivery model. This is, in part, because the existing model is set up to provide individual grants so it would need wider functions and expertise to also support employers. We would need a model that brings together people who understand workplace adjustments, assistive technology, commercial opportunities (to deliver economies of scale) and the labour market. This approach would need to assess both employer-based applications and individual grant applications. A key question would be whether DWP is best placed to deliver this model directly, or whether:
  - i. We could deliver some or all aspects in partnership, either through a third sector partner, a privately contracted provider or an arms-length public body.
  - ii. We could explore devolving any aspects of this model to national, regional or local government.
- 295. We are clear that any model will need to integrate the views of disabled people and people with health conditions. This means a governance structure that embeds the voice of disabled people within it and that is accountable to them. Similarly, we want employers to be at the heart of any new delivery model. We will therefore establish a collaboration committee on the future direction of Access to Work (as outlined in the Stakeholder Engagement section below).

#### Summary

296. In this chapter, we have made the case for considering the future role and design of Access to Work, as part of the Government's overall reforms to increase the employment rate of disabled people. We have set out some of the drivers of reform and also the types of future direction we are keen to explore.

#### **Consultation questions**

- 13. How can we support and ensure employers, including Small and Medium Sized Enterprises, to know what workplace adjustments they can make to help employees with a disability or health condition?
- 14. What should DWP directly fund for both employers and individuals to maximise the impact of a future Access to Work and reach as many people as possible?
- 15. What do you think the future role and design of Access to Work should be?
- 16. How can we better define and utilise the various roles of Access to Work, the Health and Safety Executive, Advisory, Conciliation and Arbitration Service and the Equalities and Human Rights Commission to achieve a cultural shift in employer awareness and action on workplace adjustments?
- 17. What should be the future delivery model for the future of Access to Work?

## **Stakeholder Engagement**

- 297. We want to ensure disabled people and people with health conditions are at the heart of what we do. Engaging with them and others, such as parents, carers, healthcare professionals, and additional experts, is important to ensure the development of effective policies that provide the right support and improve the experience people have with the Department for Work and Pensions (DWP). We recognise that many people do not feel heard, do not trust the system and feel that their voices, views and evidence are not truly taken into account. We want to change this. The publication of this Green Paper marks the beginning of our consultation period. The consultation will close 12 weeks after the point at which the accessible versions of this Green Paper are available. We have published this paper ahead of the accessible versions to put detailed information about the matters subject to consultation in the public domain at the earliest opportunity. The production of accessible versions requires additional time, which is why the consultation period will not close until 12 weeks after these are released, so as to ensure all stakeholders have sufficient time to engage.
- 298. The Get Britain Working White Paper announced that DWP will establish a panel to ensure that the views of disabled people and people with health conditions are at the heart of the design and delivery of the reforms. We are in the process of establishing this panel, which will also consider the benefit reforms set out in this paper.
- 299. Throughout the consultation period, we want to hear from everyone who has an interest in or may be affected by any changes to our policies, including the professionals and employers who work with disabled people and people with health conditions. We will run public events, both in person and virtually, to give the opportunity to anyone who wants to provide their views on our proposals in person. Events will be advertised online in due course via https://www.gov.uk/government/consultations/pathways-to-work-reforming-benefits-and-support-to-get-britain-working-green-paper.
- 300. Responsibility for health and disability benefits lies with both the UK Government and Devolved Governments. We will continue to work with the Devolved Governments to understand the views of people in Scotland, Wales, and Northern Ireland on the proposals in this Green Paper.
- 301. We are committing to the establishment of 'collaboration committees' to further develop our reforms. This means we will bring together groups of people for specific work areas who will meet to collaborate with civil servants and provide discussion, challenge, and recommendations. Each group will have a different mix of people including both those with lived experience of the policy area and other experts.
- 302. They will have a genuine ability to influence our outcomes and we will ensure there is a level of visibility of the work of these groups to demonstrate the impact they are having. Initially, policy areas will include de-risking work (Chapter 2), supporting people towards employment (Chapter 3) and making work accessible (Chapter 4). We will set out further details of this plan in due

course and aim for the committees to commence their work after this consultation closes.

303. It will not be possible to have a collaboration committee for every work area in the Green Paper due to the nature of policy development. Where this is the case, we will still ensure that we draw on the experience of people who have used our services, and a wide range of evidence as we develop policy, including but not limited to this consultation.

