

Universal Credit Bill

Joint civil society briefing – Lords Second Reading & Remaining Stages

Tuesday 22nd July

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About this briefing

This joint briefing provides analysis of the UC & PIP Bill in light of the amendments made in the Commons stages. While we are aware that it is proceeding as a Money Bill and there may be limited opportunities for scrutiny, we are asking that parliamentarians make representations to Ministers on the following issues:

1. Problems with the severe conditions criteria
 - a. The 'constantly' requirement
 - b. The requirement for an NHS diagnosis
2. The involvement of disabled people in the Timms review

Background to the passage of this Bill

The Bill as first introduced in the Commons

The Bill was initially titled The Universal Credit and Personal Independence Payment Bill, and included the following reforms:

- **Cuts to Personal Independence Payments (PIP):** These would operate through tightening the eligibility criteria for PIP. They would have meant that by the end of this parliament, 800,000 disabled people would have faced an average loss of £4,500 per year. As a consequence, 150,000 carers would also have lost their primary income, Carer's Allowance, a loss of £4,300 per annum.
- **A freeze to the health element of Universal Credit:** This would have prevented the health element of UC from rising in line with inflation. By 2030 this would amount to a real-terms cut of £500 per year for 2.3 million sick and disabled people.
- **Cuts to the health element of Universal Credit:** This will reduce the value of the health element by around half (from £97 per week to £50 per week) for people making a new claim after April 2026. By 2030 this will be a cut of £3,000 per year for 750,000 sick and disabled people.
- **Increasing the standard allowance of Universal Credit:** This would increase the basic rate of UC incrementally from April 2026 so that by April 2029 it will have risen by 4.8% above inflation. By the end of the period, this will be an increase of around £250 a year above inflation for a single adult over the age of 25.

Responding to significant concerns raised by MPs, disabled people's organisations and wider civil society, the government committed to bringing forward amendments to the Bill on Thursday 26th June. It made further concessions during the Second Reading debate on Tuesday 1st July. These were incorporated into the Bill at committee stage and have the following effects:

- **PIP:** All the provisions relating to PIP have been removed from the Bill. It now contains no changes to the eligibility requirements for current or future recipients. The government has committed to make no changes to the PIP eligibility criteria until after the report of a review led by the Minister for Social Security and Disability (the Timms review). It has said this review will be co-produced with disabled people.
- **Universal Credit:** Existing recipients of the health element of Universal Credit will not see their payments frozen. However, the way in which these amendments are drafted means that people in this situation will not feel most of the benefit from the

£250 per year increase to the standard allowance that will be provided to other Universal Credit recipients.

The Government has also brought forward amendments to change the title of the Bill to remove issues relating to PIP from its scope.

Key remaining provisions

- **Clause 1** – increases the basic rate or ‘standard allowance’ of Universal Credit
- **Clause 2** - cuts the rate of the Universal Credit health element by half for nine in ten people claiming it for the first time after April 2026.
- **Clause 2(1) and Sch 1, para 6** make provisions for some people with a terminal illness or who are assessed as having a severe or lifelong condition. People in these groups who claim the UC health element after April 2026 will be protected from the cut.

The Joseph Rowntree Foundation and New Economics Foundation estimate that the combined impact of these provisions will be around 50,000 more people in poverty by 2029/30.¹ This group is comprised of disabled people and people in disabled households.

It's important to highlight that the government's poverty impact analysis published on Monday 7th July includes the effects of not proceeding with the previous Conservative government's reforms to the Work Capability Assessment - a decision which does not form part of the measures in this Bill, and a reform which was never implemented.² It's unambiguous that the measures in this Bill increase rather than decrease poverty.

Our response to remaining cuts

By 2030, the cuts set out in Clause 2 would cut the health element of Universal Credit for more than 750,000 disabled people by £3,000 per year. Their impact will only grow in the years to follow.

