Department for Work & Pensions

Spring Statement 2025 health and disability benefit reforms - Equality Analysis

Policy Summary

Background

The Department has been considering a range of options to reform health and disability benefits and support more people into work. The package of measures outlined below provides an opportunity to make some critical reforms to the benefits system to rebalance the way in which benefits are distributed and remove disincentives to trying work – the policy rationale for the package is set out in more detail in a submission to be submitted shortly. This package will also start to put health and disability benefits into a fiscally sustainable position.

Expenditure on working age health and disability benefits has risen by £19 billion since 2018/19. It is forecast to increase by a further £25 billion between 2023/24 and 2029/30, to reach £70 billion by the end of the Parliament. Overall, spending on working age social security has been broadly flat as a share of GDP and public spending. This is because demand across health and disability benefits has increased significantly; this does not represent good outcomes for people or society and is not fiscally sustainable.

Measure 1 (England and Wales): Change PIP entitlement rules to introduce an additional requirement so that claimants must score a minimum of four points in at least one daily living activity to be eligible for the daily living component.

The rate of increases in PIP claims and expenditure is not sustainable and has outstripped the growth in disability prevalence. Changes are needed that will control the spend on the welfare bill, while continuing to support those people with the greatest needs relating to their long-term health condition or disability.

We are proposing to introduce an additional eligibility requirement for people to score a minimum of 4 points in at least one daily living activity to be eligible for the daily living component of PIP. Consequently, people who have a lower level of functional disability in multiple activities – which could individually be managed with small interventions or the addition of aids or appliances – will no longer be eligible for the daily living component of PIP. Meanwhile, people with a higher level of functional need in one activity - people who are unable to complete activities at all, or who require more help from others to complete them – will still receive PIP.

Measure 2 (Great Britain): The UC health element will be frozen in cash terms at £97pw across until 2029/30 for existing recipients. The UC health element rate for new claimants will be reduced to £50pw in 26/27 and then frozen until

2029/30. Without the policy change, the UC health rate would have been uprated by CPI and would have been expected to reach around £107 per week by 2029/30. The UC Standard Allowance will be increased above inflation over the forecast period. For single claimants over 25 it will increase to £106pw in 2029/30 with an equivalent increase for other claimants. Without the policy change, the UC standard allowance would have been £101pw on current forecasts.

The proportion of people being found LCWRA has increased substantially and once found LCWRA, flows into employment are low, with only around 1% of people in the LCWRA group moving into work each month. A very large difference between the value of the standard allowance and the health element arguably contributes to this as it creates a perverse incentive for individuals to a) claim the UC health element, b) focus on what they can't do rather than what they could do with the right support and c) not benefit from employment support – which is not routinely offered to this group.

This is especially true following the abolition of a 'middle rate' (Work Related Activity Group payment) which means, since 2017, customers who are newly determined to have Limited Capability for Work (LCW) no longer receive an additional benefit amount, and the gap between the standard benefit rate, and a 'health-related top up' has increased significantly.

The proposal is to reduce the differential between the UC standard allowance and additional financial support for health and disability, in order to re-balance the system so that it is pro-work and reduces work disincentives, while starting to improve basic adequacy. To that end we are proposing to reduce the LCWRA rate for new LCWRA determinations by approximately 50% in 2026/27. The rate for 2025/26 is £97pw and will then drop to £50pw in 26/27 and be frozen until 29/30. The rate for claimants with an existing LCWRA determination will be frozen for four years at the 2025/26 rate.

There will also be reinvestment in the standard allowance of UC in a series of steps over four years. The current rate for single claimants over 25 is £91pw and will increase to **£92pw in 25/26 then jump to £98pw in 26/27** then £100 in 27/28, £103 in 28/29 and £106 in 29/30–, with standard allowance rates for others being increased proportionately. This will help ensure that we are supporting everyone, including people who also have additional needs but that are not related to health, such as care leavers and prison leavers. Only reducing the LCWRA rate for new determinations means that claimants with an existing LCWRA determination will not see a cash reduction in their award (alongside benefiting from the higher standard allowance).

