

Briefing for Scottish Government Debate on UK Government Welfare Reforms

April 2025

About us

The Poverty Alliance is Scotland's anti-poverty network. Together with our members, we influence policy and practice, support communities to challenge poverty, provide evidence through research and build public support for the solutions to tackle poverty. Our members include grassroots community groups, academics, large national NGOs, voluntary organisations, statutory organisations, trade unions, and faith groups.

Introduction

Our social security system is a public service and a basic human right that should secure the wellbeing of everyone in society. However, rather than preventing and reducing poverty, it too often makes it more difficult for people to stay afloat. While our social security system should be a safety net for unexpected life events and a springboard for families to build a life free from poverty, decision making by successive UK Governments have systematically undermined that support.

After over 10 years of cuts and restrictions, **our social security system is now failing the people it is intended to support.** These issues have been further illuminated by the Covid-19 pandemic and the ongoing cost of living crisis. Policy decisions and political choices within our social security system have had a devastating impact for people across the UK. In particular, there has been severe consequences for the human rights and financial security of women and disabled people.

The latest Poverty in the UK report shows that **the poverty rate for disabled people in the UK is 31%, 12 percentage points higher than the rate for people who were not disabled.**¹ The Scottish Government's priority family approach identifies children in households with a disabled member as being at particular risk of poverty. Analysis from Citizen's Advice Scotland has found that **over 40,000 disabled households have sacrificed a cooked meal to run or charge essential medical equipment.**² Disabled people are also at greater risk of poverty and destitution, with research from Joseph Rowntree Foundation highlighting that **63% of those experiencing destitution in the UK reported having a disability or long-term health condition.** In a survey response last year, a disabled person told the Glasgow Disability Alliance:

"Every day is a battle, every day, from the moment I wake up I am continuously faced with these awful decisions to make. It's freezing, I'll heat the flat for 15 minutes but it

¹ Joseph Rowntree Foundation (2024) *Poverty in the UK 2024: The essential guide to understanding poverty in the UK* available at <https://www.jrf.org.uk/uk-poverty-2024-the-essential-guide-to-understanding-poverty-in-the-uk>

² Citizens Advice Scotland (2024) *Tens of Thousands of Disabled People Sacrifice Cooked Meals to Charge Medical Devices* available at <https://www.cas.org.uk/news/tens-thousands-disabled-people-sacrifice-cooked-meals-charge-medical-devices>

doesn't last, I'm hungry but I've nothing much there... Can't really get out anywhere because of my [details of condition], nae money to do anything anyway.”³

It is therefore deeply concerning that the UK Government have announced a series of unjust cuts which will make it even harder for disabled people to keep their heads above water. **The UK Government's own analysis points to 250,000 people, including 50,000 children, being pushed into poverty by these proposals. However, the Joseph Rowntree Foundation estimate the real impact to be closer to an additional 400,000 people in poverty.** Given the higher rate of child poverty in households with a disabled person, this will ultimately undermine the Government's child poverty strategy before it is even published.

The Poverty Alliance and our members have welcomed changes at the Scottish-level with regards to social security being rooted in dignity and respect, with these values enshrined in the legislation which created Social Security Scotland. In our Citizen's Panel on benefit up-take, people who have experience of accessing social security commented on the difference between accessing support from the DWP and Social Security Scotland as being *“night and day”*. One participant stated: *“I do think they [Social Security Scotland] do a better job, the help and info - you do feel like you are on the level when you are making a claim.”*⁴ While it is clear that these cuts at UK level will have stark implications for the Scottish Government's budget, **we urge the Scottish Government to maintain its commitment to justice and compassion, and to make sure the Adult Disability Payment continues to support the freedom and rights of disabled people.** Any changes to eligibility criteria for ADP, or cuts to the level of support, will result in more disabled people falling into poverty and make it even harder for the Scottish Government to meet their child poverty targets.

The impact of proposals on poverty and destitution

- Our social security system is already inadequate and the levels of cuts proposed by the UK Government will further undermine that safety net, pushing more families and households into poverty.
- Additional eligibility requirements for Personal Independence Payment (PIP) so that a maximum four points must be scored on at least one daily living activity to receive the daily living element of the benefit will mean those whose impairments affect multiple areas of their daily lives but do not meet the new threshold in any single category will lose out, even if their overall needs are significant.
- To illustrate, this means that someone who is unable to fully dress themselves; unable to get into or out of the shower without assistance; unable to feed themselves without assistance or unable to go to the toilet without supervision may now not qualify for PIP as none of these activities scores four points.
- The changes to PIP eligibility criteria is likely to have disproportionate implications for those with mental health issues.
- The Resolution Foundation estimates that UK Government plans to save £5 billion from **restricting PIP entitlement to the daily living component would mean between 800,000 and 1.2 million people losing support of between £4,200 and**

³ Harkins, Chris; Burke, Tressa; Walsh, David (2023) *The impacts of the cost-of-living crisis on disabled people: a case for action* available at https://www.gcph.co.uk/assets/000/000/013/CoL_Disabled_people_original.pdf?1698074436

⁴ The Poverty Alliance (2024) *Get Heard Scotland: The Impact of Stigma on Benefit Take-up: Report of Citizen's Panel* available at <https://www.povertyalliance.org/get-heard-scotland-impact-of-stigma-on-benefit-take-up-report-of-the-citizens-panel/>

£6,300 per year by 2029-30.⁵ With 70% of PIP claimants living in families in the poorest half of the income distribution, these losses will disproportionately impact on lower-income households.

