

Written evidence to the Work and Pensions Committee on the Pathways to Work Green paper

Citizens Advice | April 2025

1. Executive summary

- We focus in this submission on the green paper proposals that the government intends to implement without consultation. We oppose the government's decision not to consult on the main disability and incapacity benefit cuts, which is based largely on the need to meet the Office for Budget Responsibility's timetable for assessing the fiscal rules. This is not a credible approach to making changes to benefits that will leave millions of disabled people worse off.
- We are concerned that the impact assessment does not provide a full analysis of the impact of the green paper. An inappropriate baseline risks obscuring the number of people that will fall into poverty (it could be as high as 400,000 people – including 100,000 children), and it provides no analysis of the combined impact of Personal Independence Payment (PIP) eligibility changes and the abolition of the Work Capability Assessment (WCA).
- The current disability and incapacity benefits system is flawed. It causes anxiety and stress for claimants. Delays are common, and reassessments are frequent. Above all, it does not provide a sufficient income for disabled people to live on. There are few concrete proposals in the green paper focused on addressing these problems – and the cuts to benefit eligibility and rates will exacerbate its most significant flaw.
- Preliminary analysis based on our debt client data suggests that people losing the PIP daily living standard rate would end up with a monthly deficit of £297, and those losing the daily living enhanced rate would have a deficit of £423. For disabled people on UC and out-of-work (a proxy for receiving the UC health element), monthly deficits would grow to £229. In short, disabled people's income will fall a long way short of what is needed to cover their basic living costs.
- The changes to PIP eligibility criteria are based on fallacious logic that only those scoring 4 or more points in a single daily living category have significant financial needs arising from their condition, and indeed that only this group should be deemed incapable of work after the WCA is abolished.
- Our advisers, who work closely with the people who will be directly affected by the green paper's proposals, are concerned that many of the people who will lose PIP have serious medical conditions, with limited opportunities to challenge their scores when reassessed. The changes will see people's health, access to care, and ability to work worsen. And there will be a significant increase in or deepening of poverty, especially as a result of the Universal Credit cuts.
- We are not convinced that the people who will be financially worse off as a result of the cuts will be able to increase their income from employment. The government has not yet published analysis of the likely impact of new investment in employment services, or the impact of losing PIP on claimants already in work. And there are wider barriers to work around health, the cost of

living, and discrimination that the green paper does not meaningfully address.

2. About Citizens Advice

We are Citizens Advice – the people’s champion. We give people the knowledge and confidence they need to find their way forward - whoever they are, and whatever their problem.

We are here to help everyone who needs it with practical advice they can really trust. Our national charity and network of local charities offer confidential advice online, over the phone, and in person, for free.

Last year we helped 2.7 million people in person, by phone, email or webchat with over 9 million problems. Our advice website had over 52 million visits. Our network of 238 local charities gives advice in 1600 locations across England and Wales, supported by 8000 staff and 14000 volunteers.

We use our evidence to show how things can be improved for people.

3. The narrow scope of the government’s consultation

We are disappointed that the most important changes proposed by the green paper are not subject to consultation. These include: the changes to Personal Independence Payment (PIP) eligibility; the abolition of the Work Capability Assessment (WCA); and cuts to the Universal Credit (UC) health element.

Firstly, the changes to PIP eligibility mean that, from November 2026, new claimants undertaking a PIP assessment, or existing claimants undertaking a reassessment, will be required to score a minimum of 4 points on one daily living activity category in order to qualify for the PIP daily living element. The government’s impact assessment¹ confirms that this change could lead to 800,000 people losing access to PIP (with an average loss of £4,500 per year) by 2029/30, including 370,000 current claimants who will lose PIP income when their claim is reviewed. Losing PIP is also likely to mean a loss of access to passported benefits such as council tax support and free prescriptions, and the government confirms it will also mean 150,000 informal carers lose access to Carer’s Allowance and/or the UC carers element.

