

Social Justice and Social Security Committee
Thursday 15 May 2025
15th Meeting, 2025 (Session 6)

UK Government's welfare reforms

Note by the Clerk

Introduction

1. On 19 March, the Committee received [correspondence](#) from the Chairperson of the Committee for Communities at the Northern Ireland Assembly (NIA). The NIA Committee was seeking this Committee's view on working collaboratively with it in response to the UK Government's recent announcements about welfare system reforms. The NIA Committee had also written to the relevant committee at Senedd Cymru with the same request.
2. The Social Justice and Social Security Committee considered this request at its meeting on 3 April and agreed to schedule a round-table evidence session on 15 May to consider the potential impact in Scotland of the UK Government's proposals to reform the welfare system, particularly in relation to disability benefits.
3. Following the roundtable evidence session, the Committee will consider how best to respond to the Committee for Communities and its equivalent in Senedd Cymru, on a response to the UK Government.

Witnesses

4. The Committee will hear from the following witnesses:
 - Dr Rianna Price, Policy and Research Officer, Inclusion Scotland
 - Hannah Randolph, Economist Fellow, Fraser of Allander Institute
 - Fiona Collie, Head of Public Affairs and Communications, Carers Scotland
 - Chris Birt, Associate Director for Scotland, Wales and Northern Ireland, Joseph Rowntree Foundation
 - Emma Jackson, Head of Social Justice, Citizens Advice Scotland

Written submissions

5. The Committee received a written submission from Citizens Advice Scotland. Please see Annex A for details of the submission.

Clerks to the Committee
May 2025

Annex A – written submission from Citizens Advice Scotland

Social Justice and Social Security Committee

UK Government Welfare Reform

Citizens Advice Scotland

Social Justice and Social Security Committee Inquiry on the UK Government's Pathways to Work Green Paper

The Citizens Advice Scotland network is the largest provider of independent advice in Scotland. We provided advice to 187,000 people in the last year. Approximately half of all advice we provide concerns social security, primarily Universal Credit (29% of social security advice) and Scotland's Adult Disability Payment (22% of social security advice). We are uniquely placed to understand the implications of the proposed welfare reforms for people living in Scotland.

- 1) The reasons for the increase in the disability benefit caseload and options for slowing its growth

Social security is an investment in all of us that should act as both a safety net and springboard, enabling people to realise their potential and providing support during the challenges of life that any of us could experience. In a just and compassionate society our social security system must be focused on meeting the needs of the people who are accessing it, protecting living standards and enabling financial security. The need for disability and ill-health social security has undoubtedly grown.

Reasons that may be impacting upon the disability benefit caseload in Scotland:

- The cost-of-living crisis has been devastating for many disabled people. Rising prices have put extraordinary pressure on budgets that, in many cases, were already unable to meet the additional costs of being disabled. From maintaining equipment and transport for medical appointments, to additional energy, hygiene and eating requirements - living with ill health and disability in Scotland today comes at a significant cost. These costs are even higher for people who live in remote and rural areas, including the many island communities in the West and North of Scotland. Unfortunately, these additional costs play a significant role in pushing disabled people into poverty and keeping them trapped there. Disabled people on low incomes can be caught in a vicious cycle of disability and poverty – people on low incomes are more likely to have a disability because poverty causes and perpetuates health conditions. At the same time, disabled people are more likely to

experience poverty. We see evidence of this in our network where disabled people are primarily seeking advice our network on issues related to insufficient income.

- The UK Government's austerity policy over the last fifteen years has had a hugely negative effect on people with low incomes, including disabled people, forcing many to endure destitution and indeed causing ill-health and disability.
- The COVID-19 pandemic was an exceptionally challenging time for disabled people. Disabled people, who are more likely to experience poverty, and more likely to work in sectors which have been negatively impacted by the pandemic, or not be employment, are facing increased financial difficulties as a result of the pandemic¹. Data also appears to suggest that disability prevalence may have risen as a result of the pandemic, though the long-term effects of the pandemic are not yet known². The pandemic also resulted in cases of Long COVID long-term and substantial effect on someone's ability to carry out day-to-day activities.
- Across the UK, disabled people are more likely than non-disabled people to be paid less than the living wage; they are also more likely to be economically inactive – the disability employment gap in Scotland is estimated as 35.5%³
- The prevalence of disability increases with age. Scotland has more than a million people aged 65 and over while there are fewer than 750,000 people aged under 15⁴. The ageing population in Scotland will mean that the needs of the people will change profoundly, including the requirement for social security support. We see evidence of this across the Citizens Advice network in Scotland; most of the ADP advice that we provided in Quarter 3 24-25 was to people aged 45-59 (38%). This was more than double the volume of advice provided to those aged 35-44, at 16%. 5% of the advice provided was to those aged 18-24.