- We are concerned that new claimants for the Universal Credit health element will receive less financial support than existing claimants. **The reduction of the health element to £50 a week for new claimants and the health element being frozen until 2029/30 will have a very severe impact on families.** The health element for existing claimants will also be frozen until 2029/30 at £97 per week. As a result of inflation, this represents a cut in financial support year on year.
- Delaying access to the health element of Universal Credit until someone is over the age of 22 could mean young people losing up to £363 per month. This is seemingly based on an unjust assumption that nobody under the age of 22 can be 'unfit for work'. In addition, this is likely to make young disabled people aged 16 - 22 subject to conditionality if they claim Universal Credit.
- Women across the UK have already borne the burnt of 'welfare reform' since 2010 and further changes will have wider implications for their financial independence and long-term economic wellbeing. Carers Scotland highlight that due to the fact women account for 58% of all carers and are 38% more likely to be providing intense care,⁶ there is likely to be a disproportionate impact on women.
- We are concerned that there will be no consultation on some of the proposals in the Green Paper, including the scrapping of the Work Capability Assessment.
- The proposals in the Green Paper rely on good quality employment support, suitable employment options in the labour market, and a strong social care system. The Poverty Alliance and our members are clear that these systems and roles are not yet in place which risks causing significant harm to disabled people impacted by these cuts.
- Some of the positive announcements in the Get Britain Working White Paper, such as increased investment in person-centered employment support, and proposals like Right to Try, will be undermined by cuts which push disabled people towards destitution.

Potential implications for our social security safety net in Scotland

Although the Green Paper acknowledges that there is a devolved benefit system in Scotland, it does not directly address the knock-on impacts of tightening eligibility criteria for Personal Independence Payment in England and Wales on devolved disability benefits.

These changes will have a number of implications in Scotland, including budgetary concerns, the process of assessments, and the functionality of ADP as a gateway benefit.

The Fraser of Allander Institute have highlighted that these announcements have budgetary implications for the Scottish Government and, while the exact impact is challenging to

⁵ Resolution Foundation (2025) 'Green Paper delivers tiny income gains for up to four million households, at cost of major income losses for those who are too ill to work or no longer qualify for disability benefit support' available at <https://www.resolutionfoundation.org/press-releases/green-paper-delivers-tiny-income-gains-for-up-to-four-million-households-at-cost-of-major-income-losses-for-those-who-are-too-ill-to-work-or-no-longer-qualify-for-disability-benefit-support/>

⁶ Data from the Scotland's Census 2022

quantity at present, they estimate an **effect of £90-115m for every £1bn reduction in PIP spending by the UK Government.**⁷ This is because the portion of the Scottish block grant required to fund payment of ADP is calculated on the basis of the number qualifying for PIP in England and Wales. A reduction in those qualifying for the PIP daily living component in England and Wales will therefore create a funding shortfall for the Scottish Government.

This means that the Scottish Government will have to locate an additional c.£500m to maintain the current system, or follow suit with similar cuts in Scotland. These unanswered questions have created a continued period of uncertainty for disabled people in Scotland, causing stress and anxiety for families. **We urge the Scottish Government to maintain their clear commitment to justice and compassion through consistency in eligibility criteria for ADP.**

The scrapping of the Work Capability Assessment and the use of the PIP assessment for health-related Universal Credit claims is problematic in the absence of any further action, as this is not available in Scotland and the systems are diverging. Similarly, **if the Scottish Government does not tighten eligibility criteria for ADP in line with changes to the PIP criteria in use in England and Wales, then a question will arise as to whether it is a suitable 'gateway' for entitlement to the health element of Universal Credit.** This decision on passporting benefits could have further budgetary implications for the Scottish Government, or potentially lead to face-to-face assessments for those receiving ADP.

Clarity is urgently needed on whether ADP in its current form will fully remain as a passport to the UC health element. As highlighted by Carers Scotland, if ADP is no longer recognised as a gateway benefit, carers in Scotland could lose eligibility for the Carer Element of Universal Credit. Loss of support could mean even more carers will struggle to afford essentials like food and heating. Many carers who could be affected already face significant financial hardship. Research by Carers Scotland shows that an estimated 100,000 unpaid carers in Scotland are living in poverty, with levels of poverty 56% higher and deep poverty 60% higher than those without caring responsibilities.⁸

For more information, please contact:

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⁷ Fraser of Allander Institute (2025) *Welfare Green Paper: What we know and what we don't know* available at: <https://fraserofallander.org/welfare-green-paper-what-we-know-and-what-we-dont-know/>

⁸ Poverty and financial hardship of unpaid carers in Scotland: Carers UK, WPI Economics and abrdn Financial Fairness Trust, 2024