Secondly, the abolition of the WCA means that the PIP assessment will become the sole gateway to the UC health element. Further, the green paper indicates that only receipt of the PIP daily living element, rather than the mobility element, will enable UC health element eligibility. The government has not reported how many people will lose access to the UC health element as a result of this change. But it has revealed in response to an FOI request that, as of May 2024, 32.1% of people in receipt of the UC health element in England and Wales with limited capability for work and work-related (LCWRA) status also receive a PIP daily living award and score a minimum of 4 points in one daily living

¹ The impact assessment is available at:

<https://www.gov.uk/government/consultations/pathways-to-work-reforming-benefits-and-support-to-get-britain-working-green-paper/spring-statement-2025-health-and-disability-benefit-reforms-impacts#summary-of-impacts>.

activity category.² Official data shows that there were 1,332,561 people with LCWRA status within the UC health system in England and Wales at this point, so would be eligible to receive the UC health element.³ This means that more than 900,000 people would lose access to this payment under the proposed system (as well as losing their PIP award).⁴

Thirdly, planned cuts encompass freezing the UC health element at £97 per week from April 2025 for existing claimants, and reducing the payment to £50 per week for new claimants from April 2026 (and then freezing the element at this level until April 2030). A small above-inflation increase in the UC standard allowance will offset a small portion of the losses, but the government reports that 2.25 million existing claimants will lose an average of £500 per year, and 730,000 future claimants will lose an average of £3,000 per year, by 2029/30.

The decision not to consult should be reversed. While the previous government had consulted on reforming PIP, its proposals did not include the specific eligibility change proposed by the current government. The previous government's plan to abolish the WCA did not encompass making the PIP daily living element the sole gateway to the UC health element. The changes to the health element in terms of payment levels represent a significant policy upheaval, for which no consultation has taken place.

Our view is that these cuts were included in the green paper but not the adjacent consultation exercise so that the spending implications could be 'scored' by the Office for Budget Responsibility (OBR) in advance of the Spring Statement, when the OBR assessed the likelihood of the government meeting its fiscal rules over the 5-year forecast period. This is not a credible approach to developing disability benefit reform proposals that will affect millions of people, and there remains time before the next set of OBR forecasts for the government to consult on the green paper's proposals in full.

4. A flawed impact assessment

The impact assessment accompanying the green paper did not offer a full assessment of the likely impact of the cuts to PIP and the UC health element. The government reports that 250,000 people (including 50,000 children) will fall into relative poverty (after housing costs; AHC) by 2029/2030 as a direct result of the green paper's proposals. This is likely to be a significant under-estimate, as a result of the inappropriate baseline chosen for analysis.

Specifically, the impact assessment reports that 150,000 people (including 50,000 children) will be *lifted out of poverty* by 2029/2030 as a result of the government cancelling planned changes to WCA descriptors (most notably the removal of 'substantial risk' protections) that would have led to some UC claimants losing access to the health element. The impact assessment offers no analysis on this point, but it is almost certain that a large proportion of this 150,000 will in fact be *sent into poverty* as a

² This is available at:

https://www.whatdotheyknow.com/request/lcwra_pip_daily_living_allowance#incoming-2987083.

³ LCWRA caseload data is available at: <https://stat-xplore.dwp.gov.uk/>.

⁴ Note that according to the FOI response, to calculate the 32.1% the government assessed people receiving the UC health element abroad, as well as those living in England and Wales. Our understanding is that the official data published on Stat-Xplore covers only those living in England and Wales. Our view however is that any impact on our 900,000 estimate would be negligible.

result of the overall impact of green paper proposals, even if one element, assessed in isolation, has the opposite effect.

A more appropriate baseline for assessing the green paper's impact would have been the system as it stands, with the current set of WCA descriptors still in place. At least some of the 150,000 would have been shown to be currently above the poverty level, and then taken below it by the current government's planned cuts. The true number of people sent into poverty as a result of the green paper may therefore be closer to 400,000 people (including 100,000 children).

Secondly, it does not detail how many people will lose both PIP and the UC health element as a result of PIP eligibility changes and the abolition of the WCA – nor the average loss they will experience. An existing claimant of the PIP daily living standard rate (£3,843 per year) and the UC health element (£5,044 per year) could see their annual income fall by around £9,000 per year.

Thirdly, the impact assessment provides analysis for people who will cross over the relative property threshold, in either direction, but it does not provide analysis for how the green paper's proposals will leave people who are already impoverished more deeply entrenched in poverty. The Household Below Average Income (HBAI) dataset shows us that in 2023/24, 19% of working-age people, and 25% of children, in a household where someone receives PIP, for example, were already in relative poverty.⁵ This means any change that reduces their income leaves them in deeper poverty, although would not register as an increase in the overall poverty rate.

