

Disability benefits

Lessons from
the front line



**citizens
advice**

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Introduction: the disability benefits system is broken

The disability benefits system is broken. It has not adapted to a world where disability and ill health are more prevalent, and more complex in terms of the variation of impact on people's lives or the support that could help. Despite rising caseloads, disabled people, and people with long-term health problems, are too often not getting the support they need.¹

A growing need

We know that the number of working age adults declaring a disability has risen by 2.7 million people since 2014/15 – an increase from 7% to over 9% of the population.

In the past year we have helped almost 370,000 people with disability benefits: more than 1,000 people each day. 46% of people who seek our help on all issues are disabled or have a long-term health problem – rising to 63% of those we advise on benefits issues.

Let's be clear: nobody chooses to become disabled or ill. Disability often results from medical conditions, and is worsened by challenges accessing health services and social care. It is also exacerbated by the barriers to participation in society and the economy – such as limited access to education, poor quality transport infrastructure, employment discrimination, and inflexible workplaces – that disabled people face.

The wrong diagnosis

Over the last 20 years the main policy response, in the face of rising costs, has been to make claiming disability benefits more difficult. Eligibility for disability benefits has been tightened – and there are plans in place to tighten it further.

And the claims processes by which disabled people, and people with long-term health problems, must prove their eligibility have become increasingly adversarial,

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characterised by mistrust and inefficiency. There is now at least some recognition that assessment methods are flawed – but convincing alternatives have yet to emerge.

It is not just that the system is failing to support disabled people; it can contribute to poor health outcomes by subjecting people to harmful processes.

The most harmful dimension of this agenda is the idea that people receiving disability benefits are unwilling to work. This leads to the prescription that employment support should become more targeted, and benefit conditionality stricter.

The opposite is true, in most cases. The disability employment gap is proving consistent (the proportion of working-age disabled people in employment is 28% fewer than the proportion of non-disabled people in employment). **Despite the barriers and challenges faced, many disabled people want to work: 22% of economically inactive disabled people want to find a job, compared to 15% of non-disabled people.** But this is a right currently being denied by patchy employment support and counter-productive claims processes, as well as wider labour market problems such as a lack of flexible working in many workplaces.

Accessing the support that does exist usually requires yet further assessments or a check box approach to searching for work, based on rigid jobcentre rules rather than personal aspirations, coupled with the threat of sanctions. It is understandable that disabled people are often reluctant to engage with this process. They also fear their benefit income will be jeopardised if they take steps towards employment – a product of the perverse way we assess benefit eligibility.

We need to discard the mistaken belief that inadequate benefits incentivise disabled people to find work despite the difficulties. Previous reforms of this nature have often failed to deliver the savings expected.

The system is failing disabled people

We see every aspect of how the system as it stands is letting down disabled people who have to fight to access essential financial support. **The people we help feel like the system is designed to deny them support, not to get them the help they need.**

Disabled people, and people with long-term health conditions, do not relish the prospect of trying to live on benefits. The benefits system as a whole is already characterised by inadequacy, with disabled people on low incomes often having no choice but to use income intended to cover the costs of disability to instead cover

everyday living costs. **If nothing else, this situation is not conducive to improving health outcomes.**

It is hard enough trying to participate in society as a disabled person. Many workplaces and public services are not designed to be accessible to disabled people and people with long-term health problems. We are also conducting research on the poor experiences of disabled consumers who purchase essential disability aids – another example of the difficulties disabled people face in daily life. The disability benefits system should be a source of support, not a cause of further difficulty.

We need to genuinely modernise the system, and the way we think about it. The claims process needs to be aligned with wider NHS, care and employment support services that work with disabled people to tackle, as far as possible, the challenges and barriers they face.

The benefit system will always play an important role for disabled people, and people with long-term health problems. But it is stuck in an out of date model that does not put people on a pathway to the right kind of support.

And so we have ended up in the worst of all worlds. The value of benefits is being driven down. Eligibility for what remains becomes ever narrower. **This does not mean fewer disabled people: instead it means fewer disabled people are getting the support they need.**

A different approach

The temptation to enact more reforms hastily, based on a misdiagnosis of the problem, should be resisted. **We believe an independent commission is necessary to ensure future policy is based on solid evidence, and centres the experience of disabled people.**

The prize would be a system based on trust which removes complexity, and maintains financial support for disabled people, and people with long-term health problems, while aligning more effectively with wider services that could be useful to tackle challenges they face or enhance their employment prospects.

The goal of policy shouldn't be to restrict claims for disability benefits. It should be to make sure disabled people can access the right type of support.