Social security is an investment in the people of Scotland. Getting it right can help to prevent significant downstream pressure on other public services, including the NHS and primary care. Only bold, person centred and joined up reform can deliver these gains and help Scotland thrive. Equally, investment in tackling poverty and improving public services, most notably the NHS, are the cornerstones for preventing many people needing to access disability and ill-health related social security. Poverty is both a cause and consequence of disability and ill-health and long-term solutions such as a minimum income guarantee (MIG) are urgently needed.

¹ [Coronavirus \(COVID-19\) - disabled people: health, social and economic harms - research report - gov.scot](https://coronavirus.scot.nhs.uk/disabled-people/health-social-and-economic-harms-research-report/)

² <https://researchbriefings.files.parliament.uk/documents/CBP-9602/CBP-9602.pdf>

³ [Scotland's Wellbeing - Measuring the National Outcomes for Disabled People](https://www.scotlandscensus.gov.uk/news-and-events/impact-of-scotland-s-ageing-population/)

⁴ <https://www.scotlandscensus.gov.uk/news-and-events/impact-of-scotland-s-ageing-population/>

- 2) The potential impact on disabled people and carers in Scotland if the same reforms were made to ADP as are being proposed for PIP

Citizens Advice Scotland are calling for the proposed UK Government welfare reforms to be scrapped; we are actively engaging with the UK Government to share evidence of the impact and harm that the proposals would cause.

Evidence from across the Citizens Advice Network in Scotland has long sounded the alarm that disabled people are facing disproportionate and unacceptable levels of harm. Disabled people need advice for multiple issues; food insecurity, energy debt, social security, housing. People do not have enough income to live on. Almost two thirds (67%) of people seeking advice from a local Citizens Advice Bureau (CAB) have a disability or long-term health condition. For those seeking advice on ADP, almost 60% live in the most deprived communities in Scotland. Disabled people are primarily seeking advice related to insufficient income; this reinforces the long-demonstrated relationship between disability and poverty. In 2023-24, more than two-thirds (68%) of people who sought energy advice from us had a health condition or disability. Scotland has the highest levels of fuel poverty and extreme fuel poverty across the UK.

The UK Government's proposed welfare reforms will see those already experiencing some of the worst of poverty have their incomes reduced, forcing them deeper into debt and destitution. If these proposed reforms were made to ADP, as well as PIP, it would further compound harm experienced by people in Scotland. Cutting of welfare support for sick and disabled people will have a disproportionate impact on Scotland's population. Analysis of UK disability statistics from the Commons Library shows that, in 2022/23, Scotland had a higher disability prevalence than the UK average⁵.

The new PIP eligibility requirement proposed seeks to 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 would lead to an income fall that compounds the disproportionate impact of poverty and destitution on disabled people. If the same approach was taken with ADP, then the harmful impact would be felt heavily in Scotland. This will be acutely experienced by those living in remote and rural communities who face additional costs for essentials like food, fuel and transport. Given continued rises in living costs, it is difficult to understand how people will be able to live any kind of decent and dignified life.

We conducted a focus group of advisers, mostly working on money advice, in the autumn of 2024, they clearly identified a link between low core income and the need for ADP. One adviser explained that *"it is very rare to see someone on a decent income looking to apply for ADP."* Another adviser explained that in the case of most people

⁵ Two in five of Scotland's people are living with a physical or mental health condition or illness that has lasted or is expected to last 12 months or more and reduces their ability to carry out day-to-day activities. This compares to one and four in England. [CBP-9602.pdf](#)

being supported by their CAB, an extra costs disability award “*goes towards living costs simply because Universal Credit or Employment Support Allowance is not enough. People have to claim ADP to supplement day to day living costs rather than it going towards the cost of having a disability*”.

Currently, the social security system recognises the need to provide support for people who are too sick to work, whilst separately supporting those with long-term health conditions to manage their higher living costs; the proposed reforms fail to recognise this distinction and risk people not being able to access the support they need.

- Young People: 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. If the same approach was taken with ADP, young people in Scotland could be negatively affected.
- Capacity to work: We are concerned that the proposed reforms will mean social security payments will no longer be linked in any way to a person’s capacity to work. This will have a significant impact in Scotland, where data shows that, in December 2024, 244,924 people in receipt of Universal Credit (UC) had successfully completed the Work Capability Assessment. This means that the proposed changes do not provide a clear pathway to protect people who are in recovery or experiencing short term health shocks (e.g. cancer). Health-related financial support in UC will be restricted to those with long-term conditions and disabilities that have lasted for 3 months and are expected to last for at least a further 9 months.
- Substantial risk: Additionally, the WCA recognises that there is a large number of people who are unable to engage in work-related activity because it causes “substantial risk” to them or their network. This applies to an estimated 34,000 people in Scotland⁶. These circumstances can be complex, and it is essential that understanding the whole picture and recognising that compulsion to work can generate mistrust and arrest progress towards the labour market.
- Identifying people with life-long health conditions: It has also been proposed that those with the most severe, life-long health conditions, who have no prospect of improvement, and will never be able to work, will see incomes protected. However, it is unclear how eligible people will be identified. If proposed reforms to PIP were mirrored with ADP, we would strongly caution against a prescriptive “list” of diagnostic criteria will be unable to capture the broad spectrum of issues associated with most conditions. There are several complex factors to be considered, including multiple interacting conditions, personal and social circumstances, projected outcomes from treatment, and the prospects of new or novel treatments.