5. Disabled people's experiences of the current system

Citizens Advice has been reporting on problems with the disability and incapacity benefits system over a long period of time.⁶ We support people who struggle to access the system, and then maintain their eligibility. Assessment processes cause stress and anxiety, and significant delays are common. Requirements to submit medical evidence alongside claims can be particularly challenging for some claimants.⁷ For many, overall the system doesn't feel personalised, supportive or grounded in health expertise. Assessments are also not one-off processes: many feel they are stuck in a cycle of reassessments. And the wrong outcome is reached far too often — requiring people to appeal decisions to get what they are entitled to.

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".

⁵ HBAI data is available at: <https://stat-xplore.dwp.gov.uk/>. Relative poverty is defined as living in a household where equivalised income is below 60% of the median, after housing costs. It is not possible to conduct the same analysis regarding UC health element receipt due to HBAI limitations.

⁶ A recent Citizens Advice research report on this topic, by Craig Berry, Kayley Hignell, Thomas Hunter, Rebecca Rennison and Maddy Rose, is available at: https://assets.ctfassets.net/mfz4nbgura3g/4TFuPuriaz4tpywiXLy7rK/a148cb0ea128c8f021f908ce9bb942f5/Disability_benefits_published_report_final.pdf.

⁷ A recent Citizens Advice briefing on medical evidence and PIP claims, by Simon Collerton and Maddy Rose, is available at: https://assets.ctfassets.net/mfz4nbgura3g/W7HHCZdWR9a7Zn7TQb6rz/4c68e24624fb9103d29ffdbd77a4523c/Burdens_of_proof_How_difficulties_providing_medical_evidence_make_PIP_harder_to_claim.pdf.

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.

Janet* suffers from several diagnosed health conditions which make it difficult for her to get around and do certain everyday tasks. She was receiving PIP at the enhanced rate for both elements until early 2024 when her mobility award was decreased. This meant she received less money and was no longer eligible for the Motability Scheme, so lost her car. She came to Citizens Advice for help to appeal the decision and was advised that providing additional medical evidence would help. Janet submitted a Subject Access Request to her GP in March last year to get a copy of her medical records. There was no initial response and several attempts were made to chase the GP by Janet and her adviser. Janet finally received her records in May, over a month late, but was only sent a digital version which she couldn't access independently. Instead, she had to go to her local library and view them there with the help of her adviser. This further delayed Janet delivering her evidence and, as of March 2025, she was still waiting for her appeal hearing to take place.

It is not apparent that the green paper's proposals help to fix these problems. PIP assessments are likely to become more fraught as eligibility criteria is tightened, and the PIP assessment becomes the sole determinant of UC health element eligibility too. We welcome the decision to review the PIP assessment process: it is essential that this review is expedited, and provides genuine opportunities for disabled people and other stakeholders to share their insights and influence outcomes.

The planned cuts will certainly exacerbate what we see as the system's main failing: it is simply providing too many people with too little money to live on.⁸ And we already know what the financial impact of losing PIP, for example, is on the people we help. When our debt clients lose PIP, they cut their spending on health and care by an average of over £200 a month. They also spend an average of £130 less on food each month. Cutting back on these essential costs is likely to lead to worsening health outcomes.

Alison* is a widow in her early sixties who lives alone. She has a permanent brain injury which causes health issues that limit what she can physically do. Before her illness, Alison ran her own cleaning business. Now she is unable to work and receives UC and PIP. For several years, she received the additional health element of UC for people who are too unwell for work and work-related activity, and was in a positive budget. In 2023, however, her claim was reassessed and she was deemed fit to work. As a result, her monthly income was reduced by around £400. She has appealed the recent decision but while waiting for the

⁸ For further discussion, see Maddy Rose's recent blog post, available at: <https://wearecitizensadvice.org.uk/short-sighted-savings-wont-fix-health-and-disability-benefits-659ae5e8ab1c>.

tribunal outcome, she cannot make ends meet. “Since my limited capability for work element was taken away, I’m getting £400 a month less, roughly. Now I’m living on a shoestring,” says Alison. “I don’t buy clothes, I have not got the money. I’ve only got £40 to last me for the next 12 days. As soon as you get any money in the bank, you go food shopping and it’s gone. It goes so quick. I have to shop very carefully and I don’t go out.”