#### How to respond

We encourage you to respond online via this form<sup>133</sup> if possible.

Please read the consultation document.

Then submit your responses online.

Please email consultation.pathwaystowork@dwp.gov.uk if:

- you would like to respond via email, or
- you have any other enquiries specifically relating to this consultation.

If you would like to respond by post, please mark your correspondence 'Pathways to Work Consultation' and send to:

Disability and Health Support Directorate
Department for Work and Pensions
Level 2
Caxton House
Tothill Street
London
SW1H 9NA

#### **Data protection and confidentiality**

Your data, including any personal data, may also be shared with a third-party provider, or other Government Department or organisation, who may analyse and summarise responses for us and may use technology, such as artificial intelligence. An anonymised version of your response may be published in a list of responses, in a summary of responses received, and in any subsequent review reports. We may also share your personal data where required to by law, for example in relation to a request made under the Freedom of Information Act 2000. We will remove information which could identify you, such as email addresses and telephone numbers from these responses, but apart from this we may publish responses in full. You can leave out personal information from your response entirely if you would prefer to do so.

<sup>&</sup>lt;sup>133</sup>https://forms.office.com/pages/responsepage.aspx?id=6fbxllcQF0GsKIDN\_ob4w8sPhcBFC\_lLibLh GndbUv9UN0Y4UTYzNUVVM0IFUThFWFM3VVEwSFJPMCQIQCN0PWcu&route=shorturl

For more information about what we do with personal data, you can read <u>DWP's</u> <u>Personal Information Charter</u>.

# **Annex A: Summary of Policy Measures and Consultation Questions**

The implementation dates in this table are those by which the Department anticipates bringing these changes into force. However, they are subject to various factors, such as legislative timetable and operational factors which mean that these dates are subject to change and are indicative.

| Chapter   | Policy   | Consulting                         | Question<br>Number | Implementation<br>From<br>(indicative) |
|-----------|--|------------------------------------|--------------------|--|
| Chapter 2 | Scrap the WCA  | No                                 | n/a                | 28/29                                  |
| Chapter 2 | Single assessment (PIP)  | No                                 | n/a                | 28/29                                  |
| Chapter 2 | Removing barriers to trying work                                   | Yes                                | 1                  | 26/27                                  |
| Chapter 2 | Rebalancing UC standard allowance and health element               | No                                 | n/a                | 26/27                                  |
| Chapter 2 | Focussing PIP more on those with higher needs                      | No                                 | n/a                | 26/27                                  |
| Chapter 2 | Supporting people who lose entitlement to PIP                      | Yes                                | 2                  | TBC                                    |
| Chapter 2 | Health and eligible care needs of those no longer eligible for PIP | Yes                                | 3                  | 27/28                                  |
| Chapter 2 | New Unemployment<br>Insurance contributory<br>benefit              | Yes                                | 4                  | 28/29                                  |
| Chapter 2 | Review of the PIP assessment                                       | No Process separate to Green Paper | n/a                | TBC                                    |
| Chapter 2 | Switching back on WCA reassessments                                | No                                 | n/a                | TBC                                    |
| Chapter 2 | Increasing the number of face-to-face assessments in PIP and WCA   | No                                 | n/a                | TBC                                    |
| Chapter 2 | Recording<br>Assessments   | No                                 | n/a                | TBC                                    |
| Chapter 2 | Reducing assessments for those                                     | No                                 | n/a                | 26/27                                  |

| Chapter   | Policy   | Consulting | Question<br>Number | Implementation<br>From<br>(indicative)                                      |
|-----------|--|------------|--------------------|---|
|           | with severe conditions   |            |                    |   |
| Chapter 2 | Improving communications with those receiving an ongoing award | No         | n/a                | 26/27   |
| Chapter 2 | Medical evidence and digitalization                            | No         | n/a                | 27/28   |
| Chapter 2 | Safeguarding in DWP  | Yes        | 5                  | 25/26   |
| Chapter 3 | A new 'Pathways to<br>Work' support offer                      | No         | n/a                | We expect to begin testing elements on a voluntary basis over the next year |
| Chapter 3 | Implementing a new Support Conversation                        | Yes        | 6,7                | We expect to begin testing elements on a voluntary basis over the next year |
| Chapter 3 | A new baseline expectation of engagement                       | Yes        | 8-10               | 27/28   |
| Chapter 3 | Delaying access to the UC health element until age 22          | Yes        | 11                 | 27/28   |
| Chapter 3 | Raising the age at which people can claim PIP to 18.           | Yes        | 12                 | TBC   |
| Chapter 4 | Reforming Access to work and the workplace adjustments system  | Yes        | 13-17              | TBC   |

#### **Full List of Consultation Questions**

#### Chapter 2: Reforming the structure of the health and disability benefits system

- 1. What further steps could the Department for Work and Pensions take to make sure the benefit system supports people to try work without the worry that it may affect their benefit entitlement?
- 2. What support do you think we could provide for those who will lose their Personal Independence Payment entitlement as a result of a new additional requirement to score at least four points on one daily living activity?