⁶ [Client Funds Account 2020/21](#)

- Divergence between reserved and devolved social security systems:
The Citizens Advice network in Scotland regularly supports people navigating the fragmented social security system of entitlements which requires people to access multiple agencies and application processes while understanding disparate eligibility criteria. Evidence from across the Citizens Advice network in Scotland shows that there is notable overlap between demand for advice on reserved and devolved social security payments. In Quarter 1-3 of 2024-25, around 50% of the people that we supported with advice about ADP were also seeking advice about UC.

The complicated system creates challenges for individuals in understanding the impact of combining work or education, or caring responsibilities with managing a health condition. It can also create financial precarity as various payments are lost or reduced as circumstances change. There is a risk that these reforms will increase complexity, and consequentially difficulties associated with accessing entitlements. Clear communication between administrations is required to deliver the best outcomes for people navigating both systems. This includes identifying and avoiding unintended consequences and reducing the risk of harm. To date, we are unclear how the UK Government is considering the specific impact of these proposed reforms for people in Scotland.

- Challenges associated with claiming PIP: A significant number of people visiting our Citizens Advice Bureaux have experienced huge challenges with claiming PIP. This was the experience of Jane, who lives with the effects of a complex interaction of obsessive-compulsive disorder, kidney disease, gout and arthritis. She shared with one of our advisers that claiming PIP made her feel “violated”. She described the wrenching process of laying bare the lowest point of her life on the application form and identified no fewer than twenty-nine inaccuracies in the Health Care Professional’s report. While the process to migrate from PIP payments to ADP is well underway, the difficulties that people experienced with claiming PIP have had an enduring effect and this has made them feel apprehensive about claiming ADP⁷.

Social Security Scotland seeks to administer payments based on dignity, fairness and respect; this approach is essential to the delivery of ADP. The proposed reforms could undermine their ability to deliver on these principles. This is highly concerning given the Scottish Government’s work to tackle poverty, for example the commitment to mitigate the two child limit.

⁷ [Response to the Adult Disability Payment \(ADP\) Call for Evidence | Citizens Advice Scotland](#)

- 3) The risk that ADP may not be treated as the equivalent of PIP for the purposes of qualifying for DWP benefits
- Passporting: There is a potential knock-on effect on a number of devolved payments that are used as “passports” to various UC top-up payments. For example, Carer’s Support Payment eligibility is linked to the cared for person’s entitlement to ADP, which in turn is linked to UC Carer’s Element. The proposed dependence on the Daily Living component of PIP for the new health element of UC could lead to the restriction of ADP to ensure that it continues to operate as a “passport” to reserved support i.e. as a route to claiming the health element in Scotland. This may require legislative changes to the ADP criteria to closer align with stricter PIP Daily Living criteria.
 - Young Care Leavers: Many young people that we support are care experienced or left the family home at a young age due to relationship breakdown. In Scotland, young care leavers are provided with a package of support that accounts for DWP entitlements⁸. It is not clear how proposed welfare reforms could impact on the delivery of this support for young people since restricting young people’s income could place additional pressure on the system.
 - Young Carers: Young carers in Scotland also face uncertainty. These young people may be supported with a Young Carers Grant; however, this is contingent upon the cared for person being in receipt of the Daily Living component of ADP⁹. It is unclear how the proposed reforms, including narrowing access to the PIP Daily Living component, will impact on social security support available for Scotland’s young carers.
 - ADP Review: The Scottish Government has commissioned an independent ADP Review¹⁰, which is exploring ways of integrating the social and medical model of disability to produce more holistic criteria, using extensive evidence and insight from our network. The review’s final Report and recommendations will be published by July 2025. The UK Government’s proposed welfare reforms, and the potential budgetary implications for Scotland, could render the Review’s recommendations undeliverable – a bitterly disappointing outcome after significant engagement and co-production of recommendations with disabled people in Scotland.

⁸ [\(CHAPTER 6: ASSESSING THE NEEDS OF YOUNG PEOPLE AND PATHWAY PLANNING - Supporting young people leaving care in Scotland: regulations and guidance - gov.scot \)](#)

⁹ [Young Carer Grant - mygov.scot.](#)

¹⁰ [Adult Disability Payment: Independent Review - gov.scot](#)

4) Impact of the proposed reforms to the PIP Daily Living criteria

The proposed reforms to the PIP Daily Living criteria mean that many people who experience challenges across a number of areas, rather than experiencing a particularly severe level of challenge concentrated in one aspect of daily functioning, will be at risk of losing funds that are vital to the management of their condition.

