



Joint briefing: Mental health and the Pathways to Work Green Paper

By the National Survivor User Network and Mad Youth Organise May 2025

The UK's social security system is <u>among the least generous in Europe</u>. It is described by Amnesty International as '<u>consciously cruel</u>' and there is a a well-documented <u>link between the DWP's current punitive practices and deaths by suicide</u>.

The UN Committee on the Rights of Persons with Disabilities <u>concluded that the UK Government has failed to address 'grave and systemic violations of disabled people's rights'</u> carried out over years of austerity and welfare reforms since 2010. **Our welfare system is already failing**. It is against this backdrop that the Government is now proposing even more harmful reforms that will penalise some of the poorest people in our society.

These proposals must be rejected in favour of a welfare system worthy of the name and with dignity at its heart.

Key points

- These reforms are specifically designed to impact those living with mental ill-health.
- Poverty is well known as both cause and consequence of mental ill-health. These reforms would plunge millions further into poverty, worsening distress and destitution.
- Proposals will increase demand on our already struggling mental health system, which cannot cope with more demand. There are no "savings", simply costs shifted from the DWP to the NHS.
- The consultation process is disingenuous the most controversial proposals are not being consulted on, and the consultation that is happening is inadequate and poorly run.
- If implemented without full consultation, reforms will undermine trust in the entire political system, opening the door for new political ideologies that claim to offer an alternative.

Distress and destitution

Proposals outlined in the Pathways to Work Green Paper are **intentionally designed to restrict claims among those living with mental ill-health** — we know this as lowering claims among those with so-called mental illness was a key driver of the <u>November 2024 White Paper</u> which outlined the rationale for the changes.

Changes to eligibility criteria for Personal Independence Payments (PIP) will disproportionately impact those living with mental ill-health. At the moment, the daily living component of PIP is awarded when someone scores a certain number of 'points' according to their ability to perform various daily tasks, which are split into 10 categories.

The Green Paper proposes requiring people to score at least 4 'points' in a single category in order to qualify. A recent Freedom of Information Request has suggested that <u>87% of people currently receiving the daily living component of PIP at the standard rate would not qualify under the new rules</u> proposed in the Green Paper.

Those living with mental ill-health are among the least likely to score 4 points in a single category. Their conditions often vary in intensity, and their needs are likely to fall across multiple categories rather than score highly in one. Another Freedom of Information request shows that 48% of people receiving PIP for anxiety and depression, and 26% for "other psychiatric disorders" would not qualify under new rules. The Government is putting too much faith in speculative claims that PIP assessments will become more thorough as a result of proposed changes. We know that people are routinely scored lower than they should be on PIP assessments and cannot rely on the hope that this will change overnight.

The proposals would also change Universal Credit such that a claimant is only eligible for the health element (a supplementary payment for UC recipients experiencing ill-health) if they are also in receipt of PIP. This means that many who lose PIP will also lose other benefits. Those who do retain their PIP awards will see the health element of UC frozen from April 2026. For those who claim after this point, it will be reduced.

Those aged under 22 will lose all access to the UC health element, irrespective of whether they qualify for PIP. Carers will also be hit as, in order to qualify for carer's allowance, the person they care for must receive one of a list of 'gateway' benefits. PIP is one such benefit. 1.2 million carers already live in poverty.

The OBR has found that freezing the UC 'health element' would leave 3 million people facing an average reduction of £1,100 to their UC awards by 2029. This life-altering change would create serious financial precarity and distress.

Reforms will plunge an estimated 700,000 people who are already in poverty into deeper destitution. This is on top of the 250,000 people who will be newly driven into poverty as a result. These are the Government's own figures, which are notably lower than others predict; suggesting that the figure for those newly pushed into poverty will be closer to 340,000.

Despite the catastrophic impact these reforms will have, the Government has refused to consult on <u>any</u> of the proposals discussed above.

Our (mental) health system cannot cope with the fallout

Our health service is already on its knees, with a catalogue of failings outlined starkly in <u>Lord Darzi's independent review of the NHS.</u> The impact of austerity has hit mental health services particularly hard, with people regularly struggling to access care and finding

themselves <u>pushed to crisis point</u> and trapped in <u>cycles of readmittance</u> for lack of appropriate support. Within these crises, people who are already marginalised will be hardest hit by service unavailability. These reforms will only worsen this situation.