- 3. How could we improve the experience of the health and care system for people who are claiming Personal Independence Payment who would lose entitlement?
- 4. How could we introduce a new Unemployment Insurance, how long should it last for and what support should be provided during this time to support people to adjust to changes in their life and get back into work?
- 5. What practical steps could we take to improve our current approach to safeguarding people who use our services?

#### **Chapter 3: Supporting people to thrive**

#### Our new support offer

- 6. How should the support conversation be designed and delivered so that it is welcomed by individuals and is effective?
- 7. How should we design and deliver conversations to people who currently receive no or little contact, so that they are most effective?

#### A new baseline expectation of engagement

- 8. How we should determine who is subject to a requirement only to participate in conversations, or work preparation activity rather than the stronger requirements placed on people in the Intensive Work Search regime.
- 9. Should we require most people to participate in a support conversation as a condition of receipt of their full benefit award or of the health element in Universal Credit?
- 10. How should we determine which individuals or groups of individuals should be exempt from requirements?

#### Delaying payment of the health element of Universal Credit

11. Should we delay access to the health element of Universal Credit within the reformed system until someone is aged 22?

#### Raising the age at which young people start claiming adult disability benefits

12. Do you think 18 is the right age for young people to start claiming the adult disability benefit, Personal Independence Payment? If not, what age do you think it should be?

#### Chapter 4: Supporting employers and making work accessible

- 13. How can we support and ensure employers, including Small and Medium Sized Enterprises, to know what workplace adjustments they can make to help employees with a disability or health condition?
- 14. What should DWP directly fund for both employers and individuals to maximise the impact of a future Access to Work and reach as many people as possible?

- 15. What do you think the future role and design of Access to Work should be?
- 16. How can we better define and utilise the various roles of Access to Work, the Health and Safety Executive, Advisory, Conciliation and Arbitration Service and the Equalities and Human Rights Commission to achieve a cultural shift in employer awareness and action on workplace adjustments?
- 17. What should be the future delivery model for the future of Access to Work?

#### Other

- 18. Which of the following best describes how you are responding to this consultation. Are you responding:
  - As a member of the public
  - As or on behalf of an individual business
  - As or on behalf of an employer/ business representative organisation
  - As or on behalf of an interested charity or other representative organisation
  - Other
- 19. Do you consider yourself to have a health condition or a disability? Yes/ No/ Prefer not to say
- 20. Do you live in:
  - England
  - Northern Ireland
  - Scotland
  - Wales
  - Prefer not to say

## Annex B: The current system of health and disability benefits

There are currently four million working-age people in England and Wales with a
disability or health condition who use the benefits system and are receiving some
form of support through the main disability benefits, Universal Credit (UC) health
(currently LCWRA rate), Employment and Support Allowance (ESA), Personal
Independence Payment (PIP) and Disability Living Allowance (DLA). A further
365,000 receive UC health or ESA in Scotland. 134

#### **Universal Credit**

- An individual can access UC if they are in work or out of work. It is means-tested, therefore the amount a household receives depends on their household income and savings. An individual does not need to have a health condition or disability to be eligible for UC. However, where a person does have a health condition or disability that restricts their ability to work, they can declare this, and they will be referred for a Work Capability Assessment (WCA).
- The WCA is a functional assessment carried out by healthcare professionals and assesses an individual against a set of descriptors to determine how their health condition or disability affects their ability to work. The outcome of a WCA can either be below threshold or above threshold. In UC, if the outcome is below threshold, a person could be classified as being Fit for Work (also known as Capable for Work), for example. If the outcome is above threshold, a person would then be classified as either having limited capability for work (LCW) or limited capability for work and work related activity (LCWRA). These outcomes impact both someone's engagement expectations and the level of financial support they receive in UC.
- If people are placed into the LCWRA group, there is an additional cash component (LCWRA health-element) added in the calculation of their UC award and there is no routine back to work support offered and no engagement expectations set by DWP. The additional financial health element is paid to people considered more likely to be further away from the labour market, unable to increase their income or build sufficient savings to cover substantial household costs. The WCA is currently the way that entitlement for the additional financial element is established. The proportion of people being placed into the LCWRA group undertaking a WCA is increasing around two-thirds up from a fifth in 2011.<sup>135</sup>
- New Style Employment and Support Allowance (NS ESA) is another form of income replacement benefit, which uses the WCA to determine eligibility for support.