6. Our assessment of the impact of cuts

6.1 Analysis of our debt client data

We have conducted preliminary analysis of the impact PIP and UC health cuts are likely to have on our debt clients (for whom we have detailed income and expenses data). There is more detail on the methodology in the annex.

Our headline findings are:

- The monthly surplus for people receiving PIP at the standard daily living rate in 2024/25 was £18. If the PIP cut had been applied to this group at this time, it would mean the surplus turns into a monthly deficit of £297.⁹
- For people receiving PIP at the enhanced daily living rate, a monthly surplus of £48 would turn into a deficit of £423.
- Disabled people who are receiving UC and are out-of-work already had a monthly deficit of £25 in 2024/25. If the £47 per week cuts in the UC health element was applied to this group at this time, this monthly deficit would grow to £229.¹⁰
- We have not been able to estimate the likely deficit for disabled people who are receiving UC and are out-of-work, but also receive PIP. But we know this group had a monthly surplus of only £30 in 2024/25, so the negative financial impact of losing PIP and/or the UC health element would be very significant.

6.2 The new 4 point rule

While presented as a minor adjustment, our experience of how PIP assessments are currently scored suggests that many claimants who would ordinarily be considered to have very significant health-related support needs may not be awarded 4 points on any single activity category. For example, for washing and bathing, 4 points will only be awarded if someone needs help with washing their body between the shoulders and waist (or cannot wash themselves at all). They will only be awarded 2 points if they need an aid or appliance to wash, need supervision or prompting to wash, or need assistance to wash their hair or their body below their waist. They will only be awarded 3 points if they need assistance to get in or out of a bath or shower.

Martin* currently receives the standard rate of the daily living component of PIP. Following a stroke, his level of need has increased, so he came to his local

⁹ The surplus is what is left at the end of each month after basic living expenses have been met, following income maximisation advice; it does not include the cost of repaying debts. A deficit means the client is unable to meet these costs – they have less than they need to pay for housing, food, energy, etc. each month.

¹⁰ We are not able to isolate the group receiving the UC health element in our debt client data, so disabled people who receive UC and are out of work is used here as a proxy. These findings do not take into account the small uplift in the UC standard allowance proposed in the green paper.

Citizens Advice for help submitting a PIP review form. Despite a high level of need, Martin is likely to receive low points across a range of daily living activities, rather than high points in one or more activities. For example, his adviser expects he will score 2 points for both washing and bathing and managing toilet needs or incontinence, as he requires aids to complete these activities. Despite scoring low points, he has a range of extra costs associated with his health conditions. For example, he can't prepare meals from scratch himself, so he buys pre-prepared meals, which are significantly more expensive. The time it takes to complete activities like showering also means his utility bills have increased.

The government has produced no analysis of the kind of claimants who are likely to lose PIP, in terms of health-related conditions. We believe its proposals are based on a logical fallacy, whereby a person who scores less than 4 points on any single category of activity must have lower financial needs than someone who scores 4 points in at least one category (and at least 8 points at all). There is no reason to assume this is the case. In fact, it is possible to score 12 points in a PIP assessment, qualifying for the enhanced rate, without scoring more than 2 points in any single daily living category. The government confirmed in response to an FOI request that 13% of current PIP daily living enhanced rate claimants do not score 4 points in any category.¹¹ They will therefore lose £478 per month when eligibility is changed.

Lesley* has Multiple Sclerosis (MS). In the kitchen she cannot stand for long at all and has to use a stool as well as various cooking aids. Lesley has a habit for forgetting to take medications or overdosing, so needs someone to remind her every time. Because of her blurred vision she needs a magnifying glass to read. She has had to have grab rails installed by the toilet because she can't balance to clean herself or get up without using them. Lesley will only shower when someone is home and agrees to keep guard: this is because she is prone to falls in the shower and has previously been hospitalised. She pays for her clothes to be adapted so she is able to dress herself more easily. During MS flare-ups, Lesley is fully incapacitated. Lesley was initially awarded zero points and told she was not entitled to PIP. We supported her through a reconsideration, but the decision was upheld. At a subsequent appeal, Lesley was awarded enough points for the PIP daily living component at the enhanced rate. She took on a part-time job and used her PIP support to fund taxi fares to work and other necessary expenses. Anything left over was used for utility bills. Lesley receives the enhanced rate despite not scoring 4 points on any descriptor: under the green paper proposals, she would lose her entire PIP award.