Measure 3 (Great Britain): Not taking forward plans to change the Work Capability Assessment as set out by the previous Government in November 2023.

The previous Government announced in November 2023 that it was going to amend the Work Capability Assessment in 2025 by removing the Limited Capability for Work-related Activity descriptor for mobilising, changing the points for the Limited

Capability for Work getting about descriptor and amending how the application of the substantial risk criteria operates. The consultation upon which the decision to make these changes was used was declared unlawful by the High Court in January 2025. The Government has decided to drop these proposals.

Measure 4 (Great Britain): Invest in measures to support those with disabilities and long-term health conditions into employment (£1bn departmental spending [DEL] including appropriate shares for the Devolved Governments);

Research found that 200,000 people claiming health and disability benefits believe they could work now if the right job or support was available (and a far higher number wanting to work in the future, if their health improved). Only 13% of all people on health and disability benefits receive support, including activities such as building confidence or skills, assistance. Currently around 700,000 people each year go through the WCA to be assessed for benefits and then the majority receive no offer or provision of support.

This measure reflects reinvestment to fund employment support in order to help individuals move towards work in line with the Government's objectives of reducing inactivity and building an inclusive labour force. The support will build up over time and will be additional to the range of existing support in place (e.g. Work Well and Connect to Work). We are also boosting the number of Work Coaches available to support this group from 2025/26.

Measure 5 (Great Britain): Fraud and Error prevention measures

Tackling fraud and error and dealing with consequential debt remains a key priority for the DWP and a major area of focus for Government and the National Audit Office. To this end, there are two key areas which form part of this proposal:

1. Investing in UC Prevent (Capital Verification and Self-employment Income and Expenses)

    - Verifying claimant declaration of capital savings, using a choice of 'Open Banking' or face-to-face checking of bank statements at claim start or when reporting a change of circumstances. This measure would target some of the estimated £1bn of overpaid UC that occurs each year through incorrect declaration of capital.
    - Checking self-employment income and expenses by asking a proportion of Self-Employed UC claimants each month to upload proof of their earnings and expenses which DWP staff will then verify. DWP currently has no routine process to check income and expenses for Self-Employed UC claimants, yet an estimated £1.2bn is overpaid each year from under-declared Self-Employed earnings and overdeclared expenses.

2. Additional Resource for the Verified Earnings and Pensions (VEPs) and General Matching (GMS) services.

We have seen a high volume of cases in these areas, and delays in processing alerts has triggered significant media attention, especially for customers in receipt of Carers' Allowance. Additional resourcing will enable a greater volume of VEPS alerts to be processed and generate AME savings.

Measure 6 (Great Britain): Reassessments on WCA, with a particular focus on substantial risk and short-term conditions

The proportion of people in the LCWRA group, particularly due to being assessed as such under the 'substantial risk' rules, has increased significantly over the years – most people in this group do not receive any employment support and also receive the additional health payment referenced above. We would usually reassess people at appropriate intervals to ensure that they remain entitled to the benefit, or at least at the level they have previously been awarded. However, WCA reassessments were effectively 'switched off' for a number of years under the previous Government, leaving most customers without employment support and adding significantly to the welfare bill. This measure relates to switching reassessments back on, prioritising those awarded benefit under the 'substantial risk' rules and those with short-term conditions who may have had an improvement in their condition and are therefore no longer entitled.

Measure 7 (England and Wales): Increasing capacity for PIP award reviews

As above, reassessing claimants at appropriate intervals is key to ensuring that they remain entitled to the benefit or remain entitled to it at the rate at which they have been awarded it – this is known as an Award Review in PIP. Currently, there is a backlog of Award Reviews, due to constraints in provider capacity to deliver assessments. This measure includes increasing capacity for assessments, and therefore PIP award reviews, across the board so that we can review entitlement to PIP in a timely manner in more cases and ensure people are receiving benefit at the correct rate. Once the capacity to deliver more assessments is in place, we will take Award Reviews off the head of work in age order, oldest first.