 <sup>&</sup>lt;sup>134</sup> Benefit Combinations: Official Statistics to February 2024 – GOV.UK (www.gov.uk), published
 August 2024. Available at: Benefit Combinations: Official Statistics to February 2024 – GOV.UK
 <sup>135</sup> See accompanying Evidence Pack

 The amount of money a person receives in UC is dependent on several circumstances, including whether the person has a disability or health condition. The standard allowance amount is included in the table below.

| How much you'll get <sup>136</sup>                             | Monthly standard allowance |
|--|----------------------------|
| If you're single and under 25                                  | £311.68                    |
| If you're single and 25 or over                                | £393.45                    |
| If you live with your partner and you're both under 25         | £489.23 (for you both)     |
| If you live with your partner and either of you are 25 or over | £617.60 (for you both)     |

 If the person has a health condition, an extra amount is available, as highlighted in the table below.

| How much you'll get <sup>137</sup>   | Extra monthly amount |
|--|----------------------|
| If you have limited capability for work and work related activity  | £416.19              |
| If you have limited capability for work and you started your health-related Universal Credit or Employment and Support Allowance (ESA) claim before 3 April 2017 | £156.11              |

#### Personal Independence Payment

- Personal Independence Payment (PIP), introduced in 2013, provides non-means tested financial support as a contribution to the extra costs arising from a longterm disability or health condition. Its predecessor was Disability Living Allowance (DLA). These extra costs are not defined, and recipients are able to spend the money they receive according to their own needs.
- PIP is made up of two components; a daily living component which is for people
  who need help with everyday tasks, and a mobility component for people who
  need help with getting around.
- To assess an individual's ability against both these aspects of independent living, people undergo a functional PIP assessment undertaken by a healthcare professional, which considers an individual's ability to undertake daily living and mobility tasks against 12 activities reliably, whilst considering the level of support they might need to do this. Reliably in the PIP assessment means safely, repeatedly, in a timely manner and to an acceptable standard. This assessment is different and separate to the WCA.

<sup>&</sup>lt;sup>136</sup> Universal Credit – GOV.UK (www.gov.uk), published February 2025. Available at: Universal Credit: What you'll get – GOV.UK – accurate as at 4 February 2025

<sup>&</sup>lt;sup>137</sup> Universal Credit – GOV.UK (www.gov.uk), published February 2025. Available at: Universal Credit: What you'll get – GOV.UK – accurate as at 4 February 2025

 PIP Assessments<sup>138</sup> are undertaken by healthcare professionals who produce a report. The report from healthcare professionals combined with other evidence provided by the person supports a DWP Decision Maker to decide as to their eligibility and the rate of payments they receive against both components of PIP, which are set out below<sup>139</sup>:

|                        | Lower Weekly Rate | Higher Weekly Rate |
|------------------------|-------------------|--------------------|
| Daily Living Component | £72.65            | £108.55            |
| Mobility Component     | £28.70            | £75.75             |

Being in receipt of PIP, or a particular rate or component, currently passports
people to a wide range of benefits and services offered by DWP, other
government departments and more widely by other organisations and schemes.

#### **Disability Living Allowance (DLA)**

- Disability Living Allowance (DLA), introduced in April 1992, was replaced by Personal Independence Payment (PIP) in April 2013 for people of working age, however, it remains in payment for those people who were 65 and over on the date PIP was introduced. New claims for DLA are only open to children under the age of 16.
- DLA is a non-contributory, non-means-tested and tax-free benefit. It is available
  to children under the age of 16 who, due to a health condition or disability, have
  mobility issues and/or care needs which are substantially in excess of the normal
  requirements of a child the same age without a health condition or disability.
- DLA has two components: mobility and care<sup>140</sup>. People can receive just one component or both together:

|                       | Lower Weekly<br>Rate | Middle Weekly<br>Rate | Higher Weekly<br>Rate |
|-----------------------|----------------------|-----------------------|-----------------------|
| Care<br>Component     | £28.70               | £72.65                | £108.55               |
| Mobility<br>Component | £28.70               |                       | £75.75                |

 DLA is a contribution towards the extra costs associated with having a long-term health condition or disability. The parents/guardians of claimants are free to choose how they spend their benefit and there is no requirement for them to use it for any particular purpose.