6.3 WCA abolition

Given that most people receiving PIP at the enhanced rate will not be in work, the vast majority will also be receiving the UC health element. So they will lose this too when the WCA is abolished. The government should acknowledge that using PIP daily living assessments as the only route into the UC health element is a very significant upheaval with far-reaching – and to some extent arbitrary – consequences.

PIP is a system based on the extra living costs associated with disability and ill-health; in

¹¹ This is available at:

https://www.whatdotheyknow.com/request/personal_independence_payment_pi_7#incoming-2989270

contrast, the WCA assesses a person's ability to undertake paid employment. It is clearly possible that someone may face fairly limited extra living costs as a result of being disabled – but still have a condition that makes working effectively impossible. This scenario has not been satisfactorily acknowledged, let alone analysed.

6.4 Our advisers' views

We have begun engaging with our network of local advisers around the green paper's proposals, specifically the eligibility changes and benefit cuts that the government is not consulted on. Their insights from supporting people likely to be affected by the proposals are summarised below:

- There is significant concern about the wide range of medical conditions that the people affected by PIP eligibility changes will have (albeit no consensus on the conditions that are most likely to be affected).
 - People with mental health conditions, people with fluctuating conditions (such as MS), and people with conditions involving pain and exhaustion that have a cumulative impact across many aspects of their life, are among the most likely to be affected.
- Advisers report that, under the current system, claimants are highly unlikely to challenge scores on individual descriptors, if they are awarded PIP when their score is totalled. Yet some would probably be awarded at least 4 points for one or more categories through reconsideration or appeal.
 - There is concern that, when being reassessed under the new system, claimants will be challenged on why they did not challenge their assessed scores when first given the opportunity to do so.
- There is widespread concern that PIP eligibility changes will cause increased stress and anxiety – exacerbating physical and mental health conditions – and compound the sense that claimants are poorly treated and disbelieved by the assessment process.
 - Concern that the loss of PIP will lead to people losing care through the impact on eligibility for carers benefits is also widespread.
- Losing PIP will reduce the likelihood that disabled people are able to work – many use some of their award to cover work-related expenses (this issue is discussed further in the next section), or to pay for treatment that would allow them to return to work.
- There is no consensus on whether the WCA should be retained; advisers generally recognise that 2 assessments is not ideal, but stress and anxiety for claimants may increase if all outcomes rest on a single process.
 - There is a great deal of concern that delays within the PIP system – and subsequent appeals – will mean there are additional delays in accessing the UC health element, which will lead to further impoverishment.
- The advisers we have engaged with are virtually unanimous that the cuts to the UC health element will increase poverty. They expect to see more people using food banks or under-heating their homes, and do not believe the small rise in the UC standard allowance will offset this impact.

7. The uncertain impact on employment

We recognise and welcome the government's ambition to increase employment among disabled people, and the planned investment in employment services. However, it is

disappointing that the government is suggesting that income from employment will be able to quickly replace lower benefits income. The UK does not have a strong record on helping disabled into work via employment support services (as the green paper's discussion of Access to Work suggests), and investment will not reach £1 billion per year until 2029/30. The government should commit to producing and publishing analysis of the likely impact of employment support investment before any parliamentary votes on disability benefit cuts take place.

The government should base its disability benefits policies on a more comprehensive analysis of the barriers to work for disabled people. Our experience suggests that pressures on wider living costs are a significant barrier.¹² The small increase in the UC standard allowance is not close to sufficient to address this problem while Local Housing Allowance remains frozen, and the benefit cap and two-child limit remain in place. Cuts to disability benefits will further exacerbate it. Furthermore, around 1 in 6 people receiving PIP are already in work.¹³ Given that PIP is designed to enable disabled people to meet the higher costs they face when participating in society, the government should urgently undertake analysis of how many people receiving PIP, or likely to receive PIP in the future under the current system, will be unable to work if and when they become ineligible for support.

Disabled people, and people with a long-term health problem, who are economically inactive are more likely to want to work than people who are economically inactive without significant health problems.¹⁴ It is important to recognise that the people who will lose UC health element income as a result of the green paper's proposals are those who the government deems to have limited capability for work and work-related activity under the current system. This is not a group likely to be able to move into employment simply as a result of being made poorer due to benefit cuts.