We need to recognise that the processes by which disability benefits are being claimed are having an impact on health outcomes. Demonstrating eligibility does not have to involve processes that are stressful, exhaustive and intrusive. For example, we could have a holistic assessment in which claimants discuss with qualified professionals the health, support and employment services that can have a positive impact on their lives, as well as the financial support they need.

The claims process could therefore become part of how we provide support to disabled people, and people with long-term health problems, rather than a barrier to accessing support. It would rebuild trust by centering the individual's experience of being disabled, not penalising people because their circumstances do not conform to categories of disability that seek to simplify complex and highly personal health journeys and employability.

The benefits system has been broken not by the disabled people who depend on it, but by a failure to tackle the barriers to people living independently and participating in the labour market when possible. Disability benefits, properly integrated into wider support processes, are part of the solution, not part of the problem. By learning from what the people we support are telling us about the system's failings, this report begins to chart a better way forward.

Our 10 key insights into disability benefits

We help more than 1000 people every single day with disability benefits issues and have learned from their experiences that the system is fundamentally broken.

Plans to restrict eligibility for disability benefits are based on flawed assumptions, overlooking the complexity of the lives of disabled people and people with long-term health problems. We need a system that provides support rather than causes harm, centres the experience of disability and ill-health, and aligns with wider NHS, care and employment support services.

This section outlines the main insights we have drawn from trying to help disabled people navigate the system as it stands. These insights inform our ideas for how things could be done differently. You can find further insights from the evidence we collect in the [accompanying data pack](#).

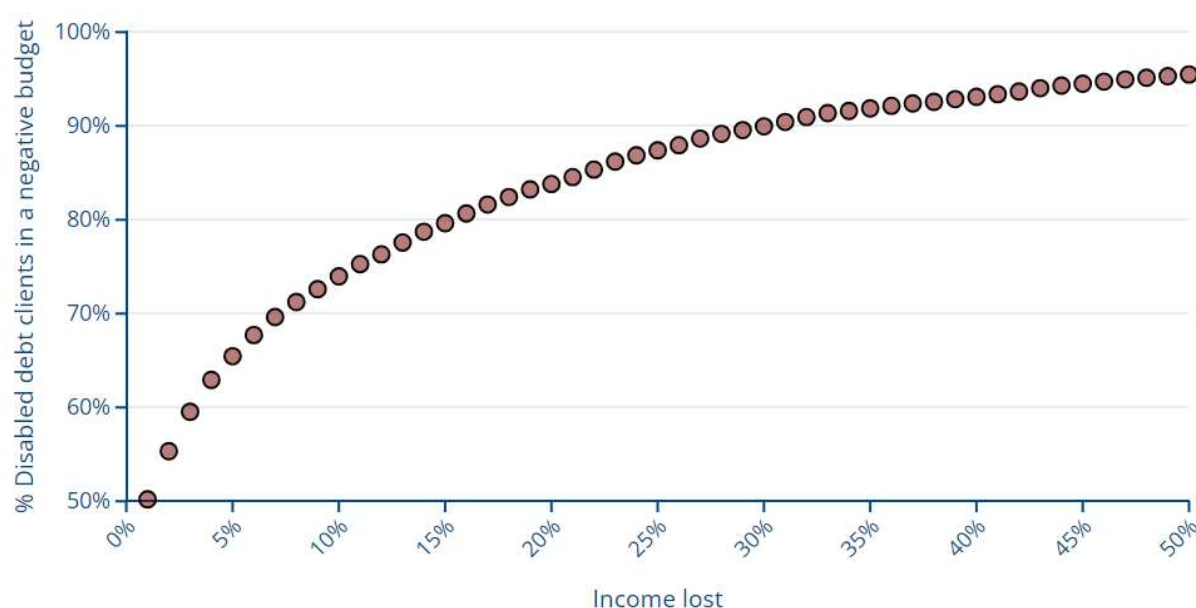
1. Disability benefits are crucial in protecting people from falling into the red

The disabled people, and people with long-term health problems, we help with debt are more likely to be able to make ends meet if they receive disability benefits. Those who receive Personal Independence Payment (PIP) and no other disability benefits tend to be just about breaking even, with an average surplus in their monthly budget of just £14 after paying for essentials.

In contrast, our disabled debt clients receiving no disability benefits have a deficit – a negative budget – of £62 every month on average, meaning they can't cover their essential costs. Their incomes are significantly lower than for other groups, but so is their expenditure – yet they simply cannot cut back enough to avoid a negative budget. We calculate these budgets based on detailed information on people's incomings and outgoings, in order to help them manage their debts – so even when spending is reduced to the lowest possible levels, their income isn't enough. Our [national red index](#) contains more in-depth analysis on negative budgets.

