

## Long-term benefits reform



## Chapter 7

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- 1 The present benefits system for people of working age is too complex. The many different rules may make sense in isolation, but together they make for a confusing and incoherent picture. This complexity makes it hard for benefits claimants to understand their rights and responsibilities, and hard for staff and advisers to help people to get their correct entitlements. It makes the system more prone to fraud and error and expensive to administer, and often makes it harder to move into work.
- 2 We need a simpler benefits system which better meets the needs of claimants and responds to the weaknesses in the current system that so often frustrate claimants and stakeholders. We want to:
  - provide a single gateway to financial and back-to-work support for all claimants;
  - have a system that is simple to understand – making clear the support people can expect – and simple to administer;
  - complement our comprehensive menu of support by creating a clear link between financial support and responsibility upon the individual to take steps to improve their employment prospects;
  - provide the right financial incentives for those moving into work;
  - encourage individuals to take their future into their own hands – we know that the biggest barrier to taking up a new job for those on benefits is the fear of the unknown and of falling foul of the benefits system; and
  - provide a safety net for those who cannot work and for those who try out work but encounter too many difficulties.
- 3 The reforms set out in this Green Paper will reduce much of the complexity surrounding existing benefits for those facing health problems and disability. We consider that there may be advantages in moving in the longer term towards a single system of benefits for all people of working age, with appropriate additions for those who have caring responsibilities and those with a long-term illness or disability.
- 4 We currently provide a wide range of benefits, established by various pieces of legislation for diverse purposes, and delivered by separate administrative systems. Benefits are paid differently to reflect personal needs over different periods of time. Benefits often overlap and have complex interactions with each other and with tax credits.

- 5 The next step is to review the range of benefits to identify the challenges to creating a single system with fair and effective solutions.
- 6 The new system must be affordable and deliverable as well as simpler to understand and operate.

## Northern Ireland

- 7 The provision of social security in Northern Ireland is governed by the long-established and widely accepted policy of parity with Great Britain. The Government believes that this should remain the basis of future provision in Northern Ireland and will have regard to this in implementing any proposals set out in this Green Paper.