These cuts are happening in a context where disabled people receiving Universal Credit already face disproportionately high levels of hardship. Research from Trussell and YouGov has found that one in five people receiving Universal Credit and disability benefits have been forced to use a food bank in the last month.³

¹ See analysis and comment from [JRF \(2025\)](#) and [NEF \(2025\)](#)

² [Spring statement social security changes: updated impact on poverty levels in Great Britain, July 2025](#)

³ [Research is based on an online survey by YouGov on behalf of Trussell of 1,209 adults \(16+\) currently claiming Universal Credit. Fieldwork was undertaken 21 January – 3 February 2025. The survey was carried out online. The figures have been weighted and are representative of all adults on Universal Credit \(aged 16+\).](#)

Who will be affected

These cuts will affect future recipients of the health element of Universal Credit, also known as the Limited Capability for Work and Work-Related Activity (LCWRA) element. Disabled people who receive this payment will have gone through an assessment process and have been found by the DWP to be unable to work or prepare for work. ⁴Examples of the criteria they may have satisfied include:⁵

- **Manual dexterity:** Cannot press a button or turn the pages of a book with either hand.
- **Communication:** Cannot convey a simple message, such as the presence of a hazard.
- **Learning tasks:** Cannot learn how to complete a simple task, such as the setting of an alarm clock.
- **Coping with change:** Cannot cope with any change, to the extent that day-to-day life cannot be managed.
- **Eating:** Cannot convey food or drink to one's mouth without physical assistance from someone else.
- **Continence and toilet needs:** At least once a week experiences loss of control, leading to extensive evacuation of the bowel or voiding of the bladder.

Case study from Z2K

Steve had a traumatic brain injury from a car crash which has left him with constant pain, from the moment he wakes up to the moment he goes to bed. His injury affects his ability to eat, sleep, prepare food for himself, and this impacts his mental health too. On a bad day, Steve's brain injury means he can become confused and forgetful, and he can lose track of where he is or undertake dangerous activities. Steve uses his LCWRA to pay his rent because the housing element of Universal Credit he receives is restricted by the Local Housing Allowance - if he didn't have this support, he'd lose the roof over his head. He already doesn't have enough money to eat three meals a day, and there's nothing left for him to cut out of his monthly expenses.

Case study from the MS Society

Sarah is a 48-year-old woman living with secondary progressive multiple sclerosis (MS), a form of MS which gets worse steadily over time. She lives alone in a privately rented flat in London. She experiences severe fatigue, muscle weakness, pain, and cognitive difficulties

⁴ Currently, and at the point these changes come into effect, this will be the Work Capability Assessment, but the government has also announced its intention to scrap this assessment from 2028 and use the Pip assessment as the gateway to the Universal Credit health element.

⁵ These are examples of the 'LCWRA' descriptors. If, following assessment, it is found that one or more of these descriptors apply to a person then they will be entitled to the health element. Some of the examples cited have been lightly paraphrased or abridged for clarity. You can find the full list at: [Turn2Us: Work Capability Assessment - Limited Capability for Work Related Activity](#)

every day. She uses a wheelchair full-time and relies on a combination of informal help from her brother and limited paid care to help her with daily tasks, such as getting dressed, undressed and washing.

Sarah is unable to work due to the severity of her condition. She receives the 'health element' of Universal Credit, and is in the Limited Capability for Work-Related Activity group (LCWRA) where she is not expected to look for work. She also receives Personal Independence Payment (PIP). However, even with both, she struggles financially. As she lives alone in London, her rent is high and her condition brings significant extra costs such as paying for a carer, taxis to regular hospital appointments, and microwaveable meals as it is unsafe for her to cook from scratch. If Sarah was to receive the UC health element as a new claimant after April 2026, she would receive a cut which by 2030 would be £3,000 per year. This would force her to choose between essentials like heating, food, and personal care, severely compromising her health, and making her less able to live independently and safely.

[You can find a full list of case studies compiled by the team at Scope here.](#)

Who will be protected

The government has said that some people with a terminal illness or lifelong condition will be protected from this cut due to the provisions in Clause 2(1) and Sch 1, para 6. However, the impact assessments that accompany the Bill show that fewer than 10% of new claims are expected to satisfy these criteria. This would mean 80,000 people seeing their Universal Credit protected by 2030, against a deep cut for 750,000.⁶

How current recipients may be affected

These cuts will affect people claiming Universal Credit after April 2026, however there are also real risks that current recipients will be caught by them. This includes disabled people who move into work for a period of more than six months, are unable to sustain that employment due to the impact of their condition and need to return to claiming Universal Credit as a 'new claimant' and so face a £3,000 cut compared to their previous award.