If implemented as proposed, the reforms will mean that those who require support such as: prompting or supervision to wash and dress; preparing food; and managing incontinence, will no longer qualify. We know that many people in receipt of disability-based social security are in work (25% people seeking ADP advice from us during Quarter 3 of 2024-2025 were in employment). The proposed reforms could put people at risk of losing vital income, increasing the prevalence and severity of in-work poverty, while also risking people's ability to maintain employment if costs cannot be met. Removing people from the work force as a result of these proposals is completely contrary to any stated objectives around enabling more people to be able to work.

Our advisers relate how a Daily Living award has enabled the people that they support to: purchase wheelchairs and other aids; to fund accessible technology; to access fitness facilities that support condition management; to fund private counselling, mental health and physiotherapy services; and to engage in social activities and local support groups. These are vital supports that can enable people to have a better quality of life and make progress towards the workplace.

Citizens Advice Scotland's submission to the [UK Parliament's Work and Pensions Committee's inquiry](#) into the impact of the Government's proposals to reform the disability and health related benefits system, as set out in the Pathways to Work Green Paper.

Work and Pensions Committee Inquiry on the UK Government's Pathways to Work Green Paper Citizens Advice Scotland response April 2025

Living with ill health and disability in Scotland today comes at a high cost. The Citizens Advice Scotland network sees first-hand the harrowing choices that disabled people are forced to endure: skipping meals, living in cold houses, or not charging essential devices like mobility scooters. This has devastating impacts on people's physical and mental wellbeing.

Social security is an investment in all of us that should act as both a safety net and springboard; enabling people to realise their potential and providing support during the challenges of life that any of us could experience. Instead, the UK Government's proposed welfare reforms will see those already experiencing some of the worst of poverty have their incomes reduced, forcing them deeper into debt and destitution. This will have a disproportionate impact on Scotland's population as analysis of UK disability statistics from the Commons Library shows that, in 2022/23, Scotland had a higher disability prevalence than the UK average¹¹.

The proposed reforms to welfare will cause harm to hundreds of thousands of people:

- further entrenching the disproportionate impact of poverty and destitution on disabled people in Scotland, including many who are already finding their income is not enough to live on
- perpetuating narratives that villainise resulting in stigmatisation and high levels of distress for sick and disabled people
- contradicting the UK Government's stated objectives to increase living standards and tackle child poverty
- adding complexity and ambiguity into the relationship between devolved and reserved social security, risking people not receiving payments they are entitled to
- currently, the social security system recognises the need to provide support for people who are too sick to work, whilst separately supporting those with long-term health conditions to manage their higher living costs; the proposed reforms fail to recognise this distinction and risk people not being able to access the support they need

¹¹ Two in five of Scotland's people are living with a physical or mental health condition or illness that has lasted or is expected to last 12 months or more and reduces their ability to carry out day-to-day activities. This compares to one and four in England. [CBP-9602.pdf](#).

The Citizens Advice Scotland network is the largest provider of independent advice in Scotland. We provided advice to 187,000 people in the last year. Approximately half of all advice we provide concerns social security, primarily Universal Credit (29% of social security advice) and Scotland's Adult Disability Payment (22% of social security advice). We are uniquely placed to understand the implications of the proposed welfare reforms for people living in Scotland.

1) Issues with the social security system the Green Paper is seeking to address

The social security system needs improvement; Universal Credit is broken and causes destitution by design - we need to look at the system as a whole, not sections in isolation

Social security for people in Scotland is complex. People must navigate a system that includes the Department for Work and Pensions (DWP), Social Security Scotland (SSS), local authorities and charitable provision. The social security system needs radical improvement if it is to deliver for Scotland's population. This involves a review of the system in its entirety, rather than a piecemeal approach. Universal Credit (UC) remains the largest social security payment made across Scotland and evidence from across our network demonstrates that the way it is currently organised is causing destitution by design:

- The Standard Allowance is inadequate
- Income from UC or Employment Support Allowance (ESA) is not sufficient. Disabled people often use disability-related payments - Personal Independence Payment (PIP) or Adult Disability Payment (ADP) - as a main income, rather than towards health-related costs
- UC incorporates a five week wait which frequently places people into debt from the outset
- People living with health conditions may require flexible working arrangements to manage their conditions, frequently associated with weekly pay cycles. Weekly pay cycles are not effectively accommodated by monthly UC assessment periods. This causes financial stress and, in many instances, means that people have to reinstate locally delivered support, such as Council Tax Reduction.

Divergence between reserved and devolved social security systems could cause confusion and harm— the UK Government must consider the impact their reforms will have on Scotland

We are deeply concerned that the proposed reforms could have a significant impact on people in Scotland and the devolved social security system. It is our understanding that these proposals were put forward without engagement with the Scottish Government. The overlapping and interlinked social security systems are highly complex, and clear communication between administrations is required to deliver the best outcomes for people navigating both systems. This includes identifying and avoiding unintended consequences and reducing the risk of harm.

