

# Pathways to Work: Reforming Benefits and Support to Get Britain Working Green Paper

## Citizens Advice Scotland initial response

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### Key Points:

- Evidence from across the Citizens Advice network in Scotland clearly shows that disabled people are already finding their income is not enough to live on.
- The public conversation has been highly distressing for sick and disabled people.
- Proposed reforms will result in a reduction of £5 billion in social security expenditure by 2030, this will further entrench the disproportionate impact of poverty and destitution on disabled people. It will also result in costs elsewhere: crisis care, NHS, poverty, homelessness.
- Proposed reforms are counter to the wider UK Government objectives to tackle child poverty and increase living standards.
- Our social security system needs improvement, Universal Credit (UC) is broken and causes destitution by design. We need to look at the system as a whole, not sections in isolation.
- Proposed reforms could have a significant impact on Scotland and devolved social security.
- UK Government are not consulting on many of the proposed reforms, this is deeply concerning, particularly given the scale and impact.

This briefing sets out Citizens Advice Scotland's initial response to the Pathways to Work green paper. Citizens Advice Scotland (CAS), our 59-member Citizen Advice Bureaux and the Extra Help Unit, form Scotland's largest independent advice network. We use people's real-life experiences to influence policy and drive positive change. We will publish a more comprehensive response to the proposed reforms following further review and evidence gathering from across our network.

### Key asks:

- Urge the UK Government to rethink these proposed reforms.
- Urge the UK Government to provide clarity on how their proposed reforms align with the work of the Universal Credit review, the Child Poverty Taskforce and their stated objectives to tackle child poverty and increase living standards.
- Urge consideration of maintaining a "substantial risk" system to ensure the protection of those with the most complex needs

### CAS welcomes:

- The £1 billion employability package to deliver tailored support for disabled people and those with long-term conditions. We also welcome a £172 million total uplift to the Disabled Facilities Grant over 2 years. However, the impact on Scotland where these services are devolved is not yet understood.
- The 'right to try' work guarantee combined with some clarity on what will be expected of employers though language should be considered on what this scheme is called.

- The recognition that the standard allowance is inadequate, however, the uplift is insufficient to compensate for the losses that many will face.
- The planned increase in the Carers' Allowance earnings limit by pegging it to 16 hours work at National Living Wage levels.

Whilst we support these steps, we anticipate that their positive impact will be far outweighed by the harm that will result from the wider package of proposed reforms.

### **CAS is deeply concerned about:**

- The proposals mean that many people with significant challenges around, for example washing and dressing, preparing food and managing incontinence, and require an aid, promoting or supervision to do these things, will no longer qualify for personal independence payment (PIP). This will entrench harm and risk pushing people further away from the workplace because PIP is an enabler that promotes independent living, condition management, social connection and employment. It is unclear what this will mean for Adult Disability Payment (ADP).
- The proposals at once narrow the criteria to access the Daily Living component of PIP while making access to the UC health element dependent on an award of PIP Daily Living. The combined result of restricted eligibility criteria and a large reduction in the value of the proposed new health element will lead to an income fall that entrenches the disproportionate impact of poverty and destitution on disabled people.
- Stigmatisation of those unable to work and misrepresentation of the impact of mental health.
- Young people are already subject to a lower standard allowance of UC, meanwhile the National Living Wage has not yet been equalised. Proposals for narrower PIP criteria mean that young people in receipt of extra costs disability support provided for children will be at risk of missing out when they transition to the adult equivalent.
- Lack of recognition for the distinction between those who are unable to work due to their health, for example those going through short term health shocks or in recovery from surgery or treatment, and those facing extra costs linked to a long-term health condition. There is no protection as yet for those who have been assessed by the DWP to be a risk to themselves or others if required to participate specifically in work related activity ("substantial risk").

### **The impact on devolved social security**

Further information is needed to better understand how the proposed reforms could interact with devolved social security. We have been undertaking work with the ADP Review on integrating the social and medical model of disability to produce more holistic criteria. The Review has been considering the learnings from social care assessments, which involve a whole person conversation approach and an overall well-being approach. The Review has also been considering how a "substantial risk" approach can be adapted for ADP.

It is important that engagement on the UK Government's proposed reforms emphasises the learning from Scotland, where recording "opt out" of assessments, for example, already exists. In Scotland, Child Disability Payment is available to those aged 16-18, learnings from this payment can provide considerable insight into support for young people.