It also includes people who lose their health element following a reassessment and subsequently make a new application for it. There are high rates of inaccurate decision-making in the current system, with half (49%) of Universal Credit decisions which reach appeal being overturned⁷. Many disabled people find themselves unable to navigate the complex and lengthy appeals process and as a result make a new application for the

⁶ [Universal Credit Rebalancing from the Department for Work and Pensions - May 2025](#)

⁷ [Tribunal Statistics Quarterly: January to March 2025](#)

health element.⁸ People caught in this situation will be required to return to a significantly lower rate of support.

We have been clear that these cuts will increase hardship among disabled people and their families and we do not support the Bill proceeding while it contains these measures.

Priorities for amendment and further scrutiny

While we are aware that this Bill is proceeding as a Money Bill, with limited opportunities for scrutiny, we are asking that parliamentarians make representations to Ministers on the following issues.

Problems with the severe conditions criteria

Clause 2(1) and Sch 1, para 6 create a protection from the cut to Universal Credit for two groups:

- **Special Rules for End of Life (SREL)** - apply to people who have a progressive disease and who may die within twelve months.
- **Severe conditions criteria (SCC)**- apply to people who meet a set of requirements including having a lifelong condition and being likely to satisfy the relevant assessment criteria for the rest of their life. This draws on an existing process which is already used within the Work Capability Assessment to determine people who do not need to go through future reassessments. However as these criteria have not previously been used to determine benefit levels, they have previously only existed within internal DWP guidance and have not been part of the legislative framework for Universal Credit.

The Bill sets out a number of requirements for a disabled person to fulfil the severe conditions criteria, including that:

- They have limited capability for work and work-related activity (as assessed through the Work Capability Assessment)⁹
- At least one of the relevant ‘functional’ descriptors constantly applies to them and will do for the rest of their life
- They have been diagnosed by an appropriately qualified health care professional in the course of the provision of health and social care services

⁸ [The Timms Review of the PIP Assessment \(2025\)](#)

⁹ For more detail on the relevant criteria, see: [Turn2Us. “Limited Capability for Work Related Activity”](#)

The DWP estimates these groups will include over 80,000 people by 2029/30, - around 10% of new claims to UC health.¹⁰ **Effectively these reforms represent a restructuring of the incapacity benefits system to create a ‘top rate’ of the health element for a restricted group - set at the current level. As a result the details of their design will have significant consequences for all disabled people needing support from Universal Credit in the future, and merit careful consideration. However, there are significant gaps in the way the severe conditions criteria are drafted.**

The ‘constantly’ requirement

Sch 1, para 6(2)(b) requires that a relevant part of the assessment criteria or ‘descriptor’ *constantly applies* to a disabled person in order for them to meet the criteria. A further definition is set out at Sch 1, para 6(4).

A descriptor constantly applies to a claimant if that descriptor applies to the claimant at all times or, as the case may be, **on all occasions on which the claimant undertakes or attempts to undertake the activity** described by that descriptor’

This is a departure from the standard which is used generally within the Work Capability Assessment to determine whether a descriptor should apply to a person. This existing test is contained within Regulation 40(4) of the Universal Credit Regulations 2013:

A descriptor applies to a claimant if that descriptor applies to the claimant for the majority of the time or, as the case may be, **on the majority of the occasions on which the claimant undertakes or attempts to undertake the activity** described by that descriptor.

This is a significant tightening of the criteria and would likely leave without protection people with a wide range of severe and lifelong conditions which nonetheless involve some day-to-day fluctuation, including multiple sclerosis, Parkinson’s, schizophrenia, cerebral palsy and arthritis. The issue is not simply that people with specific conditions are disadvantaged by this requirement, but that the requirement does not account for the fundamental nature of many severe and lifelong conditions.

Illustrative example

Johnathan has schizophrenia and hears distressing voices several times a day, although this can be more frequent when he is under stress or pressure. If he hears voices when interacting with another person, he will often abandon that interaction and focus on responding to the voices. He finds managing social interactions during hallucinations particularly difficult. The assessor and DWP decision-maker looking at Johnathan’s case

¹⁰ [DWP, ‘Universal Credit Rebalancing from the Department for Work and Pensions - May 2025’](#)

both believe that he satisfies the criteria for the Universal Credit health element on the basis that he cannot carry out social engagement because of significant distress.