Along with these reforms we see increasing rhetoric around mental ill-health being "overdiagnosed" and "sick note culture". This is despite research showing there are 12 times as many people with undiagnosed distress as there are people who could be considered as "overdiagnosed". Disabled people are three times more likely to live with undiagnosed distress. A DWP report shows that the current fraud rate for PIP is 0%. Claims of overdiagnosis or fraudulence are not true, they are calculated and stigmatising efforts to justify cutting vital support.

Financial insecurity and poverty are <u>well known to be both cause and consequence of mental ill-health</u>. By plunging swathes of the population into destitution and toward despair, reforms would only create more ill-health and increase demand on our health service.

Disingenuous consultation process

Despite claiming to prioritise Disabled people's voices in reforms, the Government is simply not consulting on a single one of the proposals we outlined above - instead, the consultation focuses on implementation rather than the content of proposals. The consultation was announced before the Green Paper was made available in accessible formats, and in-person events have been poorly run and oversubscribed. Additionally, there has been no meaningful engagement with Disabled People's Organisations and we are still waiting for a comprehensive impact assessments. This means that both the public and members of Parliament have insufficient information to understand and analyse the impact of proposals.

Numerous legal firms are working on raising legal challenges around the consultation process, emboldened by a recent successful Judicial Review in which the High Court ruled the previous government's welfare proposals — including the consultation process surrounding it — unlawful. The consultation process is not only disingenuous and insulting, it is also potentially unlawful and ruinous to public trust in government processes.

The reforms fail on their own terms

While the Green Paper claims it is necessary to cut public spending on welfare, the proposals it offers will not lead to savings. Instead, they will **simply shift expenditure from the DWP** in the short term to the NHS in the long term, all at a time when the mental health system is already failing, NHS England is being hastily abolished, and <u>ICBs are being ordered to cut their running costs by 50% by October 2025</u>. The Trussell Trust has calculated that poverty caused by the Government's current welfare system is already costing public services (including the NHS) £13.7 billion. These cuts will only make this worse.

Beyond the NHS, it is not clear that the DWP itself has the capacity to deliver its supposed plans to increase employment support, which is currently operating with <u>significant staff</u> shortages and with <u>more staffing cuts on the way</u>. **The DWP itself might crumble under the**

additional pressure these reforms will create, particularly relating to the "employment support packages" the Government claims it will implement. On the issue of raising the rate of employment, one sixth of those in receipt of PIP are in work, many of whom rely on this support to maintain employment — many people will face unemployment as a result of the reforms.

There is also a far greater longer-term cost. People did not vote Labour to see a further decimation of the welfare state. Not only is Labour becoming the architect of its own demise, it also risks adding to the slew of high profile government failings we have seen in recent decades, which transcend party politics. By undermining trust in the political process, we open the door to dangerous authoritarian and ultranationalist ideologies.

We are encouraging all Members of Parliament to:

- Engage with and advocate on behalf of Disabled people, rejecting narratives that describe Disabled people as 'fraudsters' or a financial burden.
- Vote against all welfare-related reforms, at the very least until:
 - A full and accessible consultation has occurred, on αll of the proposals.
 - \circ Comprehensive and transparent impact assessments have been made available for αll of the proposals.

Contact

If you would like to follow up on this briefing, please contact NSUN's Head of Policy & Campaigns, Dr Courtney Buckler, at courtney.buckler@nsun.org.uk



The <u>National Survivor User Network</u> (NSUN) is a national mental health charity and membership organisation for individuals with lived experience of mental ill-health, distress, or trauma. We are England's only mental health charity that is exclusively led by people with lived experience at both the staff and trustee levels.

The National Survivor User Network (NSUN) is a registered Charitable Incorporated Organisation in England (no.1135980)



<u>Mad Youth Organise</u> is a campaign led by young people with lived experience of mental distress and madness, organising to build a collective response to the crisis we are facing.