

The Benefits Green Paper Explained

Introduction

The government department that is responsible for benefits (The Department for Work and Pensions) has written a green paper about the entire health and disability benefit system. This is called Pathways to Work: Reforming Benefits and Support to Get Britain Working

What is a Green Paper?

A Green Paper is a document that lays out changes the Government would like to make in a certain policy area, sometimes including suggestions for changing the law. It is usually the first step in changing the way things are done and is meant to be open to discussion and consultation.

In the green paper, the Department of Work and Pensions (DWP), is suggesting changes to how Disabled people are supported by the benefits system.

About this document

This document will be split into two sections:

- 1. What the government is saying it will do
- 2. What you can do to share your views

Summary

The government says it will take away at least five billion pounds from the pockets of some of the poorest and most disadvantaged Disabled people in the UK.

There are 22 changes suggested, but 12 of them will not be open to consultation

There are some major changes that the government will make happen through 'Primary Legislation'. This means that a change in the law voted on in parliament will allow these changes to happen.

This will happen in June 2025.

Section 1 - Changes voted on in June 2025

The green paper lists the changes the government would like to make. These changes will be voted on by MPs in May 2025.

These changes have different timelines, and we will make that clear in each section.

It is important to understand that these changes are not definite and nothing will happen to your entitlement till at least 2026.

1. Scrapping the WCA and creating a new single assessment for PIP and UC Health.



The government says it wants to end the "work capability assessment".

The 'work capability assessment' (WCA) is very important for <u>universal credit</u>.

It finds out what <u>work-related conditions</u> you must meet to keep getting the benefit in full. If you are found to have a <u>'limited capability for work</u>' in the assessment, your work-related conditions will be limited.

If you are found to have a '<u>limited capability for work-related activity</u>' in the assessment, none of the work-related conditions will apply to you, and you will also be entitled to the <u>work capability amount</u>.

The government says it wants a new system where your eligibility for any extra financial support for health conditions (including PIP, ESA or UC health) will be assessed with a new single assessment.

This will be some form of assessment based on the PIP assessment, which considers your disability or health condition in daily living, not your capacity to work.

The government says it also wants to make it more difficult to be eligible for PIP.

IMPACT: It is difficult to know the true impact of this change, as the organisation called the OBR, which the government asked to assess the financial impact of the green paper changes, didn't provide any figures for how these changes will affect people.

We are worried that this change would completely remove the protection of no work conditionality, which the WCA can provide. Instead, it would be a system that would push disabled claimants into looking for and applying for jobs.

We are concerned that this conditionality would be enforced by a 'benefit sanctions regime', which means you may have to prove that you are looking for work, or preparing yourself for the world of work (making a CV, speaking with a job coach), and it would be left to individual jobcentre work coaches to decide what each claimant would need to do and if sanctions would be imposed.

2. Freezing the health element of UC until 2029/30

Universal credit is a benefit paid to people of working age who are on a low income. You can claim it if you are looking for work, if you are unable to work through sickness or disability, if you are a lone parent, if you are caring for someone or if you are working and your wages are low. There is additional support available via what is called Universal Credit "health" for individuals whose health conditions or impairments limit their ability to work.

From April 2026, the government will hold the value of the universal credit health topup fixed in cash terms for people who already claim it, and reduce it for new claimants, with an additional premium for people with severe lifelong condition.

New applicants after this change will only ever receive a maximum of £50 a week - £47 less than currently.



IMPACT: According to the OBR freezing UC health means "a £1,100 average reduction in overall annual UC awards for the 3.0 million individuals" by 2029.

Research from the New Economics Foundation has estimated that the freeze and reduction together amount to a £1.5 billion cut to Universal Credit health spending by 2030.

0. PIP Daily Living assessment changes

Personal Independence Payment (PIP) replaced Disability Living Allowance (DLA) (for people over 16 in 2013).

It is a benefit for people who need support with everyday life or who find it difficult to get around. PIP comes in two parts:

- a daily living component for help taking part in everyday life
- a mobility component for help with getting around.

To qualify for PIP you have to have an assessment. You score "points" on this assessment when you are not able to complete a task safely, to an acceptable standard, repeatedly and in a reasonable time.

From November 2026, the government says you will need to score at least 4 points from a single descriptor to qualify for the daily living component of PIP, as well as scoring a total of at least 8 points to get support from the Daily Living component.

IMPACT: The OBR estimates that the estimated number of people who will lose the PIP daily living component is 800,000. This amounts to a minimum of £4,200 per year.

Some people who are eligible for other support because of their daily living component assessment, such as carers, will lose even more support. The Department for Work and Pensions says it expects 150,000 people will no longer qualify for Carer's Allowance or Universal Credit's own Carer Element top-up because of the welfare reforms.

0. Restarting WCA reassessments until the WCA is scrapped

The government announced they want to "restart" reassessments for incapacity benefits. Reassessments have mostly not happened since 2021.

The OBR documents show that from 2026, when the DWP will 'restart' WCA reassessments, they will likely target people in the LCWRA group because of the 'substantial risk' criteria, alongside those whose conditions are short-term and likely to have changed, e.g. cancer and pregnancy.

The government also says it wants to change the reassessment process by doing more of them in person, "face-to-face". They will now be recorded as standard practice.

IMPACT: These changes would mean many people with significant mental distress would be put through reassessment.



We know the pressure of face-to-face situations leads to worse outcomes from assessments, less accurate assessments and Disabled people losing out on the support we need.

How to stop these changes

These changes will come in to effect whether or not you respond to the green paper. This is because MPs will vote on these changes in parliament.

The most important thing you can do right now is take action. You can do this by writing to your MP, getting organised and joining a demonstration, or sharing this document with others who need to know about these changes!

We recommend you do this by:

- 1. <u>Writing to your MP using this tool</u>
- 2. <u>Find your MP</u> and attend a constituency surgery to make clear you don't support these changes.
- 3. Get involved in our movement by connecting with your local DPO, or DPAC & CAC groups.
- You can find your local DPO using this tool.
- You can find your local DPAC group on their website.
- You can connect with CAC by following their Instagram account.