



The Rt Hon Sir Keir Starmer MP  
Prime Minister  
10 Downing Street  
London  
SW1A 2AA

18<sup>th</sup> March 2025

**Subject: Partnering for Effective Welfare Reform – The Role of the Protection Insurance Industry**

Dear Prime Minister,

On behalf of The Income Protection Task Force (IPTF – [www.iptf.co.uk](http://www.iptf.co.uk)), we are writing in response to your announcements today concerning welfare reform in the United Kingdom. We appreciate that this is a challenging policy area for any government to address, particularly for a Labour administration committed to fairness, opportunity, and the protection of those in need.

While there is no doubt that the welfare system needs a radical overhaul to create necessary savings and to redistribute benefits more fairly, this is inevitably going to create concern in many parts of society about the fairness, effectiveness and impact of an overhaul of this most sensitive area.

We believe strongly that the protection insurance industry can play a pivotal role in supporting your efforts to create a system that is both fairer and more comprehensive and ultimately helps to build a financially resilient population that is much better able to cope with the vicissitudes of life and enables them to recover from illness and return to work through vocational rehabilitation services.

Winston Churchill famously said, *“If I had my way, I would write the word ‘insure’ over every door of every cottage and upon the blotting pad of every public man, because I am convinced that, for sacrifice that are conceivably small, families can be secured against catastrophes which otherwise would smash them forever”*.

Long-term disability is one of those catastrophes to which he referred. Not only does it create huge misery for those afflicted, but it creates a huge drain on the public purse and massive economic dysfunction. The increase in mental health problems has exacerbated the situation and increased the strain on already creaking welfare support services.

At the IPTF, we have long championed the value of income protection in providing financial security for individuals unable to work due to illness or injury. However, beyond financial support, the industry has a strong track record of delivering meaningful return-to-work assistance through vocational rehabilitation, early intervention, and specialist support services. These initiatives have demonstrably helped people regain employment, reducing reliance on state welfare while improving overall well-being and economic productivity.

Given the scale of welfare reform you seek to undertake, we see a significant opportunity for collaboration between government and the protection insurance industry. By leveraging the expertise, resources, and existing success stories within our sector, we can help shape effective policies that support individuals in overcoming barriers to work. Specifically, we would welcome the opportunity to discuss:

- The best way to ensure that individuals who take responsibility for their own financial security through income protection policies are incentivised or, at the very least, not penalised within the welfare system, recognising that taking personal responsibility lessens the burden on the state.
- How vocational rehabilitation and added-value services within income protection propositions effectively support claimants in returning to work reducing long-term welfare dependency and supporting sustainable employment.
- Supporting renters as well as homeowners in mitigating the financial impact of illness or injury, helping to maintain housing stability.

We recognise that genuine reform requires input from multiple stakeholders, and we believe that engaging with the protection insurance industry will add significant value to the government's approach. We would be delighted to meet with your team to explore how we can contribute to this important national effort.

We look forward to the opportunity to work together in ensuring that welfare reform is both compassionate and effective, helping more people return to work while building financial resilience for those who need it most.

Yours sincerely,

*JMiller*

Jo Miller

Managing Director, Income Protection Task Force (IPTF)