- **Under the constantly requirement:** The decision-maker may note that Johnathan does not always have hallucinations and that he can sometimes go to the local shop and undertake a brief interaction to buy groceries. They decide that Jonathan does not meet the constantly applies requirement as there are some occasions in which he can engage in social contact. As a result, he is subject to the £3,000 per year cut.
- **Without this requirement:** The decision-maker notes that Johnathan can sometimes go to the local shop and buy groceries but that on the majority of times Johnathan needs to engage with other people, he experiences distress relating to his hallucinations and cannot complete those interactions. As a result, he has found maintaining employment and personal relationships very difficult. They decide that he meets the relevant criteria, and he is protected from the cut.

Debate during the commons stages

Groups including the MS Society, Parkinson's UK and the Disability Benefits Consortium have raised these concerns, and a number of amendments were tabled at committee stage on this issue.¹¹

During the third reading debate, Sir Stephen Timms offered reassurances that the constantly requirement will not have these feared effects.

Let me finally make an important point, which was made by my hon. Friend the Member for Dunfermline and Dollar (Graeme Downie) and others. **The severe conditions criteria in the Bill exactly reflects how the functional tests are applied at present. That is in guidance. It is being moved in this Bill into legislation.** It does take account of Parkinson's and MS because people need to meet these descriptors reliably, safely, repeatedly and in a reasonable timeframe, so I can give a firm assurance to those concerned about how the severe conditions criteria will work for those with fluctuating conditions. The word "constantly" here refers, as I said in my earlier intervention, to the functional criteria needing to apply at all times, not to somebody's symptoms.¹²

However, there is a gap between the stated intention to exactly reflect the existing severe conditions, and the test which is written into the face of the legislation.

¹¹ See for example: [Graeme Downie's amendment, Schedule 1](#) and [Kirsty Blackman's amendment, Schedule 1](#);

¹² HC Deb 9 July 2025, vol 770, col 1045.

The existing severe conditions criteria is made up of four tests, set out through internal DWP guidance:¹³

	Test	Description
1	The level of function will always meet LCWRA	The level of function would always meet LCWRA criteria
2	Lifelong condition, once diagnosed	The condition will always be present. Some lifelong conditions are present from birth, but others will develop or be acquired later in life.
3	No realistic prospect of recovery of function	Advice on this should be based on currently available treatment and not on the prospect of scientists discovering a cure in the future.
4	Unambiguous condition	They have been through relevant clinical examinations with their health practitioner and full investigations have been completed. There should be no doubt that the person is significantly and substantially impaired

Comments from the Commons debates suggest that the ‘constantly’ provisions are an attempt to write this first test into the face of the legislation. However, these tests are not equivalent. The test in the existing severe conditions criteria is one of long-term fluctuation. It asks a decision-maker to consider whether someone’s condition might improve to the point where they no longer meet the LCWRA criteria. In the notes which accompany it, the DWP say that someone who is unlikely to satisfy it include: ‘*conditions which might be severe at times, but recovery of function might be present for substantial periods*’. The relevant training materials for assessors summarise this test by saying ‘The key question to think about is “If I assessed this person at any point would my advice always be that functional LCWRA is likely to apply’.¹⁴

By contrast the ‘constantly’ requirement written into the Bill is a test of day-to-day fluctuation. It changes what it means for a descriptor to apply someone from the existing legal test (a person has to struggle with an activity on the majority of occasions they undertake it) to an entirely new one (a person has to struggle on all occasions). While it is right to point out that caselaw requires decision-makers to take into account whether a person can carry out an activity reliably, repeatedly or safely, the provisions in this Bill

¹³ [HoC, Deposited papers, ‘Severe conditions criteria’ \(2017\)](#)

¹⁴ [DWP Severe Conditions Prognosis/Re-referral Guidance at WCA Face to Face Assessments and Filework \(Distance Learning \(2017\)](#)

would still require decision-makers to make those considerations in the context of a stricter test.¹⁵

What parliamentarians can do

We are asking parliamentarians to make representations to Ministers about bringing forward amendments that would remove the ‘constantly’ requirement - or provide explicit clarity on the face of the Bill that conditions which involve fluctuation are protected. If the requirement was removed, the severe conditions criteria would still represent a high threshold, as disabled people would need to demonstrate both that they will have their condition for the rest of their life and that a relevant descriptor will apply to them for the rest of their life.