<sup>&</sup>lt;sup>138</sup> Approximately 20% of assessments will be scheduled as Face to Face, 70% as Telephony Assessments and 10% as Video Assessments – all claims are initially checked for suitability for a Paper Based Assessment before an in person assessment is scheduled (either Face to Face, Telephony or Video)

<sup>&</sup>lt;sup>139</sup> Personal Independence Payment – GOV.UK (www.gov.uk), published February 2025. Available at: Personal Independence Payment (PIP): How much you'll get – GOV.UK – accurate as at 10 February 2025

<sup>&</sup>lt;sup>140</sup> Disability Living Allowance (DLA) for children: DLA rates for children – GOV.UK

- DLA also acts as a gateway to other types of support, including The Motability Scheme, Carer's Allowance, Universal Credit and exemption from the benefit cap.
- Eligibility decisions, based on the effect that a disability or health condition has
  on a child's need for help with care or mobility, are made by specially trained
  DWP case managers after consideration of the available evidence from the
  claimant and any supporting evidence received.
- DLA claimants are invited to apply for PIP once they reach the age of 16.

#### Other available support

- Alongside the direct financial support through UC, NS ESA and PIP, there is a range of other support available to people to support them towards employment and independence.
- People can utilise support that is available from Jobcentre Plus to help someone
  prepare for and stay in work. This support can range from CV writing workshops
  and job interview preparations to work placement programmes and training
  schemes. However, if people are placed into the LCWRA group, there is no
  routine back to work support offered and no engagement expectations set by
  DWP.
- The Access to Work scheme operates across Great Britain and can be used to further support people to get into or to stay in work if they have a health condition or disability. The support a person receives depends on their individual needs and can take the form of a financial grant to pay for practical support or managing mental health whilst in work, or to pay for communication support at interviews.
- Receiving certain benefits can also make somebody eligible for other forms of
  entitlements or benefits. People receiving PIP, for example, can be eligible for a
  range of support such as the Blue Badge scheme, the Motability scheme and
  Disability Facilities Grant. Receiving certain benefits can also exempt you from
  the Benefit Cap, which limits the total amount of benefit money a working-age
  person is able to receive. Being in receipt of the UC health element provides
  access to similar financial support and benefits, such as free prescriptions.

#### **Across the United Kingdom**

- The UK Government is committed to improving the lives of disabled people and people with health conditions across the whole of the United Kingdom. However, the proposals in this Green Paper only apply to areas that are reserved to the UK Government.
- In Northern Ireland, responsibility for the policies covered in this Green Paper sit
  with the Northern Ireland Executive. DWP will continue to work closely with the
  Executive on the matters covered in this Green Paper, in line with the general
  principle of parity in matters of social security between DWP and its counterpart
  in Northern Ireland, the Department for Communities.

- In Scotland, UC and ESA are matters reserved to the UK Government, whereas benefits for additional disability needs are devolved. For example, PIP has been replaced by the Scottish Government's Adult Disability Payment. The proposals in this Green Paper will apply only to reserved matters in Scotland, although DWP will work with the Scottish Government where there are interactions between reserved and devolved benefits. This is particularly important given that the same people often receive health- or disability-related benefits from both Governments.
- With respect to employment support, the Scottish Government has powers to set up programmes to help disabled people into work. It has similar powers to support people who are claiming reserved benefits and are at risk of long-term unemployment, provided this support lasts for 12 months or longer. The UK Government remains responsible for the support provided by Jobcentre Plus, and for other contracted employment support in Scotland.
- In Wales, employment support and social security are the responsibility of the UK Government, except for certain functions relating to employment support, where Welsh Ministers also have powers to provide support to specified groups outside Jobcentre Plus. The proposals in this Green Paper relating to areas that are the responsibility of the UK Government, including UC, ESA, PIP and DLA, apply in Wales.
- The Scottish Government, Welsh Government and Northern Ireland Executive are responsible for health, local government, education, skills and social care.
   Where the proposals set out in this Green Paper relate to these areas, they focus on what this means for England.