Furthermore, clear communication can enable efficiencies and best practice sharing. For example, the proposed changes to PIP assessment such as recording “opt out” of assessments have already been implemented in Scotland, presenting an opportunity for learnings¹².

The Citizens Advice network in Scotland regularly supports people navigating the fragmented social security system of entitlements which requires people to access multiple agencies and application processes while understanding disparate eligibility criteria. A significant number of people visiting our CABs have experienced huge challenges claiming PIP; in some cases the difficulties they have faced have been traumatic and this made them feel apprehensive about claiming ADP¹³. They report that claiming disability related social security can be complicated, overwhelming, and exhausting and that the process takes up time and energy.

This was the experience of Jane, who lives with the effects of a complex interaction of obsessive-compulsive disorder, kidney disease, gout and arthritis. She shared with one of our advisers that claiming PIP made her feel “violated”. She described the wrenching process of laying bare the lowest point of her life on the application form and identified no fewer than twenty-nine inaccuracies in the Health Care Professional’s report.

Evidence from across the Citizens Advice network in Scotland shows that there is notable overlap between demand for advice on reserved and devolved social security payments. **In Quarter 1-3 of 2024-25, around 50% of the people that we supported with advice about ADP were also seeking advice about Universal Credit.** The complicated system creates challenges for individuals in understanding the impact of combining work or education, or caring responsibilities with managing a health condition. It can also create financial precarity as various payments are lost or reduced as circumstances change.

Further information is urgently needed to better understand how the proposed reforms to UC and PIP could interact with devolved social security. There is a potential knock-on effect on a number of devolved payments that are used as “passports” to various UC top-up payments. For example, Carer’s Support Payment eligibility is linked to the cared for person’s entitlement to ADP, which in turn is linked to UC Carer’s Element. The proposed dependence on the Daily Living component of PIP for the new health element of UC could lead to the restriction of ADP to ensure that it continues to operate as a “passport” to reserved support i.e. as a route to claiming the health element in Scotland. This may require legislative changes to the ADP criteria to closer align with a stricter PIP Daily Living criteria. Importantly, the proposed welfare reforms could lead to

¹² [Response to the Adult Disability Payment \(ADP\) Call for Evidence | Citizens Advice Scotland](#)

¹³ [UK Spring Budget 2024: letter to the UK Government - gov.scot](#)

budgetary constraints that may impact on delivery of ADP¹⁴. SSS seeks to administer payments based on dignity, fairness and respect; the proposed reforms could undermine their ability to deliver on these principles.

The Scottish Government has commissioned an independent ADP Review¹⁵, which is exploring ways of integrating the social and medical model of disability to produce more holistic criteria, using extensive evidence and insight from our network. The review's final Report and recommendations will be published by July 2025. The proposed welfare reforms, and the potential budgetary implications for Scotland, could render the Review's recommendations undeliverable – a bitterly disappointing outcome after significant engagement and co-production of recommendations with disabled people in Scotland.

Proposed reforms are counter to wider UK Government objectives to tackle child poverty and increase living standards

A key stated objective of the Child Poverty Taskforce is “Supporting households to increase their income including considering social security reforms that support people into work and alleviate poverty¹⁶.” The Impact Assessment released after the Spring Statement estimated that 50,000 children across the UK will be pushed into relative poverty by the proposed changes to social security. The proposals do not align with the UK Government's work to review UC. We welcome the UC review but are concerned it will be unable to fulfil its purpose if key aspects, such as the UC health journey, are not in scope. It is of real concern to note this review has no terms of reference and will not produce a final report. This lacks any real transparency, accountability or good governance and significantly undermines the wider goals of the UK Government.

The proposed welfare reforms restrict access to the health element to those under the age of twenty- two - risking real harm. Young people are already subject to a lower standard allowance of UC, and 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.

Andrew's experience below demonstrates that PIP or the Scottish equivalent, ADP, alongside social security provided to carers, can support young people to live with independence, dignity, and improved prospects.

¹⁴ [Adult Disability Payment: Independent Review - gov.scot](#)

¹⁵ [\(CHAPTER 6: ASSESSING THE NEEDS OF YOUNG PEOPLE AND PATHWAY PLANNING - Supporting young people leaving care in Scotland: regulations and guidance - gov.scot \)](#)

¹⁶ [\(CHAPTER 6: ASSESSING THE NEEDS OF YOUNG PEOPLE AND PATHWAY PLANNING - Supporting young people leaving care in Scotland: regulations and guidance - gov.scot\).](#)

Andrew attended his local Citizens Advice Bureau (CAB) for advice. His stepson Iain is currently at college 3 days a week. Iain lives with multiple health conditions; he is unable to use public transport, and his mother is unable to drive. While some funding has been provided by the local authority to support Iain's travel to college, Andrew is required to be on call for to pick Iain up when necessary. ADP and Carer's Allowance help Andrew and his carers to sustain his education while all members of the family face restrictions in terms of formal employment.