Ill-health is a key barrier to finding employment. A Department for Work and Pensions (DWP) survey of disability and incapacity benefit claimants found that 41% of respondents were on a waiting list for treatment for their health problems, and 50% who were currently out of work felt their ability to work was dependent on receiving treatment.¹⁵ Discrimination is also an issue: 41% 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 58% among people we helped specifically on employment discrimination issues. We welcome the government's Keep Britain Working review into the role of employers in promoting healthy and inclusive workplaces, but do not expect to see significant change in this regard in the short term.

¹² For further discussion, see the essay by Craig Berry, Maddy Rose, Victoria Anns and Simon Collerton, and the blog post by Becca Stacey, available respectively at: <https://medium.com/@craig.berry/focus-on-the-causes-not-the-symptoms-9653a61655d3> and <https://medium.com/citizens-advice/why-efforts-to-get-more-disabled-people-into-work-are-flawed-72dd8245a6bc>.

¹³ OBR analysis available at: <https://obr.uk/box/trends-in-working-age-disability-benefit-onflows/>. Nearly 1 in 4 people (23%) who came to Citizens Advice for help with PIP in 2024 were in work.

¹⁴ Official statistics available at: <https://www.gov.uk/government/statistics/the-employment-of-disabled-people-2024/the-employment-of-disabled-people-2024#economic-inactivity>.

¹⁵ NatCen research for DWP, available at: <https://assets.publishing.service.gov.uk/media/67a5d47ee221c86430283817/work-aspirations-and-support-needs-of-health-and-disability-customers.pdf>.

Aran* experiences seizures as a result of his epilepsy and cerebral palsy. He has worked at a sixth form college for 10 years, and in 2023 took on a new role. The college said they would make reasonable adjustments so that Aran could carry out this new role. These included an SOS bracelet, an assessment for a desk, text to speak software and a chair with arms. But his employer never provided these adjustments. What's more, his workload became very stressful after 2 colleagues left and his employer didn't replace them. The pressure caused him to have more frequent seizures, and occupational health had to sign him off as sick.

**Names have been changed*

ANNEX: Debt client analysis methodology

A.1 PIP daily living analysis

We looked at the budgets of more than 11,000 of our debt clients who receive the daily living part of PIP. Clients have been grouped based on recorded PIP income compared to benefit rates for 2024/25; clients whose PIP income fell outside of these benefit rates (likely due to data inputting or rounding errors) have been excluded. This group includes single people and single people with children only; we are not able to isolate PIP rates among other household types.

Our modelling assumes that the future cut (i.e. loss of all PIP daily living income if new eligibility requirements are not met) applies to individuals' 2024/25 budgets.

The group of clients receiving the standard rate includes people receiving standard rate of daily living only, standard rate of daily living and standard rate of mobility, or standard rate of daily living and enhanced rate of mobility.

The group of clients receiving the enhanced rate includes people receiving enhanced rate of daily living only, enhanced rate of daily living and standard rate of mobility, or enhanced rate of daily living and enhanced rate of mobility.

A.2 UC health analysis

We looked at the budgets of nearly 30,000 of our debt clients who are disabled, not working and receive Universal Credit. We are not able to isolate receipt of the UC health element precisely in our debt client data. But we are confident that many of these clients had LCWRA status, and therefore the UC health element in 2024/25, which was worth £416 per month.

The results are reported in section 6.1 above. It is worth noting that the current average deficit is higher for this group if we just look at those not receiving PIP (£63 per month): this group is at risk of losing the entire UC health element when PIP becomes the gateway for UC health. The people in this group who do claim PIP, in contrast, have a surplus of £30 – yet they may still lose both PIP and the UC health element if they do not meet the new PIP and UC health eligibility requirements.

A.3 Methodological limitations

In practice, our findings are likely to represent conservative estimates of the impact of cuts on clients' budgets, because a large number of disabled people will lose both PIP and UC health element income. What's more, losing PIP means losing other passported benefits too, including top-ups to other benefits, Carer's Allowance and council tax discounts.

On the other hand, these estimates do not take into account the small planned uplift in the UC standard allowance. And we have been unable to model behavioural changes that may take place as a result of losing benefits income, for example, steps to maximise income or cut down costs. However, our debt client data is collected after a client has been advised on maximising income and reducing living costs – we therefore believe the possibility that behavioral change will mitigate the impact of cuts is limited.

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