Equality Analysis

Analysis of protected characteristics in this assessment is based on the department's Policy Simulation Model (PSM) which can be used to model the impact of policies on families in the UK. The PSM is a static microsimulation model based on a snapshot of the UK population from the Family Resource Survey (FRS), currently for the financial years ending 2020, 2022 and 2023. It uses caseload forecasts alongside benefit rules to simulate results for each year, currently up to and including FYE 2030. The PSM can be used to simultaneously model multiple measures making it the most suitable tool for equality analysis of a package of measures. Where possible we have accounted for expected overlaps between policies – specifically the fact that cases gaining from the removal of the WCA descriptor changes will move onto the new lower rate of LCWRA. However, as we have not been able to in all cases account for exactly which individuals in the model will be impacted by the policy (for example the PSM does not include information about individuals' PIP points or distinguish between new and existing cases), we have undertaken analysis to identify a central estimate of impact.

Data for sexual orientation, pregnancy and maternity, gender reassignment, marital status and religion is not available within the PSM, so these characteristics could not be analysed for impacts in the same level of detail. We have, nonetheless, considered the impacts of these measures in relation to those protected characteristics and we consider that they would not have any differential impact on persons with those protected characteristics.

The analysis provided is mainly based on those measures that can be modelled within the PSM.

The measures that we have included are those with the largest financial impact on individuals - the PIP eligibility rule changes, the reduction in the UC LCWRA rate for new determinations, the freeze of the LCWRA rate for existing determinations for four years alongside the stepped increase in the UC Standard Allowance, and the reversal of the WCA descriptor changes.

In contrast, the measures we have been unable to model within the PSM - the fraud and error measures, PIP award reviews and WCA reassessment measures - provide additional funding to deliver existing processes, and we do not therefore consider there to be a significant risk of new impacts carrying an additional risk of discrimination, harassment or victimisation.

When modelling the impact of the LCWRA rate reduction for new awards we have improved our analysis to take into account the overlap between the changes to the WCA descriptors and the LCWRA rate reduction. However, due to a lack of information in the model on claim durations we have not been able to fully account for differences in the characteristics between the stock of cases who will have their LCWRA frozen and those newly determined as LCWRA awards who will receive a reduced rate in the cumulative package analysis.

The redistributive nature of the package means that while some families will financially lose, others will gain. The analysis provided will look at families in Great Britain who lose and gain from the measures across the available characteristics. Measures involving PIP are modelled on an England and Wales basis for this

Equality Analysis given it is a devolved benefit. When analysing impacts on those with protected characteristics, we have considered the need to eliminate discrimination, harassment, victimisation; advance equality of opportunity; and the need foster good relations between persons with and without a protected characteristic, as required by the Public Sector Equality Duty (PSED).

The analysis presented here is for the FYE 2030 only.

Overall impact

The assessment of impacts for individuals and families is made compared to a 'baseline assessment' which assumes new people continuing to join benefits and benefits being uprated by inflation. Therefore, some of the families impacted will be current recipients whereas others would be 'notional' future recipients.

Overall, it is estimated that in 2029/30 there will be 3.2 million families – some current recipients and some future recipients - who will financially lose as a result of this package, with an average loss of £1,720 per year compared to inflation. There are also estimated to be 3.8 million families - some current recipients and some future recipients - who will financially gain from this package, with an average gain of £420 per year compared to inflation.