Many young people that we support are care experienced or left the family home at a young age due to relationship breakdown. In Scotland, young care leavers are provided with a package of support that accounts for DWP entitlements¹⁷. It is not clear how proposed welfare reforms could impact on the delivery of this support for young people since restricting young people's income could place additional pressure on the system. Young carers in Scotland also face uncertainty. These young people may be supported with a Young Carers Grant; however, this is contingent upon the cared for person being in receipt of the Daily Living component of ADP¹⁸. It is unclear how the proposed reforms, including narrowing access to the PIP Daily Living component, will impact on social security support available for Scotland's young carers.

2) Evidence of the impacts of welfare changes on poverty and employment

Proposed reforms will further entrench the disproportionate impact of poverty and destitution on disabled people in Scotland

We welcome the recognition that the UC standard allowance is inadequate. However, the modest increase proposed does not offset the overall financial implications of the wider proposals. The freezing and subsequent halving of the UC Health Element will mean a person eligible for the UC health element will be significantly worse off than those currently on the UC health journey.

Furthermore, the new PIP eligibility requirement proposed seeks to 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 compounds the disproportionate impact of poverty and destitution on disabled people. Given continued rises in living costs, it is difficult to understand how people will be able to live any kind of decent and dignified life. This will be acutely experienced by those living in remote and rural communities across Scotland who face additional costs for essentials like food, fuel and transport.

We are concerned that, without the Work Capability Assessment (WCA) or any equivalent, the additional health element in UC will no longer be linked in any way to a

¹⁷ [Client Funds Account 2020/21](#)

¹⁸ [Pathways to Work: Reforming Benefits and Support to Get Britain Working Green Paper - GOV.UK](#)

person's capacity to work. **We urge the UK Government to consider a person's capability to work as part of reforms to welfare.** This will have a significant impact in Scotland, where, in December 2024, there were 244,924 people in receipt of UC who had successfully completed the WCA.

It has been proposed that those with the most severe, life-long health conditions, who have no prospect of improvement, and will never be able to work, will see incomes protected. However, it is unclear how eligible people will be identified. A prescriptive "list" of diagnostic criteria will be unable to capture the broad spectrum of issues associated with most conditions. There are several complex factors to be considered, including multiple interacting conditions, personal and social circumstances, projected outcomes from treatment, and the prospects of new or novel treatments. Lisa's experience below demonstrates the breadth of issues that can be associated with life-long health conditions and the vital importance of ensuring those in need of support are captured. Sadly, Lisa is one of the many disabled people who has discussed feelings of being suicidal with our advisers.

Lisa visited her local CAB for advice because she was forced to stop working following a catastrophic series of health shocks, including long Covid and pneumonia. She is a lone parent caring for a teenage daughter, both her and her daughter are recovering from injuries resulting from a traumatic car accident. Lisa is awaiting the resolution of an earnings dispute with her employer to successfully claim UC. In the meantime, she is struggling with the loss of her teaching work, which was integral to her identity. Lisa has felt dismissed and disbelieved by the social security system. While she uses humour to cope, she confided that she has considered taking her own life due to the financial pressure that she is under, which she feels as a humiliating inability to provide for her daughter.

Furthermore, proposals do not provide a clear pathway to protect people who are in recovery or experiencing short term health shocks (e.g. cancer). Health-related financial support in UC will be restricted to those with long-term conditions and disabilities that have lasted for 3 months and are expected to last for at least a further 9 months.

Proposed reforms risk pushing people further away from the workplace because disability-based social security (such as PIP or ADP) is an enabler that promotes employment

For people like James, whose experience has been included below, health-related financial income can provide vital support until people are able to return to work. Without this support, there is a risk that financial pressure will push people to take on work before they are ready, or to engage in unsuitable work, potentially damaging their recovery and making work unsustainable long-term.

Our network supported James to submit a UC application and access emergency support. James tried to avoid accessing social security for as long as possible, exhausting all available funds and was unable to afford food. He explained he was diagnosed with epilepsy over a year ago and is currently on medication to control seizures. His condition means he is unable to obtain insurance to continue his work as a bricklayer. If the seizures remain controlled for several months, he'll be able to reinstate insurance and return to work without restrictions.

WCA recognises that there is a large number of people who are unable to engage in work-related activity because it causes “substantial risk” to them or their network. This applies to an estimated 34,000 people in Scotland⁷. These circumstances can be complex. Robert's experience below demonstrates the importance of understanding the whole picture and recognising that compulsion to work can generate mistrust and arrest progress towards the labour market.

Robert has struggled with depression, anxiety disorder, chronic pain and sleep disruption since childhood and left work when his mental health deteriorated. He withdrew from social engagement until his family was eventually able to encourage him to seek support and claim UC. He was subsequently able to volunteer locally two hours a week supporting older adults.

However, a DWP finding that he is fit for work triggered spiralling anxiety, which became more severe when a Mandatory Reconsideration of this decision was unsuccessful. It was evident to the Tribunal, viewing Robert's circumstances in their entirety, that his health and recovery would be at further risk if he continued to be expected to engage in active work preparation.

