

## Written evidence from Z2K (BTW0002)

### Submission to Select Committee Back to Work Plan evidence session

1. Z2K is an anti-poverty charity. We provide advice, support, and representation to people facing social security and housing challenges, and use the insights from this to campaign for local and national change.
2. For several years, a core part of our casework has been supporting clients to challenge disability benefit decisions, both Personal Independence Payment (PIP) and the Work Capability Assessment (WCA). This gives us deep insight into the way the systems operate in reality, and the impact on our clients.
3. We recognise that economic inactivity is a key political issue at present, and the Department for Work and Pensions (DWP) has made a series of immediate and longer-term proposals in this area. But we have serious concerns about them, which we outline below.

### Changes proposed to the WCA

4. DWP intends to tighten the WCA from next year for new claimants with serious mobility or mental health difficulties.

### Mobility

5. The stated logic for the restriction regarding mobility is that home working is now more available, but DWP has provided no evidence that fully home working is realistic for these claimants. Many entry-level or low-paid jobs in sectors like retail, security, care, cleaning, or hospitality are impossible to do remotely. And there is no guarantee at all that these claimants have a home environment conducive to remote working (such as internet connection, a quiet space to work from, and so on).
6. If such jobs are not realistically available for affected claimants, then people with serious mobility problems will be both unable to work, and unable to access additional Universal Credit, leaving them to live for the long-term on a rate of Universal Credit that the Committee recently recognised was not sufficient to meet any reasonable benchmark.

### Substantial risk

7. DWP says that too many people are awarded LCWRA on the basis of mental health substantial risk, so change is needed. This confuses the concepts of 'rarity' and 'severity'. DWP has presented no evidence that people are wrongly being assessed as at substantial risk. Clearly, redefining 'substantial risk' does not reduce the underlying reality of the risk someone faces.
8. We understand that DWP has undertaken some form of desk-based audit of cases awarded LCWRA on the basis of substantial risk to mental health, from which it apparently concluded a large proportion had been wrongly classified as such. This was explained to attendees at an in-person consultation event in October 2023 and other online engagement events during the course of the consultation. DWP has refused a Freedom of Information request to provide more details of this audit, and Z2K has requested that the Information Commissioner's Office take a decision on the information's release.

9. Because no details of this exercise have been made public, it is impossible to assess the results, nor the reliability of conclusions drawn from it.

### Impact

10. Altogether, the OBR estimates that in the first five years of the reforms, 371,000 people will be denied LCWRA status (230,000 due to mobilising changes, 141,000 due to substantial risk changes). Yet across the WCA proposals, which also includes tightening of the Limited Capability for Work (LCW) category, OBR expects just 10,000 people to move into work. If as anticipated, the WCA is abolished altogether from 2026 for new claims (see below), then these will of course be lower figures.
11. Z2K and many other organisations also have concerns about the speed and quality of the consultation process itself, as set out in our open letter to the Secretary of State<sup>1</sup>. This is subject to ongoing Judicial Review proceedings.

### **Abolition of the WCA**

12. From 2026 (for new claims) and 2029 (for existing claims), DWP intends to abolish the WCA altogether. Instead, access to additional Universal Credit would be determined by receipt of PIP, with a small number of specific exceptions. Work Coaches would take on a greater role in determining a claimant's conditionality.
13. In isolation there are positive aspects to these proposals. They would reduce the number and regularity of health assessments that disabled people face, which is a key issue for our clients, and they would allow people to try work without fear of suddenly losing a large portion of their Universal Credit.
14. However, taken together, there is a real risk that these proposals leave large numbers of seriously ill and disabled people even further in poverty than today, and subject to inappropriate conditionality and the threat of sanctions.

### Reliance on PIP

15. As the Committee has previously explored, there are serious issues with the PIP assessment and decision-making process. At Z2K, we see cases where a claimant is made no award at all of PIP, only to receive a maximum award at Tribunal. These are not 'knife-edge' cases. Under these proposals, those clients would also be without additional Universal Credit until their appeal was heard, which could be over a year from the point when they should have begun to receive it. There are currently over half a million people who are accepted as not well enough to work, but who do not receive PIP, and we are aware of no research DWP has undertaken into who these groups are, whether they have previously received or applied for PIP, or the types of conditions they have. Unless they can and do make a successful PIP claim, claimants like these would lose out under these proposals.
16. The PIP assessment is designed to assess functionality, not ability to work, so there will be some groups of claimants unable to work but who don't meet the PIP criteria. Our caseworkers have identified three groups in particular, although there could be others:
  - Claimants with relatively short-term conditions (or conditions with uncertain prognoses)
  - Claimants with fluctuating conditions that affect them on less than 50% of days (the PIP threshold) but who are severely affected when the condition flares up

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<sup>1</sup> <https://z2k.org/wp-content/uploads/2024/04/WCA-open-letter-22.11.23.pdf>

- Claimants with e.g. behavioural conditions who are not significantly functionally impaired solely because they have enough money to live on and are not required to look for work. If either of those conditions were no longer met, they would develop serious functional difficulties

#### Work Coaches assessing ability to work

17. Our clients regularly report very variable degrees of understanding and decision-making among Work Coaches. The prospect of Work Coaches having more control over their Universal Credit claims is of great concern to many of our clients.
18. A further issue with this approach is the lack of access to legal routes to challenge the contents of a Claimant Commitment. The Commitment does not represent a decision by the Secretary of State – its status is of a jointly-produced document, although in practice this is not always the case given the imbalance of power between a Work Coach and a claimant who needs money to live on. Because it is not a formal decision, it cannot be challenged – it would only be once a sanction has been imposed that a challenge could be lodged.
19. We note that DWP’s own research finds that ESA claimants are already less likely than Universal Credit claimants to say the DWP took their personal circumstances into consideration when setting up commitments<sup>2</sup>, and nearly 2 in 5 of all Universal Credit claimants do not think their commitments are achievable<sup>3</sup>. We do not think it is plausible, even with the resource and training that DWP will undoubtedly point to, that over 10,000 Work Coaches will reliably and consistently make good decisions about complex issues like the degree to which health affects someone’s ability to work.

#### **Other aspects of government proposals**

20. We are not in a position to comment in detail on the employment support elements of the Back to Work Plan or the White Paper. But we strongly believe that support, both financial and practical, as well as addressing delays in the healthcare system, are the best ways to safely and sustainably help people who can work into work.
21. It is disappointing that DWP seems unable to offer support without also finding some way to increase conditionality and the threat of sanctions. As well as the practical impact of increasing the possibility or impact of sanctions even further, this rhetoric adds to the sense of fear and being under siege that many of our clients report. This turns DWP into a place of fear, not a place of support - which means people ‘play the game’ to avoid reductions in their benefits, which is directly counter-productive to the government’s aim of reducing economic inactivity.

*April 2024*

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<sup>2</sup> <https://www.gov.uk/government/publications/dwp-claimant-service-and-experience-survey-2018-to-2019--2/claimant-service-and-experience-survey-2018-to-2019>

<sup>3</sup>

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/714842/universal-credit-full-service-claimant-survey.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/714842/universal-credit-full-service-claimant-survey.pdf)