This estimate does not include the impact of the £1 billion a year, by 2029/30, funding for measures to support those with disabilities and long-term health conditions into employment, which we expect to mitigate the poverty impact among people it supports into work

The most significant estimated impacts (in 2029/30) come from:

a) changes to PIP entitlement rules where we expect 370,000 current recipients to lose entitlement (when they have an award review) and 430,000 future PIP recipients who do not get the PIP they would otherwise have been entitled. The average loss is £4,500 per year.
b) Rebalancing support in Universal Credit to address perverse incentives and encourage more people into work – we expect 2.25m current recipients of UC Health to be impacted by the freeze (average loss of £500 per year – although they will also see a rise in cash terms from the standard allowance) and 730,000 future recipients of UC health (average loss of £3,000 per year). Some 3.9m households not on the UC Health element are expected to gain from the increase in the standard allowance (an average gain of £265 per year).
c) Not taking forward the previous Government's changes to the Work Capability Assessment will mean 370,000 people will now be eligible for the new UC health element at £50 per week and will gain £2,600 per year.

These do not sum to the overall impact of the package as people can gain from some measures and lose from others.

Disability

As the package of measures tries to rebalance the system and redistribute spend from disability benefits to wider working age benefits, the vast majority (96%) of families that financially lose are estimated to have someone with a disability in the household. These families losing out are also estimated to represent 20% of all families that report having someone with a disability in the household. Families not classified as containing someone with a disability may still be modelled to lose as the classification is based on self-reported disability. Survey respondents who do not classify themselves as disabled but are in recipient of disability benefits or those who do not report that their disability or illness impacts their day-to-day life would not be classified as disabled in the FRS.

In comparison, just under half of the families who gain are estimated to have someone with a disability in the household. These families will be benefitting from the increase in the UC Standard Allowance and/or the reversal of the WCA descriptor changes and will either be gaining more than they lose or not be in receipt of the other benefits impacted. Those families gaining with no disability in the household will be benefitting from the increase in the UC Standard Allowance.

Although the package aims to redistribute spend, it does reduce spend overall as well. This means that the average loss for families losing will be greater than the average gain for families gaining. For those families gaining, the average gain is higher for disabled compared to non-disabled families. This will be because gains from the reversal of the WCA descriptor changes are concentrated in families with a disabled member,

Disability benefits are provided to help people with the additional costs of living with a disability and through this help support equality of opportunity. Where reductions affect people's ability to meet those additional costs this has the potential to reduce equality of opportunity for those affected

The expected impact of the package on employment is difficult to quantify due to the wide range of dependencies including the unknown behavioural impacts of the package in the labour market. The additional funding for an employment support package will improve employment outcomes for some people, which will help to advance equality of opportunity and foster good relations with people without disabilities, by being closer to the labour market. More widely improvements to disabled people's work incentives could also move disabled people close to the labour market.

Families losing by disability in the household

	Losers			
Disability in the household	Number of families losing	Percentage of families losing	Percentage of the characteristic group	Average loss (£pa)
No disability	0.1m	4%	1%	-£1,630
Some disability	3.1m	96%	20%	-£1,730

Families gaining by disability in the household

	Gainers			
Disability in the household	Number of families gaining	Percentage of families gaining	Percentage of the characteristic group	Average gain (£pa)
No disability	1.9m	52%	8%	£290
Some disability	1.8m	48%	12%	£560

Age

With the redistribution of spend from disability benefits to wider working age families, the families financially losing are slightly more likely to have an older head of the family reflecting that older people are more likely to be in receipt of disability benefits. Families above state pension age are less likely to be impacted as they are not eligible to receive LCWRA and most people are unable to make new claims to PIP.

Average losses tend to be slightly higher for losing families with a head aged over 40, and lower for younger losing families. We have been unable to fully account for differences between the stock of existing LCWRA claimants, who will see their LCWRA rate frozen, and new claimants who will see their entitlement reduced. However, we know from administrative data that new claimants coming on LCWRA tend to be younger on average than the existing claimants, with 46% of existing LCWRA claimants aged 50 or older, compared to 38% of new claimants. This means that the average losses could be slightly higher than modelled for younger age groups and slightly lower for older age groups. It also means that younger families with entitlement to LCWRA are likely, on average, to have lower benefit levels than older families. However, the alternative of reducing rates for all LCWRA recipients would have led to existing recipients seeing potentially large falls in their incomes, which can be difficult to adjust to and could have created disproportionate impacts for the existing caseload.