The [latest set of reforms](#) would see some people potentially lose the benefits they get now. For our debt clients who are receiving disability benefits, losing that support would be detrimental. For those receiving PIP but no other disability benefits, nearly 90% would be pushed into a negative budget if they stopped receiving PIP, meaning their income wouldn't be enough to cover their essential living costs. Even a small drop in income would be enough to send a substantial proportion of our disabled debt clients into the red. For example, even with just a 10% reduction in income, we'd expect nearly three-quarters of our disabled debt clients to fall into a negative budget.

Figure 1. The proportion of our disabled debt clients who'd be in a negative budget if their income was reduced



Source: Citizens Advice debt client data

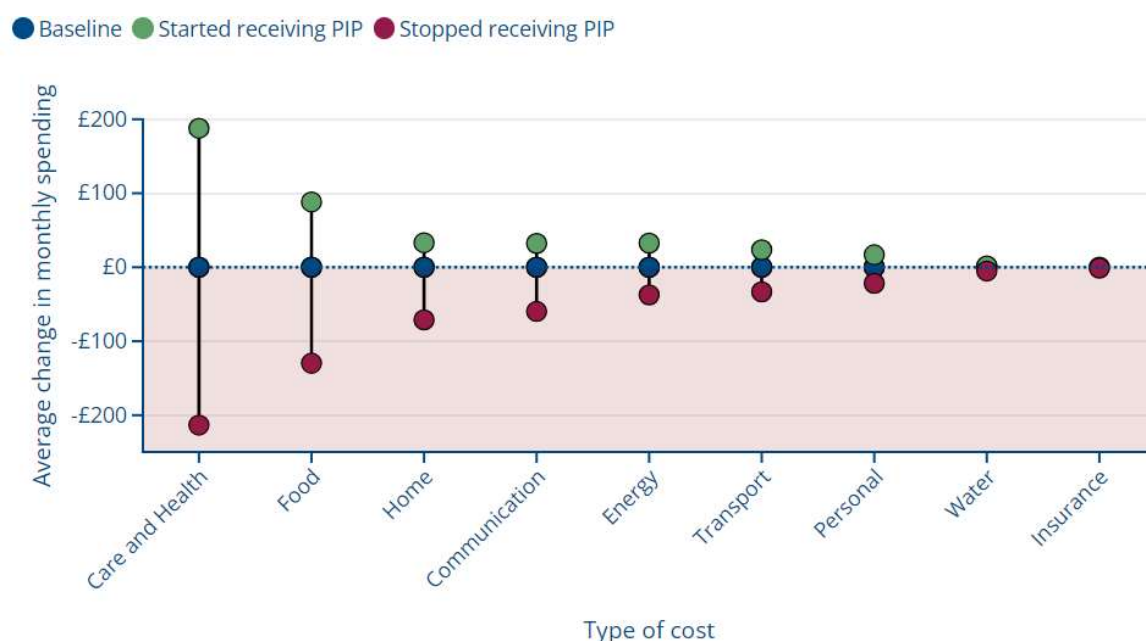
2. Accessing support is vital for people with both mental and physical health problems

When we compare the budgets of the people we help with debt who receive PIP and have either mental or physical health conditions, we see no meaningful difference in the amount people spend on care and health costs, or living costs more generally.

When we look at what our clients spend disability benefits on, we see that receiving PIP usually leads to increased spending on health and care needs as well as other essential household costs, which may be higher because of their health condition. And when

people stop receiving PIP, they tend to make considerable spending cuts in the same areas.

Figure 2. Average change in spending for our debt clients who started or stopped receiving PIP



Source: Citizens Advice debt client data.

Notes: Clients included here are debt clients since 2019 and who came for advice and returned for a follow-up within a year. The green group went from not receiving PIP to receiving PIP, and the red group went from receiving PIP to not receiving PIP. The inflation that took place between the first and second visits is not controlled for, making these estimates slightly conservative.

3. The claims process is lengthy and can involve an endless cycle of reassessment

People we help can face long delays accessing support. [Average waiting times for PIP peaked at 6 months and remain high at 15 weeks.](#)

And Universal Credit has a baked-in delay: even once eligibility is determined, you can only receive the disability-related element 3 months from when you first told the Department for Work and Pensions (DWP) about your disability or health condition, and the impact it has on your ability to work. This means people are left waiting for the support they need and often struggle severely in the interim.