#### People above State Pension age

This Green Paper considers health and disability issues for those of working age.
 However, some proposals will affect people over State Pension Age, for example those in mixed-age households in Universal Credit.

#### **Unpaid Carers**

The Government will consider the impacts on benefits for unpaid carers as part
of its wider consideration of responses to the consultation as it develops its
detailed proposals for change.

## POLICY AND PROJECT ADVISORY BOARD WORK PLAN

The purpose of the work plan is to plan, manage and co-ordinate the ongoing activity and progress of the Council's Policy and Project Advisory Board, incorporating policy development work carried out through working groups.

#### (A) CURRENT WORKING GROUPS APPOINTED BY THE POLICY AND PROJECT ADVISORY BOARD

| GROUP           | MEMBERSHIP 2025/26                    | CURRENT POSITION  | CONTACT  |
|-----------------|---------------------------------------|---|--|
| Elections Group | Membership for 2025/26 to be decided. | The first meeting of the municipal year to be arranged. | Jill Shuttleworth Corporate Manager - Democracy jill.shuttleworth@rushmoor.gov.uk  Elections Team 01252 398824 elections@rushmoor.gov.uk |

## (B) OTHER ISSUES/MATTERS FOR THE WORK PROGRAMME

| ISSUE | DETAILS | CONTACT DETAILS |
|-------|---------|-----------------|
|       | PLACE   |                 |
|       |         |                 |
|       | PEOPLE  |                 |
|       |         |                 |

## POLICY AND PROJECTS ADVISORY BOARD

## **AGENDA PLANNING - 2024/25**

| 12th June 2024 Arts Council Place Partnership Project – Funding Bid |   |  |
|---|---|--|
| 23rd July 2024  | Procurement Strategy - (existing till 2024) Youth Engagement (Part 1)                                       |  |
| 24th September 2024 Youth Engagement (Part 2)                       |   |  |
| 19th November 2024  | Climate Change Action Plan (Part 1)   |  |
| 21st January 2025   | CANCELLED   |  |
| 25th March 2025   | Government consultation on devolution All-Member workshop on Place Narratives for Farnborough and Aldershot |  |

## **AGENDA PLANNING - 2025/2026**

| 10th June 2025  | LGR – approach to public engagement and involvement Pathways to work consultation (paper from Portfolio Holder) Future changes to Integrated Care Boards (KE – for info item) |
|---|---|
| 22nd July 2025  | Devolution – effects on communities Supporting Communities Strategy (EL)  |
| 23rd September 2025                                     | Housing equalities  |
| 18th November 2025                                      |   |
| 20th January 2026                                       | Council Plan (Part 1) Supporting Communities Strategy   |
| 24th March 2026   | Council Plan (Part 2)   |
| Potential items to be considered for 2025/26 and beyond | Communications Strategy   |

## **PROGRESS GROUP MEETINGS 2024/25**

Membership: Cllrs Mike Roberts, Sue Carter, Lisa Greenway, Steve Masterson, Thomas Mitchell and Ivan Whitmee

| Date               | Item   | Notes  |
|--------------------|--|--|
|                    | Arts Council Place Partnership<br>Project – Bid Feedback | As timing won't allow for this item to come back to the Board, Lee McQuade had offered to speak with individual Members should they wish to in advance of the deadline.  |
| 25th June 2024     | Youth Engagement – meeting on 23 July                    | Presentation providing an overview of what we do followed by a workshop (to be held in private). Ensure we identify what we want to achieve and identify areas of focus.   |
|                    | Procurement Strategy – Meeting on 23 July                | Existing one runs until end 2024. Introduction of Procurement Act 2023 – requirement to review and update existing Strategy.   |
|                    | Procurement Strategy                                     | Timelines for this piece of work had changed slight and the Strategy would now go to the November 2024 Cabinet Meeting. If Members wished to comment following the previous Board meeting, they still had time to do so through Roger Sanders.   |
| 3rd September 2024 | Youth Engagement   | The Group were advised that work was currently underway, with partners, to gather information, share data and identify gaps in work relating to young people. A review of the proposed approach was also noted and would be expanded on at the meeting on 24 September, where the proposed Action Plan and Draft Strategy would be considered. |