Families who gain from the redistribution are likely to be slightly younger as they are less likely to lose from the disability benefit changes but still gain from the increase in the UC Standard Allowance. A greater proportion of families in the 30 to 40 and 40 to 50 age groups gain than other working age families, reflecting the fact that this age group is more likely to have UC entitlement. In contrast the average gain is larger as age increases, reflecting the increased prevalence of ill-health with age which means older working age people are more likely to gain from the WCA descriptor changes. The only pensioner families that will gain are mixed-aged couples (where one partner is above State Pension age and the other below it) in receipt of the UC Standard Allowance.

The employment support offer in this package will be available, once fully rolled out, to people *with a work-limiting health condition or disability* and will help to advance equality of opportunity for those that are able to take up the offer. The increase in the standard allowance will also help to advance equality of opportunity and foster good relations.

Families losing by age

Age (head of family)	Losers Number of families losing	Percentage of families losing	Percentage of the characteristic group	Average loss (£pa)
Less than 20	0.1m	2%	5%	-£1,070
20 to less than 30	0.5m	16%	7%	-£1,360
30 to less than 40	0.5m	17%	9%	-£1,460
40 to less than 50	0.7m	20%	11%	-£1,780
50 to less than 60	0.7m	23%	14%	-£1,960
60 to less than 70	0.7m	21%	12%	-£2,020
70 to less than 80	0.0m	1%	0%	-£460
80 and above	0.0m	0%	0%	-

Families gaining by age

Age (head of family)	Gainers Number of families gaining	Percentage of families gaining	Percentage of the characteristic group	Average gain (£pa)
Less than 20	0.1m	1%	4%	£270
20 to less than 30	0.6m	15%	8%	£350
30 to less than 40	1.0m	27%	16%	£370
40 to less than 50	1.0m	27%	17%	£400
50 to less than 60	0.7m	17%	12%	£530
60 to less than 70	0.4m	12%	8%	£570
70 to less than 80[1]	0.0m	0%	0%	£650
80 and above	0.0m	0%	0%	-

Sex

Information on sex is only available for single adults with couples in families grouped together.

Single females are more likely to lose than single males which reflects that women are more likely to be in receipt of disability benefits than men, and single females have a slightly higher average loss per annum compared to single males.

However, the majority of families gaining are single female families. The package of measures means that around 4 in 10 families gaining are lone parents with the majority of lone parents gaining. Lone parents are more likely to claim Universal Credit than other family types and benefit from the increase in the Standard Allowance, with most lone parents being women.

Couples have higher average losses and higher average gains than single families. The higher average gains reflect the increase in the couple's Standard Allowance being larger than the increase in the single rate in cash terms.

The employment support offer in this package will be available once fully rolled out to people *with a work-limiting health condition or disability*, regardless of sex and will help advance equality of opportunity and foster good relations by bringing customers

[1] Due to the small numbers gaining, we are unable to robustly model average gains for pensioner families

that are able to take up the offer, closer to the labour market. The increase in the standard allowance, which also applies regardless of sex, will also help to advance equality of opportunity and foster good relations.

Families losing by sex

		Losers		
Sex	Number of families losing	Percentage of families losing	Percentage of the characteristic group	Average loss (£pa)
Couple	0.7m	22%	4%	-£2,340
Single Male	1.1m	34%	11%	-£1,460
Single Female	1.4m	44%	12%	-£1,610

Families gaining by sex

		Gainers		
Sex	Number of families gaining	Percentage of families gaining	Percentage of the characteristic group	Average gain (£pa)
Couple	0.7m	19%	4%	£500
Single Male	0.9m	23%	9%	£470
Single Female	2.2m	59%	19%	£380

Race

The vast majority of families whether gaining or losing have a white family head reflecting wider population demographics. Families with a white family head make up a larger proportion of losing families compared to gaining families.

The differences in ethnicity between families gaining and losing likely reflects differences in benefit received by ethnicity.