Furthermore, once you've been successful in your application, it might not be long before you're asked to go through a reassessment process – even if you have a condition that means your health is unlikely to improve. This is almost always the case with PIP. The new '[Chance to Work Guarantee](#)', if implemented, will mean routine reassessments should stop for Universal Credit claimants. This could increase the confidence of claimants to try work, but overall trust in the system is so low that people are likely to remain fearful that to be seen as able to work will risk losing the financial support they rely on.

Samantha* lives with her husband and son in the South West of England. She came to us after an 8 month delay for her PIP review left her in “horrific stress”. She has severe Multiple Sclerosis and relies on her PIP award not only for the money she receives but also for the access it gives her to a Motability vehicle and a Blue Badge for disabled parking. This is a lifeline for Samantha, as she isn't able to walk very far. Without confirmation of a renewed PIP award, Samantha struggled to renew her Motability vehicle and Blue Badge at the end of the original award period, even though she continues to be eligible. Samantha and her husband had to spend hours writing letters, submitting evidence and trying to contact different people to make sure that her Motability car and Blue Badge would be extended. With her physical condition worsening, this ongoing stress was the last thing she and her family needed.

**All names have been changed*

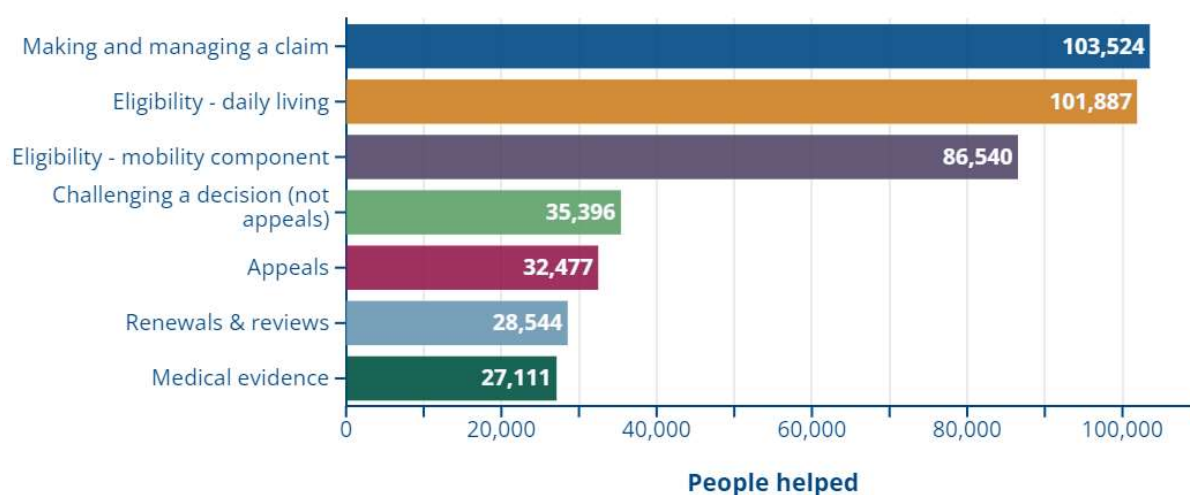
4. Disabled people have to navigate a complex system

The disability benefits system places a large burden of responsibility on disabled people, making it difficult for them to find and then access the support they need. We help hundreds of thousands of people navigate this system every year, advising on eligibility, completing forms, and helping those undergoing assessments. In 2023/24, we helped more than 100,000 people manage and make their PIP claim, 28,500 people with PIP renewals and reviews, and 27,000 people with obtaining medical evidence for their PIP claim.

But PIP is just one element of the disability benefits system. Many disabled people, and people with a long-term health problem, will be dealing with multiple processes simultaneously across PIP, Universal Credit, and Access to Work (discussed below), as

well as having similarly difficult conversations with work coaches around conditionality and employment support programmes.

Figure 3. The number of clients we helped with PIP issues in 2023/24



Source: Citizens Advice Casebook data

5. Poor decision-making adds to the fight for support

Too often, the disability benefits system reaches the wrong decisions, preventing people from accessing the support they need. We helped 67,000 people challenge a PIP decision last year, a process that can take years and means DWP incurs significant costs. Among PIP decisions going to tribunal, [69% of cases are ruled in favour of the claimant](#). Many of the people we help experience significant anxiety whilst waiting for decisions on disability benefits and despite clear eligibility fully expect to be turned down and then have to fight through appeals processes to receive the benefit they are due.

Malcolm* applied for PIP following a stroke which left him unable to live independently. As well as serious physical complications, he was also left with memory loss and difficulties communicating. However, following an assessment he wasn't awarded enough points to be eligible for PIP.

Our advisers helped Malcolm to appeal this decision. Though a Mandatory Reconsideration left him with an unchanged result, Malcolm eventually had the decision

overturned at a tribunal. He was awarded the standard rate of daily living and the enhanced rate of mobility and received a backdated award of nearly £12,000.

