

Speech

Secretary of State for Work and Pensions speech to the House of Commons on Pathways to Work reform

The Secretary of State for Work and Pensions the Rt Hon Liz Kendall MP delivered the below speech to the House of Commons on the 18 March 2025.

From: [Department for Work and Pensions](#)
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INTRODUCTION

Mr Speaker

This Government is ambitious for our people and our country.

And we believe that unleashing the talents of the British people is the key to our future success.

But the social security system we inherited from [political content removed] is failing the very people it is supposed to help, and holding our country back.

The facts speak for themselves.

1 in 10 people of working age now claiming a sickness or disability benefit.

Almost 1 million young people not in education, employment or training – that's 1 in 8 of all our young people.

2.8 million out of work due to long term sickness.

And the number of people claiming Personal Independence Payments set to double this decade, from 2 to 4.3 million...

... with the growth in claims rising faster among young people and mental health conditions.

... and with claims up to 4 times higher in parts of the Midlands, Wales and the North where economic demand is weakest. [political content removed]

And the consequences of this failure are there for all to see.

Millions of people who could work trapped on benefits... denied the income, hope, dignity and self-respect that we know good work brings.

And taxpayers paying millions more on the costs of failure, with spending on working age sickness and disability benefits up £20 billion since the pandemic, set to rise by a further £18 billion by the end of this Parliament to £70 billion a year.

And it is not like this in most other comparable countries where spending on these benefits since the pandemic is either stable or falling – whilst ours continues to inexorably rise.

[political content removed]

And today, Mr Speaker, we say – no more.

Since we were elected, we have hit the ground running to get more people into good work through our Plan for Change.

We're investing an extra £26 billion into the NHS to drive down waiting lists and get people back to health and back to work.

We're improving the quality of work and making work pay with our landmark Employment Rights legislation and increases in the national living wage.

We're creating more good jobs in every part of the country in clean energy and through our modern industrial strategy.

And we are introducing the biggest reforms to employment support in a generation, with our £240 million Get Britain Working plan.

Today, our Pathways to Work Green Paper sets out decisive action to fix the broken benefits system.

Creating a more pro-active, pro-work system for those who can work.

And so we protect it for those who cannot work; now and for the long-term.

Mr Speaker, I know as a constituency MP for 14 years, that there will always be people who can never work, because of the severity of their disability or illness.

Under this Government, the social security system will always be there for people in genuine need. That is a principle we will never compromise on.

But disabled people and people with health conditions who can work should have the same rights, choices and chances to work as everybody else. That principle of equality is vital too.

Because - [political content removed] - many sick and disabled people want to work, with the right help and support.

[political content removed].

Mr Speaker, our first aim is to secure a decisive shift towards prevention and early intervention.

Almost 4 million people are in work with a work limiting health condition, and around 300,000 fall out of work every year.

So we've got to do far more to help people stay in work, and get back to work quickly – because your chances of returning are 5 times higher in the first year.

Our plans to give statutory sick pay for 1 million of the lowest paid workers and more rights to flexible working will help keep more people in work.

The Work Well programme is trialling new approaches like GPs referring people to employment advisors, instead of signing them off sick.

And our Keep Britain Working review, led by former John Lewis boss Sir Charlie Mayfield, will set out what government and employers can do together, to create healthier, more inclusive workplaces.

So we help more employers offer opportunities for disabled people, including through measures like reasonable readjustments, alongside our Green Paper consultation on reforming Access to Work so it is fit for the future.

And today I can announce another step.

Our Green Paper will consult on a major reform of contributory benefits ...

... merging contributions-based Jobseekers Allowance and Employment Support Allowance into a new time limited Unemployment Insurance, paid at a higher rate, without having to prove you cannot work in order to get it

... so if you have paid into the system you'll get stronger income protection, while we help you get back on track.

Our second objective is to restore trust and fairness in the benefits system

...

.... by fixing the broken assessment process and tackling the perverse incentives that drive people into welfare dependency.

Now Members [political content removed] have long argued that the Work Capability Assessment is not fit for purpose.

Going through the WCA is complex, time consuming and often stressful for claimants, especially if they also have to go through the PIP assessment.

And more fundamentally, it's based on a binary can / can't work divide, when we know the truth is that many people's physical and mental health conditions fluctuate.

The consultation on [political content removed] WCA proposals was ruled unlawful by the courts.

So today I can announce we will not go ahead with their proposals.

Instead we will scrap the WCA in 2028.

In future, extra financial support for health conditions in Universal Credit will be available solely through the PIP assessment...

.. so extra income is based on the impact of someone's health condition or disability, not on their capacity to work.

... reducing the number of assessments that people have to go through

... and a vital step towards de-risking work.

And, Mr Speaker, we will do more ...

by legislating for a 'right to try', guaranteeing that work in and of itself will never lead to a benefit reassessment.

Giving people the confidence to take the plunge and try work – without the fear this will put their benefits at risk.

Mr Speaker, we will also tackle the perverse financial incentives –[political content removed] - which actively encourage people into welfare dependency.