The employment support offer in this package will be available, once fully rolled out, to people *with a work-limiting health condition or disability*, regardless of race, and will help advance equality of opportunity and foster good relations by bringing customers that are able to take up the offer, closer to the labour market. The increase in the standard allowance, which also applies regardless of race, will also help to advance equality of opportunity and foster good relations.

Families losing by ethnicity

		Losers		
Ethnicity (head of family)	Number of families losing	Percentage of families losing	Percentage of the characteristic group	Average loss (£pa)
White	2.8m	87%	9%	-£1,750
Mixed / Multiple Ethnic Groups	0.1m	2%	11%	-£1,540
Asian / Asian British	0.2m	7%	8%	-£1,400

Black / African / Caribbean / Black British	0.1m	2%	7%	-£1,680
Other Ethnic Group	0.1m	2%	7%	-£1,640

Families gaining by ethnicity

	Gainers			
Ethnicity (head of family)	Number of families gaining	Percentage of families gaining	Percentage of the characteristic group	Average gain (£pa)
White	3.0m	80%	9%	£440
Mixed / Multiple Ethnic Groups	0.1m	2%	14%	£410
Asian / Asian British	0.3m	9%	12%	£390
Black / African / Caribbean / Black British	0.2m	6%	19%	£350
Other Ethnic Group	0.1m	2%	13%	£370

Sexual orientation

Information on sexual orientation is not available within the PSM or any other reliable sources, so we cannot fully assess any impacts of the package. However, the proposed changes will apply equally irrespective of a customer's sexual orientation, so we do not consider there to be a risk of discrimination, victimisation or harassment against people based on their sexual orientation. We consider the increase in the standard allowance to advance equality of opportunity and foster good relations between people with this protected characteristic and those without.

Nonetheless, we will continue to monitor and assess through customer, staff and stakeholder feedback whether there are any indirect negative impacts on customers who share this protected characteristic. Action will be taken to mitigate any such negative impacts if identified.

Pregnancy and maternity

Information on pregnancy and maternity is not available within the PSM or other reliable sources, so we cannot fully assess any impacts of the package. For most measures we do not consider there to be a risk of discrimination against individuals based on maternal status alone as the proposed changes will apply equally irrespective of this. We note that LCWRA is available to women with high-risk pregnancy under the 'treat as' provisions and therefore any reduction of the LCWRA component will have a direct impact on pregnant women, although the reduction will apply to all LCWRA recipients regardless of their characteristics.

Further, although we have not been able to model the impacts for WCA reassessments and the measure is simply a reinstatement of existing processes, we have considered whether it could have a differential impact on individuals with this protected characteristic – this is because the reassessments will be targeted at short term conditions, of which high-risk pregnancy is one. This means that customers who have previously received LCWRA due to a high-risk pregnancy and currently fall under the ‘maternity’ leg of this protected characteristic are likely to be reassessed sooner than for example those with long term conditions. However, we do not consider this to be discriminatory as the measure simply aims to ensure that benefit is being paid in accordance with entitlement under the law. Nevertheless, we acknowledge that there is the potential stress of a reassessment that pregnant women are more likely to experience.

We also recognise that pregnancy and maternity is a protected characteristic exclusive to females and in general females are more likely to be in receipt of disability benefits, although since older working age people are more likely to be affected, those of child-bearing age may not be disproportionately affected. There may, therefore, be an indirect differential impact but this is due to sex and not maternal status. Further, as outlined in the analysis for the protected characteristic of sex, the majority of families gaining are single female families. We consider the increase in the standard allowance to advance equality of opportunity and foster good relations between people with this protected characteristic and those without.

Nonetheless, we will continue to monitor and assess through customer, staff and stakeholder feedback whether there are any indirect negative impacts on customers who share this protected characteristic. Action will be taken to mitigate any such negative impacts if identified.