It took 18 months for Malcolm to receive what he was entitled to. In this time, he went without the financial support he needed and was forced to rely on food banks. He also endured significant stress during the lengthy process.

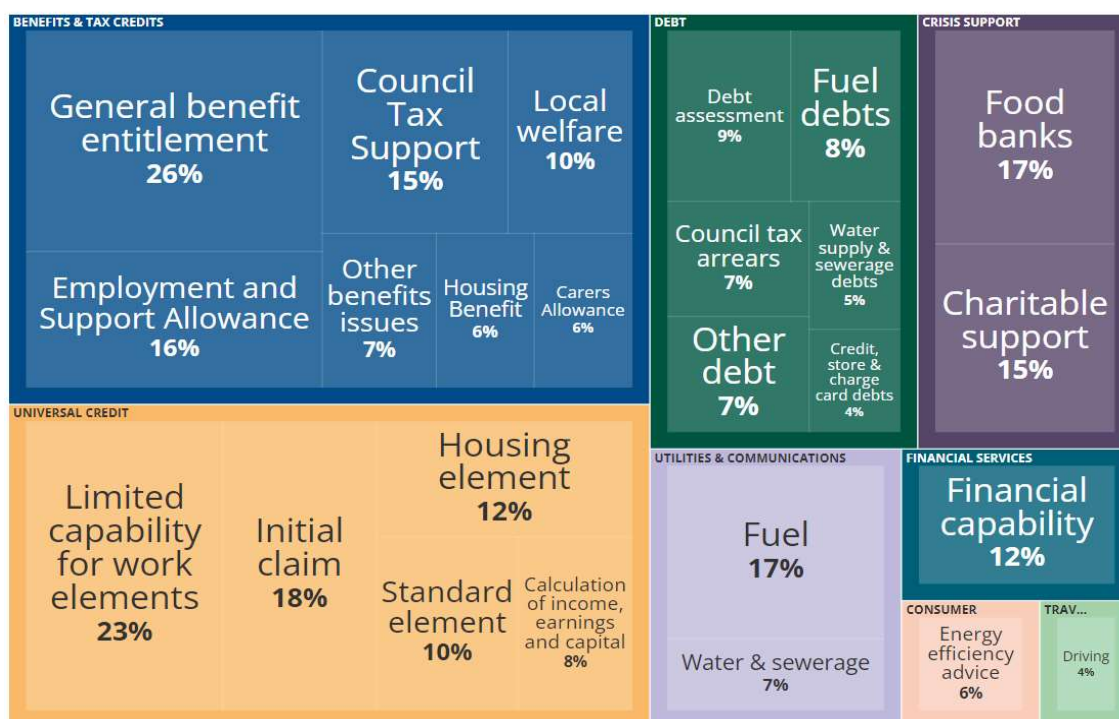
**All names have been changed*

6. The system is built around rigid processes rather than a whole-person approach

Disability assessments focus on rigid criteria and don't attempt to understand the broader picture of someone's life, like their future goals and the challenges they face. Support isn't connected to wider services, meaning needs often go unmet.

Figure 4. The proportion of people we helped with PIP in 2023/24 who also received help with each additional issue

■ Benefits & tax credits ■ Universal Credit ■ Crisis support ■ Utilities & communications
■ Financial services ■ Debt ■ Consumer ■ Travel



Source: Citizens Advice Casebook data

Notes: Only the top 25 issues are shown. Some people may have been advised about multiple additional issues, therefore percentages cannot be totalled.

We see the need for a whole-person approach in the complexity of issues we provide advice about. Very rarely do the people we support need help with just one thing. As shown in figure 4 above, 60% of people coming to us for help with the health element of Universal Credit also need help with PIP. Nearly 80% of the people we help with PIP need advice in other areas, including other benefits issues, debt, and food bank referrals.

7. For people who have no or limited capacity to work, their experience is often poor

Whilst going through the Work Capability Assessment (WCA) process and waiting for a decision, some people tell us that they are asked to apply for jobs or complete work search activities that aren't appropriate given their health conditions. If they don't meet these requirements, they could be sanctioned. Some may have had negative experiences of the labour market, resulting from disability or ill-health, in the past. What's more, people we help are often incorrectly assessed as able to work now – and there may be a lengthy wait for an appeal. Many tell us that their work coach doesn't understand their health condition.