|                   | Future Items                  | Marmot Health Strategy – gap analysis work underway, will share details as the work develops.   |
|-------------------|-------------------------------|---|
|                   |                               | Devolution – awaiting further information. Express of interest from HCC shared with the Council, and RBC had shown a desire to be involved in the process.  |
|                   |                               | Social Housing Needs – OSC are currently carrying out some work on the Housing and Homelessness Strategy. A watching brief would be kept on this work.  |
|                   |                               | Community Plan – Communications and Engagement Strategy, on how we engage with residents and businesses, in the process of being developed, Due to go to Cabinet in October 2024. Report back to Cabinet later in the year.       |
|                   | Defibrillators and Bleed Kits | It was noted that the defibs and bleed kits would be installed within months and a timetable of the works would be shared with Members. Options would be considered for a launch event and training sessions (inc. for students). |
|                   | Youth Strategy                | Emma Lamb to take to Cabinet in January. Working on mapping around other community groups following the discussion at PPAB in September.  |
| 22nd October 2024 | Procurement Strategy          | Revised Procurement Strategy - coming forward to Cabinet in November.   |
| Page              | Defibs and bleed kits         | Written update to be provided. Need to ensure comms to residents on where the defibs are to be located. Can we use any other groups that are doing training? Need to find groups to maintain the defibs in their                  |

| Page 94 |                | locations. Can comms do a video on how to use? Members need to share info also.   |
|---------|----------------|---|
| 4       | Climate Change | Climate Change item at OSC earlier in year. Discussion on next steps of CC Action Plan at PPAB on 19th November. Two parts – November and January. Emma Lamb, Sophie Rogers and Jules Crossley available. PPAB would need some pointers to aid discussion. Would be good to see what last year's action plan looked like and was it delivered. Need to be clear as to what the CC Action Plan is trying to achieve – Council activities or wider remit? Tie CC awareness into other priorities, such as regeneration. |
|         | Future items   | Marmot Health Strategy – could be a future item. Wider than just healthcare.  |
|         |                | Housing Equalities – would make a good future item. Rough sleepers – find an area in the Borough?   |
|         |                | Communications Strategy – timing not known at this point and will be confirmed ASAP.  |
|         |                | Council Plan – January and March meetings.  |
|         |                | Supporting Communities Strategy – January meeting.  |
|         |                | Devolution – stay on list but not sure when but is likely to progress quickly once more is known.   |
|         |                |   |

| 3rd December, 2024  | Details not available  |   |
|---------------------|--|---|
|                     | Place Narratives for Farnborough and Aldershot (Karen Edwards and Lee McQuade in attendance) | PPAB to host a workshop to support work being done under UKSPF on 25th March. Thinking Places doing project for both towns – invite all Members. Work needs to be done quite quickly. KE/LM to prepare invite to be sent out. Workshop to be split across the two towns and will be held in private (no members of the public). |
| 26th February, 2025 | Future items   | Frimley Park - options for relocation and transport issues – some time after May. KE – time to discuss future of the NHS in this area. How is NHS 10-year plan? (May/June)  |
|                     |  | Marmot Health Strategy – wider issue than above NHS item. KE – thought tied up with 10-year plan but can seek clarification on health inequalities.   |
|                     |  | Housing inequalities – how to respond to growing problems. Could pick up around Autumn.   |
|                     |  | Devolution – item over the Summer. What is the effect on communities is role for PPAB.  |
|                     |  | Supporting Communities Strategy – JD to check with EL about July item.  |
|                     |  | Communications Strategy – not likely to be anything at the current time – JD to check with GC.  |
| Page 9              |  |   |

| Page 96        | NHS ten-year plan update / health inequalities (Karen Edwards and Martin Iyawe in attendance) | Integrated Care Boards (ICB) considered too expensive and budget to be cut by 40% with a refreshed role. KE to bring item to PPAB to explain the new roles of ICBs and what it will mean for Rushmoor residents. |
|----------------|---|--|
|                |   | AA – Need to make sure that items leads to a PPAB's output be? KE – may need a further item.   |
| 13th May, 2025 |   | KE – recommend a workshop approach to gather Members' views.   |
|                | Future items  | Work programme is largely populated for 2025/26 – worth session between AA and JD to discuss.  |
|                |   | Council Business Committee – this may set the work programme for PPAB, as per the recommendations.   |
|                |   | Town Councils – discussions to be had – item for PPAB?   |

Future dates for PPAB Progress Group meetings: 24th June 2025 (provisional), 27th August 2025 (provisional).