## Summary Table of CAS initial response

Key Proposals	Initial response
<b>Work Capability Assessment (WCA)</b>	
Scrapping the WCA by 2028 and using the Daily Living component of Personal Independence Payment (PIP) eligibility to access a Universal Credit (UC) health element.	<p>We are concerned that this approach conflates the need for support due to restricted earning capacity and the need for support with health-related extra living costs. The proposals do not provide a clear pathway to protect people who are in recovery or experiencing short term health shocks (e.g. cancer).</p> <p>This approach will result in fewer assessments, but it will also be greater reliance on PIP assessments to access additional financial support – this is concerning because PIP assessment does not take a person-centred approach.</p>
<b>Personal Independence Payment (PIP)</b>	
A new PIP eligibility requirement to ensure that only those who score a minimum of 4 points in at least one Daily Living activity will be eligible for the daily living component of PIP. This will apply to new claims and existing claimants subject to a review.	<p>We are concerned about the narrowing of criteria PIP Daily Living. PIP is an enabler that promotes independent living, condition management, social connection and employment.</p> <p>The proposals are harmful because they mean that many people who experience challenges with washing and dressing, preparing food and managing incontinence, and require an aid, promoting or supervision to do these things, will no longer qualify.</p>
Increasing the UC standard allowance by inflation for all claimants from April 2026, reaching CPI +5% from April 2029.	We welcome the recognition that the standard allowance is inadequate and the decision to boost this payment. However, the increase is not sufficient to prevent very significant overall financial losses.
Plan to undertake a review of the PIP assessment.	<p>We welcome the recognition that the assessment process needs improvement, and the commitment to review.</p> <p>We urge inclusive and accessible consultation, particularly with disabled people and representative organisations. We urge learning from Scotland where this process has already been undertaken.</p>
<b>UC Health Element</b>	
The Universal Credit Health Element will be frozen at the 2025-26 rate until 2029-30 for existing claimants. It will be reduced by 50% for new claimants from April 2026 and thereafter frozen until 2029-30.	We are concerned about the significant drop in UC health element. Even those who can access both PIP Daily Living component and the new health element will still be financially worse off than under the present system.

<p>Access to UC health element will be dependent upon an award of PIP Daily Living. The criteria for award of PIP Daily Living are narrowed.</p>	<p>We are concerned that people who are only in receipt of the Mobility component of PIP will not be eligible for the new UC health element.</p> <p>We are concerned about the greater reliance on PIP assessments to access additional financial support because it does not take a person-centred approach.</p>
<p>Delaying access to the UC health element until age 22. Savings from this will be 'reinvested' into training and employment.</p>	<p>Young people are already subject to a lower standard allowance of Universal Credit; there are no proposals to equalise this.</p> <p>Young people are at risk of losing support as they transition from child Disability Living Allowance to PIP because of the proposals for narrowing criteria for the Daily Living component of PIP.</p> <p>We are concerned that these proposals will lead to stigmatization of those unable to work. Young disabled people and those with long-term health conditions already face many challenges, this proposal risks delegitimising their health issues, leaving them without the support they need. Instead of being supported into work, the proposals risk creating a level of destitution that pushes people further away from the workplace, incentivises risky choices around living arrangements, and drives rather than decreases mental health challenges.</p>
<p><b>Right to Try Guarantee</b></p>	
<p>Introducing legislation that clarifies that trying work in and of itself is not a relevant change of circumstance that will trigger an award review or a reassessment.</p>	<p>We welcome the right to try guarantee combined with some clarity on what will be expected of employers (the UK Government is consulting on the detail of this proposal). The language for this should be considered as current wording may infer people are not already trying.</p>
<p><b>Pathways to Work</b></p>	
<p>Addressing the role of employers and the workplace as crucial to improving employment outcomes and skills for disabled people and people with a long-term health condition.</p>	<p>We welcome this proposal. We need a compassionate and collaborative system that incorporates a proactive role for employers, identifying and breaking down barriers while addressing individual need.</p>

<p>Additional £1 billion a year by 2029/2030 to shape a new “pathways to work” support offer. Establish a guaranteed offer of tailored, one-to-one help alongside access to appropriate employment, health and skills support.</p>	<p>We welcome this proposal, however the impact on Scotland where these services are devolved is not yet understood.</p>
<p><b>Reassessments</b></p>	
<p>Reassessments will be restarted, with a focus on doing more face-to-face assessments. Recording assessments as a standard.</p>	<p>Reassessments must be handled with compassion; with this approach they can be check-in points. However, if they are handled poorly, they can result in fear, stress and anxiety.</p>
<p>For those receiving the new reduced UC health element after April 2026, those with the “most severe, life-long health conditions, who have no prospect of improvement and will never be able to work, will see their incomes protected through an additional premium, and will not be reassessed.”</p>	<p>We welcome the proposal that those with the ‘most severe, life-long health conditions, who have no prospect of improvement’ will not be reassessed – this can help with reducing the anxiety associated with assessments as well as reducing the administrative burden. However, we urge co-production of the criteria for including people in this category.</p>
<p><b>Contributory benefits</b></p>	
<p>Job Seekers Allowance (JSA) and Employment and Support Allowance (ESA) will be replaced with a new contribution-based unemployment insurance benefit. This will be a single, non-means tested, time-limited payment for those who have paid into the system.</p>	<p>We welcome a review of how contributory support is working, but we are concerned about the lack of recognition that health-related restrictions on working are real and distinct from those that result in additional living costs. Some people may be financially worse off by the proposed changes. We will consider them carefully.</p>
<p><b>DWP Safeguarding</b></p>	
<p>Develop and implement a new departmental wide approach to safeguarding.</p>	<p>We welcome the commitment to review current processes and identify areas of improvement to safeguarding. We urge consideration of maintaining a “substantial risk” system to ensure the protection of those with the most complex needs.</p>