Olga* has been signed off from her job as a carer whilst she recovers from surgery. Due to the physical nature of her job, her health condition makes it impossible for her to return to work until she's recovered. She is currently undergoing treatment and her doctor has advised that she should be fit to return to work in another 3 months. However, Olga underwent the WCA and was found fit to work. This means she is now expected to either return to work in a relatively short time, or start looking for a new job. She enjoys working as a carer, and was looking forward to returning once her health improved. However, she now feels she has no choice but to look for another job as she can't afford to lose support from Universal Credit. Her work coach told her she needed to accept any job, "even deep sea diving".

**All names have been changed*

8. The reasons people find it difficult to start work are varied and complex

The disabled people we help often face multiple barriers to work. For example, some people with certain mental health conditions find the social aspect of job applications difficult. Some people tell us they feel they are overlooked at job interviews because they are disabled, even by employers who have signed up to the Disability Confident Scheme. We also know consumer markets for disability aids – which might improve employability as well as make daily life easier – are failing.

On top of these barriers, disabled people still have to overcome the challenges everyone faces like accessing and affording transport and childcare, as well as wider labour market problems such as a lack of flexible working in many workplaces. 40% of the people who sought our help on employment issues in the last year were disabled or had long-term health problems, but this rises to 57% among people we helped specifically on employment discrimination issues.

Paula* is a single mother of a 3 year old daughter, and has several long-term health conditions. She previously worked as a cleaner but is currently unemployed and looking for work. Her health conditions prevent her from taking up certain types of jobs, and she is unsure where to turn for help with her mental health issues. English isn't her first language, which is making it harder for her to find work. On top of that, she's struggling to find free childcare - all the childcare places in her local area are full for months, and she has no family nearby that could help.

**All names have been changed*

9. People who can and want to work aren't getting the support they need

Our advisers tell us that employment support for disabled people is often inadequate, and negative experiences can push people further from the labour market. The relationship between claimants and work coaches is a large part of the problem. And receiving support from Access to Work – intended to help with extra costs or support needs that result from taking on a job – can be a difficult and lengthy process. People also tell us that it can be difficult to access reasonable adjustments, such as a British Sign Language interpreter for people who are deaf, as part of employment support.

Anna* is disabled and needs taxis to get to work. She applied for the Access to Work scheme to help her pay for this, but it took several months for her to receive support. The first time she applied, the DWP lost her paperwork. This meant she had to submit her forms a second time, but despite using next-day delivery post, she still had to wait a further 5 weeks to receive the support she was entitled to. As a result, Anna built up over £1,600 in debt to the taxi company who were driving her to and from work. This put her under huge strain - the taxi company was considering refusing to drive her anymore, meaning she was at risk of losing her job. During that time her boiler also broke, but she couldn't replace it because she had used up all her savings on taxis.

**All names have been changed*

10. Navigating the system leaves people feeling defeated

Our advisers tell us that many of the people they help have lost trust in the disability benefits system. The stress caused by a poorly designed system can lead to worsening health, and leave people without the energy needed to keep fighting for support. And this is on top of the difficulties that many disabled people, and people with long-term health problems, encounter in everyday life. Routine tasks that most of us take for granted can be hugely challenging.

Ben* was diagnosed with cancer a couple of years ago. He's been working as an electrician for 10 years, but had to greatly reduce his hours when his health worsened. His doctor also recommended he stop working to protect his health. Ben visited his local Citizens Advice for benefits advice, and an adviser supported him to apply for PIP, expecting him to receive the enhanced rate for daily living and for mobility. However, Ben was only awarded the standard rate for both elements, leaving him over £300 worse off every month. Ben felt the assessment summary was inaccurate, leaving out important information he'd told his assessor, and failing to take into account how cancer was affecting his mental health, memory, and concentration. Though he disagreed with the assessment outcome, Ben was reluctant to challenge the decision. He felt like he'd been called a liar, and was anxious that if he challenged the decision, he risked losing more of his benefits.

**All names have been changed*

Conclusion: in the long term there is another way

We need to move away from ad hoc reforms and take a step back. **The next government has the opportunity to rebuild disability benefits in the UK, placing disabled people, and people with long-term health problems, at the heart of the process.** We have built a system where disabled people are expected to demonstrate everything they can't do one week, before being grilled the next about everything they should be able to do. It is little wonder that there is a lack of trust in a system that constantly doubts the people it is supposed to be helping.

To reach better outcomes disabled people need to be able to meaningfully engage with support (whether in jobcentres or other providers). **This won't happen if people feel like the benefits system is not working in their best interests, and that the focus of interventions is to get them off benefits and bring the bill down.**

A modernised system would start from the knowledge that, for many disabled people and people with long-term health problems, everyday tasks that many people may take for granted can be hugely challenging, requiring a significant degree of effort, energy and organisation. This is of course amplified for disabled parents. And this is all before we even start to think about the sacrifices required to take on or even search for a job.