We welcome the “right to try” guarantee - combined with a consultation exercise focusing on what will be expected of employers going forward. We recommend reframing the language, since “right to try” may infer that people are not currently trying, a highly stigmatising narrative. We agree that there is merit in encouraging more active engagement between people receiving social security payments and the agency. This can help to develop a better understanding of a person in context and reduce the risk of misunderstandings. This engagement must start from a position of trust, seeking to be supportive rather than coercive or blaming. We would strongly urge the UK Government to move away from a sanctions system that is based on administrative compliance and compulsion. There is strong evidence that this is counterproductive.

- 3) The experience of sick and disabled people of the current welfare system and their views on the impacts the changes could have on them

The public conversation has been highly distressing for sick and disabled people in Scotland

Our network has been reporting a very significant level of anxiety, confusion, and distress among the people that we support about what the proposals mean for them. Advisers are reporting that there is already a great deal of fear around claiming social

security for some people, with a perception that they could be considered “*lazy fraudsters*”. There is a reluctance among some people to report changes that may increase their entitlement, in case existing payments are “*taken away*”.

Some people are delaying financial decisions. In the words of one adviser, people have become “very aware of [the] precarious nature of income based on policy and assessment. This is making decisions about debts more difficult’s a feeling that the goal of long-term stability is less achievable.” In some cases, such as Ruth’s below, the impact can be a premature and devastating withdrawal from the social security system.

Ruth attended her local CAB for advice about her ongoing Employment and Support Allowance claim. Ruth has numerous physical and mental health conditions and constantly worries that she has in some way mismanaged her claims. She has been receiving ESA since 2019. She advised the CAB that her anxiety reached such a high level of severity in March 2025 that she contacted the ESA helpline and ended her claim. Ruth regrets the action and explained that she wishes to reinstate her claim despite her fears.

It is important to remember that these proposed reforms have a particular impact in Scotland. The news about proposed reforms come at a time when many people are in the process of undergoing transitions from reserved to devolved social security payments and from legacy payments to UC. These transitions are often occurring simultaneously. The move to UC can involve very significant adaptation and disruption as people adjust to monthly payments and increased expectations around engagement. Transitions can also trigger temporary financial disruption as surrounding support such as Council Tax Reduction or Discretionary Housing Payments are affected.

We are extremely troubled and frustrated by the decision not to consult on the two leading proposals being presented, namely the scrapping of the WCA and using a narrowed Daily Living component of PIP eligibility to access a UC health element⁸. Not consulting on a re-structuring of the social security system of this magnitude risks marginalising the voices of disabled people.

Additionally, narrative surrounding the proposed welfare reform is linking social value with participation in the formal economy. This risks stigmatising those living with illness and disability and the people who care for them. Stigma demolishes self-confidence and deters people from seeking support, increasing the risk of crisis support being required and hinders progress towards the workplace.

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

From maintaining equipment and transport for medical appointments, to additional energy, hygiene and eating requirements - living with ill health and disability in Scotland today comes at a significant cost. These costs are even higher for people who live in

remote and rural areas, including the many island communities in the West and North of Scotland. Unfortunately, these additional costs play a significant role in pushing disabled people into poverty and keeping them trapped there. They present a structural barrier to disabled people attaining a quality of life equal to that of nondisabled people.

Our evidence shows disabled people are facing disproportionately high levels of harm. **Almost two thirds (67%) of people seeking advice from a local CAB have a disability or long- term health condition.** For those seeking advice on Scotland's ADP, almost 60% live in the most deprived communities in Scotland. Disabled people are primarily seeking advice related to insufficient income; this reinforces the long-demonstrated relationship between disability and poverty. In 2023-24, more than two-thirds (68%) of people who sought energy advice from us had a health condition or disability. Scotland has the highest levels of fuel poverty and extreme fuel poverty across the UK.

11% of those that we support with ADP advice live in a remote area; a total of 15% are based in a rural location. In remote areas, logistical challenges accessing local services can combine with low or no digital access to negatively impact social security take-up, deepening the risk of poverty and destitution being faced by disabled people.

Julie approached her local CAB to understand what support might be available to her as her access to information is limited. At the CAB she learned that she may be eligible for ADP. Julie lives in a remote rural part of Scotland. She relies on a landline phone and has no internet access at all. Julie does not travel frequently both as a result of her disability and the challenges with travel that come from living in such a remote part of Scotland.

Evidence from our network demonstrates that income from UC or Employment Support Allowance (ESA) is not sufficient and disabled people are having to use disability-based social security payments (such as PIP or ADP) as a main income stream, rather than directing this towards health-related costs.

Advisers responding to our 2024 survey said:

"Mobility component rates are insufficient to cover reasonable travel costs if someone is unable to use concessionary public transport - leaving those virtually housebound, restricting their ability to work and to participate in life outside of their homes. Even more so for those in rural locations where costs are higher.

