

Restoring social security

Britain needs a responsible and fair social security system that provides security when people lose their jobs or fall sick, as well as a decent income when they retire. The British people have always believed in the principle of contribution, rewarding those who pay in, helping people get back on their feet, and providing support in times of need.

To guarantee a decent social security system for the next generation, we need to keep costs under control. Under this Government, the increase in low pay has left working families more reliant on tax credits and housing benefit, pushing up the social security bill.

To get the benefits bill under control, we need to tackle the root causes of rising spending, by making work pay and building more homes. We will allow local authorities that negotiate rent reductions on behalf of tenants who are claiming housing benefit, to retain some of the savings, on the condition that the money is invested in building homes.

We will keep the household benefit cap and ask the Social Security Advisory Committee to examine if it should be lower in some areas. And we will cap structural social security spending as part of each spending review, so that it is properly planned and controlled.

Labour believes in rewarding work and in restoring contribution to the heart of our system. So we will not cut tax credits. We want everyone who can to have the chance to contribute through paid work, so we will create a more tailored back-to-work system that helps people secure and keep jobs. We will do more to help unemployed people get the skills they need for work, testing jobseekers' Maths, English and IT skills within six weeks of them claiming benefits. They will be required to take up training where this will improve their chances of getting a job. We support the principle behind Universal Credit – that there should be a smooth transition into work – but it must be affordable and fit for purpose, so we will pause and review the programme.