We need to recognise too that disability and ill-health are highly complex and variable in practice. For some people, their condition is constant and unchanging. For others, it will be progressive, fluctuating, or recurrent and episodic. The system needs to be for everyone.

If we want the benefit system to feel like it is working for disabled people rather than against them, we need to ensure that all interactions with claimants are focused on how to tackle the barriers and challenges they face. Disabled people, and people with long-term health problems, deserve to live fulfilling lives. For some this will include work if they are able. This is a right we must do more to champion, while recognising both that this will not be an appropriate path for all, and that more should be done to create accessible work environments and improve wider infrastructures such as public transport.

And the reform of services that are there for disabled people must be co-designed by disabled people. There are a myriad of ways this could be done across the claim process. **The next government should take the time necessary to allow for this, establishing an independent commission to ensure the disability benefits system is modernised based on evidence not assumptions, and centres the lived experience of disability and ill-health.**

Our insights are based on helping almost 370,000 people with disability benefits last year. It is clear that genuinely modernising the system will involve significant change. It will mean challenging the setting of disability benefits at a level that risks undermining their design, and the government silos that mean the claims process is disconnected from wider NHS, care and employment support services. At the very least, policy development should look to maintain financial support, and reform assessment processes and work coach interactions.

Maintaining support. Ensuring an adequate income from earnings, benefits or both is an important part of how the benefits system supports disabled people, and people with long-term health problems. We must never under-estimate the potential earnings limitations or additional costs that can result from disability or poor health – and this applies to people with both physical and mental health problems.

As such, disability benefits are a vital source of financial support for many, which must be protected. But too many people miss out on the financial support they need. And it operates in a wider benefits system that is failing to meet essential needs for all who need its help. Too often disabled people can end up with no choice but to use income intended to cover the costs of disability to instead cover everyday living costs.

Assessments. Not all health conditions impact daily life in the same way – some people will have much higher living costs than others, for example. This inevitably necessitates different thresholds for financial support, and eligibility criteria for those higher rates of benefit payments involving assessments to determine eligibility.

But we aren't currently getting this right. Even when dealing with only the DWP, disabled people, and people with long-term health problems, encounter multiple assessment processes across benefits and services, all of which face big challenges in terms of timeliness, accuracy and harmful impacts on people going through them.

There is scope to improve assessment processes within the current approach. But there is a case for looking again at the different ways assessments can be done. This could include rethinking who runs assessments, and where they are delivered from, or the

balance between claimant testimony, evidence and assessment reports to inform decisions.

Going further, policy-makers could look at whether assessment processes take on a broader remit. This could be an opportunity to provide advice and recommendations, and to highlight and connect people to other services and support that may be available to them.

Work coaches. From setting a first claimant commitment and work coach appointments whilst someone waits for their Work Capability Assessment, to ongoing work preparation engagement, work coaches are a big part of how disabled people interact with the benefit system.

At the moment, from the evidence that we see, too often this isn't a positive experience for disabled people and people with long-term health problems. Work coach engagement can actually be something they fight to protect themselves from. Claimants might have had poor experiences of conditionality in the past, and may have had to appeal incorrect assessment outcomes. Their labour market experience might include times when they have been forced to leave previous jobs due to their disability or ill-health.

Overall, work coach interactions can be seen as ways to check up on whether people are abiding by rigid jobseeking or work preparation rules, rather than opportunities to get help or support. Compliance-based work coach activity – such as checking that claimants have searched for work for 35 hours – could be replaced by more supportive interventions.

There are straightforward changes that could improve the dynamic between work coach and claimant. One example is what happens when someone misses an appointment. Currently, the onus is on the individual to reach out and explain why they weren't there if they want to avoid being referred for a sanction. Introducing a requirement on the work coach to also reach out would create a subtle shift in the power dynamic – placing the work coach on the side of the claimant. There's also the challenge that the 10 minutes allocated for each meeting just isn't enough; if people have concerns about their income and wider household needs, 10 minutes is too little time to address their immediate concerns and then move onto discussing looking for work.

Similarly, the recent guidance that jobcentres cannot make direct food bank referrals gets in the way of meaningful engagement; anyone worrying about the fact they have to make it to somewhere like Citizens Advice before they close to get a food bank referral –

so they can feed their children the next day – isn't going to be able to focus on a conversation about applying for jobs.

Simple changes like this would lead to a more productive relationship, something closer to a partnership, between work coaches and claimants. Going further, reform in this area could look at the appropriateness of conditionality and sanctions for disability benefit claimants or whether a reformed approach to conditionality is required for all claimants.