[political content removed]

As a result, the health top up is now worth double the Standard Allowance, at more than £400 a month.

And in 2017, they took away extra financial help for the group of people who could prepare for work.

So we're left with a binary assessment of can or can't work and a clear financial incentive to define yourself as incapable of work....

...something the OBR, IFS and others say is a likely factor driving people onto incapacity benefits.

Today, we tackle this problem head on.

We will legislate to rebalance the payments in Universal Credit from April next year ...

... holding the value of the health top up fixed in cash terms for existing claimants and reducing it for new claimants

... with an additional premium for people with severe, lifelong conditions that mean that they will never work – to give them the financial security they deserve.

And alongside this, Mr Speaker, we will bring in a permanent, above inflation rise to the standard allowance in Universal Credit... for the first time EVER, a £775 annual increase in cash terms by 2029/30.

And a decisive step to tackle the perverse incentives in the system.

We will also fix the failing system of reassessments.

[political content removed] failed to switch reassessments back on after the pandemic, so they're down by more than two thirds, with face to face assessments going from 7 in 10 to only 1 in 10.

We will turn these reassessments back on at scale, and shift the focus back to doing more face to face, and we will ensure they are recorded as standard – to give confidence to claimants and taxpayers that they're being done properly.

And Mr Speaker I can also announce ...

... for people on Universal Credit with the most severe disabilities, and health conditions that will never improve, we want to ensure that they are never reassessed, to give them the confidence and dignity they deserve.

And we will fundamentally overhaul the DWP's safeguarding approach to make sure all our processes and training are of the highest quality so we protect and support the most vulnerable people.

Mr Speaker, alongside these changes we will also reform disability benefits, so they focus support on those in greatest need and to ensure the social security system lasts for the long-term, into the future.

Social and demographic change means more people are now living with a disability.

But the increase in disability benefits is double the rate of increasing prevalence of working age disability in the country.

With claims amongst young people up 150%. For mental health conditions, up 190%. And claims for learning difficulties up over 400%, according to the IFS.

Every day, there are more than 1,000 new PIP awards.

That's the equivalent of adding a population the size of Leicester every single year.

Mr Speaker, that is not sustainable long-term, above all, for the people who depend on this support. [political content removed]

So today I can announce this Government will NOT bring in [political content removed] proposals for vouchers – because disabled people should have choice and control over their lives.

We will not means-test PIP. Because disabled people deserve extra support, whatever their incomes.

And Mr Speaker I can confirm we will not freeze PIP either.

Instead, our reforms will focus support on those with the greatest needs.

We will legislate for a change in PIP so people will need to score a minimum of 4 points in at least one activity to qualify for the daily living element of PIP from November 2026.

This will not affect the mobility component of PIP and only relates to the daily living element.

And alongside this, we will launch a review of the PIP assessment ...

... led by my Right Honourable Friend, the Minister for Social Security and Disability, in close consultation with disabled people, the organisations that represent them and other experts

... so we make sure PIP and the assessment process is fit for purpose, now and into the future.

And Mr Speaker, this is a significant reform package that is expected to save over £5 billion in 2029/30. And the OBR will set out their final assessment of the costings next week.

Our third and final objective is to deliver personalised support to sick and disabled people who CAN work to get the jobs they need and deserve.

We know [political content removed] young people and the long-term unemployed – the difference that proper employment support can make.

And more recent evidence - from the Work Choice programme and Additional Work Coach time - shows support can make a significant difference in the number of people getting work, keeping work, and improving their mental health and wellbeing too.

This [political content removed] Government believes that an active state can transform people's lives. We know this because we have done it before.

So today I can announce we will invest an additional £1 billion a year for employment support with the aim of guaranteeing high-quality, tailored and personalised support to help people on a Pathway to Work.

The largest ever investment in opportunities to work for sick and disabled people.

And alongside this – for those on the UC Health top up - we will bring in an expectation to engage and a new Support Conversation to talk about people's goals and aspirations, combined with an offer of personalised health, skills and employment support.

And because being out of work or training when you're young is so damaging for your future prospects, we will go further.

In addition to funding our Youth Guarantee through the £240 million Get Britain Working plan...

... we will consult on delaying access to the health top up in Universal Credit until someone is aged 22, with the savings reinvested into work support and training opportunities.

So every young person is earning or learning, and on a pathway to success.

CONCLUSION

Mr Speaker [political content removed] ... a broken benefit system that's failing the people who depend on it, and our country as a whole.

The status quo is unacceptable.

But it is not inevitable.

We were elected on a mandate for change.

To end the sticking plaster approach... and tackle the root causes of problems in this country that have been ignored for too long.

Because we believe in the value and potential of every single person.

That we all have something positive to contribute and can make a difference.

Whether that's in paid work, in our families or communities alongside our neighbours and friends.

We will unleash this potential in every corner of the land.

Because we are as ambitious for the British people as they are for themselves.

Today, we take decisive action. And I commend this statement to the House.

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