Gender reassignment

Information on gender reassignment is not available within the PSM or any other reliable sources so we cannot fully assess any impacts of the package. The proposed changes will apply equally irrespective of whether a customer’s gender reassigned and so we do not consider there to be a risk of discrimination based on gender reassignment. We consider the increase in the standard allowance to advance equality of opportunity and foster good relations between people with this protected characteristic and those without.

However, we will continue to monitor and assess through customer, staff and stakeholder feedback whether there are any indirect negative impacts on customers who share this protected characteristic. Action will be taken to mitigate any such negative impacts if identified.

Marital status

Information on marital status is not available within the PSM or other reliable sources so we cannot fully assess any impacts of the package. However, we do not consider there to be a risk of discrimination based on marital status – this is because couples that are living together are treated similarly within Social Security legislation for the purposes of benefit receipt regardless of whether they are married, in a civil partnership or simply living together as a married couple. We consider the increase in the standard allowance to advance equality of opportunity and foster good relations between people with this protected characteristic and those without.

However, we will continue to monitor and assess through customer, staff and stakeholder feedback whether there are any indirect negative impacts on customers who share this protected characteristic. Action will be taken to mitigate any such negative impacts if identified.

Religion

Information on religion is not available within the PSM or other reliable sources so we cannot fully assess any impacts of the package. The proposed changes will apply equally irrespective of a customer's religion, we therefore do not consider there to be a risk of discrimination based on religion. We consider the increase in the standard allowance to advance equality of opportunity and foster good relations between people with this protected characteristic and those without.

However, we will continue to monitor and assess through customer, staff and stakeholder feedback whether there are any indirect negative impacts on customers who share this protected characteristic. Action will be taken to mitigate any such negative impacts if identified.

Mitigations

A range of broader mitigations exist for families affected by the policy

- For families with children, the UC child element is available, for disabled children families on UC with disabled children will continue to benefit from the disabled child addition, which is not subject to the two-child limit.
- Overall, the rebalancing measure means there will be reinvestment in the standard allowance which will benefit working age individuals and households in receipt of UC who are negatively impacted by changes elsewhere in the package.
- For people moving into work the gains are likely to outweigh losses from reductions in their benefit entitlement.
- For working age adults, the employment support package is intended to help people with disabilities and health conditions into work. This will be rolled out from 2026/27 onwards.
- For those receiving the new reduced UC health element after April 2026, we are proposing 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 their incomes protected through an additional premium.

Overall, this package of measures aims to rebalance support within the system whilst focussing support on those with the highest level of needs. Many individuals will benefit from the increased standard allowance and over time by the significant investment in employment support. Notwithstanding impacts on individuals, we consider this package of measures to be proportionate to the aims of the policy.

Lead Analyst Sign off

[Redacted], Lead Analyst

Legal Lead Sign-Off

[Redacted], Legal Director

SCS Policy Sign-Off

[Redacted], Director, Disability and Health Support

Statement of compliance with the Code of Practice for Statistics

The Code of Practice for Statistics (the Code) is built around 3 main concepts, or pillars:

- trustworthiness – is about having confidence in the people and organisations that publish statistics
- quality – is about using data and methods that produce statistics
- value – is about publishing statistics that support society's needs

The following explains how we have applied the pillars of the Code in a proportionate way.

Trustworthiness

The figures were created to support Government decision making and understand the impact of policies on household incomes and individuals in low income. They are being published to give equal access to all those with an interest in them.

Quality

The data that underpins this information is taken from DWP's Policy Simulation Model which includes caseload forecasts taken from DWP and HMRC data. This analysis uses the most up to date model available at the time of writing that is consistent with the Office for Budget Responsibility's March 2025 economic and fiscal forecast.

The information used refers to individuals who will be affected by the change to the proposed social security measures, as above.

Value

Releasing this information serves the public interest in the poverty impacts of changes to the incapacity and disability benefits system. The figures also help reduce the administrative burden of answering Parliamentary questions, Freedom of Information requests and other forms of ad hoc enquiry and serves public.

Further information and feedback

Contact DWP Press Office if you have any questions or feedback.