Daily Living rates may also be insufficient, particularly if someone does not have a carer so has increased expenditure for help with everyday activities... huge gaps in social care services are significantly reducing personal care for disabled people, leaving people without essential services or having to pay for these separately. People with health conditions may be in the house significantly more thus must buy food, pay travel support to appointments and pay their energy bills, along with meeting their health needs. ADP may be one of the main sources of income, as a

result, the current rates do not reflect an adequate living standard and promote dignity and respect.”

Our advisers repeatedly report harrowing instances of meals being missed, essential medical devices not being charged and people living in cold homes, with devastating consequences for physical and mental wellbeing. We were recently told of a woman with stage 4 breast cancer disclosing that she did not use her heating over the winter because she could not afford it, and that she relied instead on a heated blanket provided by her energy company.

4) The link between health status and worklessness, and the potential impacts of the welfare changes on health status

Combining full-time, part-time and self-employment, 25% those seeking advice on ADP from us during Quarter 3 of 2024-2025 are recorded as being in employment. 12% of people we advised are recorded as being in full-time employment. 41% were recorded as being unable to work due to their health. The remainder were looking for work, retired, or looking after the household.

Of those we supported with advice about ADP in Quarter 3 of 2024-2025, 26% are recorded as having a caring responsibility, mostly for dependent children (11%) but also for children with a disability (5%) or an adult with a disability (7%). 9% are recorded as being lone parents.

This evidence demonstrates that those in receipt of extra costs of disability based social security have diverse and often complex lives. Frequently there will be barriers to work far beyond those raised by health alone. Social security payments such as PIP or ADP are playing a role in supporting those living alone to access employment, social networks, and medical care while living independently and managing their health condition.

Our evidence points to the circular link between health, low income and inability to work. This is demonstrated in Gregor's experience below. Adequate social security can provide vital preventative financial support and promote a return to work following a health shock.

Gregor is expecting to undergo replacement knee surgery. His mobility has severely declined, he lives in constant pain and discomfort. He lost his job due to physical mobility restrictions. He can no longer complete everyday daily tasks independently, including cooking, dressing, and managing personal care. He has become socially isolated and dependent on family members for support. Gregor visited his CAB for advice because he is now financially insecure relying solely on social security. His physical condition has deteriorated to the extent that additional complications have developed, including breathlessness, weight gain, and anxiety.

The proposed reforms will entrench harm because disability-based social security (such as PIP or ADP) are an enabler that promotes independent living, condition management, social connection and employment

The proposed reforms to the PIP Daily Living criteria mean that many people who experience challenges across a number of areas, rather than experiencing a particularly severe level of challenge concentrated in one aspect of daily functioning, will be at risk of losing funds that are vital to the management of their condition. If implemented as proposed, the reforms will mean that those who require support such as: prompting or supervision to wash and dress; preparing food; and managing incontinence, will no longer qualify. We know that many people in receipt of disability-based social security are in work (25% people seeking ADP advice from us during Quarter 3 of 2024-2025 were in employment). The proposed reforms could put people at risk of losing vital income, increasing the prevalence and severity of in-work poverty, while also risking people's ability to maintain employment if costs cannot be met. Removing people from the work force as a result of these proposals is completely contrary to any stated objectives around enabling more people to be able to work.

Our advisers relate how a Daily Living award has enabled the people that they support to: purchase wheelchairs and other aids; to fund accessible technology; to access fitness facilities that support condition management; to fund private counselling, mental health and physiotherapy services; and to engage in social activities and local support groups. These are vital supports that can enable people to have a better quality of life and make progress towards the workplace.

Citizens Advice Scotland: Summary of ADP advice provided during Quarter 1 – Quarter 3 2024-25

Summary of advice on Adult Disability Payment (ADP)

- **Total advice:** 22,112 people received 95,672 pieces of advice
- **Gender:** 53% of advice was given to women and 47% to men.
- **Age:** 38% were aged 45-59. 16% were aged 35-44. Only 5% were aged 18-24
- **Location:** 57% of the people advised on ADP were living in the most deprived areas in Scotland by SIMD Quintile. 12% were living in remote areas.
- **Caring responsibility:** 31% reported a caring responsibility, mostly for dependent children (14%) or an adult with a disability (11%). 6% had children with a disability
- **Marital status:** 40% reported they were single adults. 27% were part of a couple. 12% were part of a couple with children. 10% were lone parents.
- **Employment:** 27% reported that they were employed or self-employed. 10% were in full-time employment. 47% were unable to work due to their health.
- **Health:** 31% indicated that their health limits them a little, 51% indicated that their health limits them a lot.

Connections between devolved and reserved social security

- On average, around 50% of the people that we supported with advice about ADP were being provided with at least one other type of advice at the same time.
- The other advice provided concerned Universal Credit in almost 50% of the cases. In 6% of the cases the advice concerned regulated fuel, and 5% of the cases it concerned foodbanks.
- These figures show notable overlap between demand for advice on reserved and devolved social security payments.