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Disability benefit reform usually follows a familiar pattern: caseload and/or spending goes up, so we react by narrowing eligibility, turning assessments into interrogations, and imposing stricter conditionality.

Invariably it doesn't work: we cannot keep doing the same thing again and again and expecting a different result. The only thing that changes is disabled people feel even less secure, further undermining their health. The next government has a chance to chart a new course. People with experience of disability and ill-health want to fully participate in society – including the labour market where they are able and supported to do so. The next government should start by listening to them.

Methodological notes

Expenditure changes pre- and post-PIP among debt clients

The analysis aimed to understand the expenditure changes among debt clients who experienced changes in their PIP status within a year. To control for the effects of inflation as much as possible while retaining sample size, clients who visited us twice within a 1-year period were selected. The first analysis focused on clients who had PIP during their first visit but lost it by their second visit. The average monthly expenditure increases by category were analysed for those who reported an increase in spending, comparing periods with and without PIP. The second analysis targeted clients who did not have PIP during their first visit but had acquired it by their second visit. It was found that 80% of these clients increased their spending when moving from no PIP to PIP, while 65.99% of clients who lost PIP had to cut costs despite increasing inflationary pressures.

Expenditure differences between PIP claimants with and without mental health problems

This analysis aimed to test for differences in total expenditure and care and health expenditure between PIP claimants with and without mental health problems using bootstrap resampling techniques. The methodology involved several steps. Clients in the Money Advice Recording Tool (MART) dataset with a mental health tag who receive PIP were identified (2577 clients) and filtered out of the remaining MART PIP population, resulting in 53,000 clients without a mental health tag. To determine the required sample size for an 80% power in detecting a medium effect size ($f^2 = 0.15$) at a 5% significance level, a power analysis was conducted, which suggested a sample size sufficient for robust linear regression analysis: $\text{Expenditure.Total} \sim \text{Income.Total} + \text{Financial.Year} + \text{Group (PIPMH/PIPCONTROL)}$.

Bootstrap resampling was employed to draw 1000 random samples from both the PIP with mental health group and the PIP without mental health group, ensuring each sample was of the size determined necessary to detect a meaningful effect size. This method is particularly suitable for this research question as it helps to avoid overpowering the analysis, which could have led to detecting statistically significant differences that are not practically meaningful.

Each iteration of the bootstrap process involved sampling with replacement from both groups, combining the samples, and fitting a linear regression model to test if the Group

variable (*PIPMH/PIPCONTROL*) was a significant predictor of total expenditure. The number of iterations where the Group coefficient was statistically significant was recorded. Additionally, the mean and standard deviation of total expenditure for both groups were calculated for each iteration.

The results showed that the Group variable was significant in approximately 4.7% of the iterations for total expenditure, suggesting no strong pattern of expenditure differences between PIP claimants with and without mental health tags. For care and health costs expenditure, the Group variable was significant in approximately 10.5% of the iterations, also suggesting no strong pattern of expenditure differences between the two groups.

For total expenditure, the proportion of significant results was 0.047, with a mean expenditure for the mental health group of £1602.57 (SD: £668.93) and for the control group of £1719.46 (SD: £755.35). For care and health costs expenditure, the proportion of significant results was 0.105, with a mean expenditure for the mental health group of £345.69 (SD: £234.38) and for the control group of £329.15 (SD: £256.06). Notably, if any differences existed, they suggested higher expenditure for the mental health group, with an average of £16 more in monthly care and health expenditure.

Limitations:

- The mental health tag may not perfectly distinguish PIP claimants with mental health problems from those without, but it serves as a useful proxy for the initial investigation.
- Analysis was carried out on the debt client population so may not reflect the wider population.

Resilience of ESA and PIP clients at the nationally representative level

These analyses used estimates from our National Red Index (NRI). The NRI uses real data from Citizens Advice debt clients and the Living Costs and Food Survey (LCFS) for 2019/20, 2020/21, and 2021/22. To create a dataset for the current financial year (2024/25) and 2023/24, and 2022/23 for which LCFS data was not yet available, we have taken the real data we have for 2020/21 and 2021/22 and adjusted it by inflation. We have one dataset for which we have used the Consumer Prices Index (CPI) inflation rate, and another for which we have used the Household Costs Indices (HCI) inflation rate. To calculate the number of people in a negative budget, we multiplied the number of households in a negative budget (using figures from the NRI) by the Office for National Statistics estimate for the average household size (2.36).

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We provide free, confidential and independent advice to help people overcome their problems. We are a voice for our clients and consumers on the issues that matter to them.

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