We would also encourage parliamentarians to raise the following questions during the debates:

- The government’s position appears to be that the ‘constantly’ requirement will *not* mean that a descriptor has to apply to a claimant on all occasions in which they undertake an activity. Can Ministers provide clarity about what this test does mean and how it differs from the test in Regulation 40 of the Universal Credit Regulations?
- Schedule 1, paragraph 6, subparagraph (2) – already requires that a LCWRA descriptor applies to a claimant and will apply to a claimant for the rest of their life. Can Ministers set out why the government does not believe these provisions are sufficient to reflect the requirements of the existing severe conditions criteria?
- If a person with a condition such as MS, Parkinsons’ or schizophrenia can safely or reliably carry out a relevant activity on some occasions, but not on the majority of occasions, will they meet the severe conditions criteria?
- Can Ministers provide specific case studies or examples of claimants who the government envisages would meet or would not meet the constantly requirement? It would be helpful if these examples focus on claimants who satisfy all other aspects of the severe conditions criteria, including that they will have their condition for the rest of their life and that a relevant descriptor will apply to them for the rest of their life.

¹⁵ Ministers comments also suggest that a descriptor will apply if a person cannot complete an activity within a reasonable timeframe (i.e. not too slowly). This is a relevant consideration for PIP but not the Work Capability Assessment. However, the speed at which a person can complete an activity may go to questions of reliability and repeatability, which do form part of the considerations for the WCA.

The requirement for an NHS diagnosis

Provisions in Schedule 1 require that a person who meets the severe conditions criteria ‘has been diagnosed by an appropriately qualified health care professional in the course of the provision of NHS services.’¹⁶

This is a new requirement which does not appear elsewhere in the existing assessment regulations. It would exclude people who have been receiving treatment outside the NHS system due to long waiting lists or inaccessible support, as well as people who do not regularly engage with NHS services or who have help provided through the social care system. It is also unclear what this requirement will mean for people who received their initial diagnosis in the private healthcare system but have subsequently received treatment or ongoing support to manage their condition in the NHS, including through their GP.

If this requirement were removed, disabled people would still need to demonstrate that they had a lifelong condition or impairment and that they would always be likely to meet the relevant assessment criteria. These are themselves significant eligibility restrictions that in the current system only around 5% of people meet.¹⁷

What parliamentarians can do

We are asking parliamentarians to make representations to Ministers about bringing forward amendments that would remove the ‘NHS diagnosis’ requirements from the Bill.

The involvement of disabled people in the Timms review

During the Second Reading debate on Tuesday 1st July, the government committed that any future changes to PIP will only happen following the report of the Timms review into the PIP assessment. The government has also committed that this review will be co-produced with disabled people. The terms of reference say the following:

The review will be co-produced with disabled people, the organisations that represent them, clinicians, experts, MPs and other stakeholders, so a wide range of views and voices are heard. We will engage widely over the summer to design the process for the work of the review, including to ensure that expertise from a range of different perspectives is drawn upon.

However, the way this Bill has been brought before parliament and the lack of consultation with disabled people and their organisations has already caused significant

¹⁶ Sch 1, para 6(3)(a)(ii) and Sch 1, para 6(3)(b)(ii),

¹⁷ [DWP, ‘Universal Credit Rebalancing from the Department for Work and Pensions - May 2025’](#)

levels of distress, anxiety and distrust among many disabled people. Disabled people have also had limited involvement in shaping the terms of reference. A disabled client of Z2k who was invited to participate in an early meeting of the Timms review on Monday 30th June shared her experience:

‘I recently attended a meeting at the Department of Work and Pensions, which was organised so that disabled people could ‘shape the Terms of Reference’ for the PIP review. I was extremely upset to learn afterwards that the Terms of Reference for the review had already been finalised and published on the same day. If that was the case, I am struggling to understand the true purpose of our presence. It left me questioning whether our voices were ever intended to shape the process or whether we were simply being included to give the appearance of consultation.’

Debate during the commons stages

In response to these concerns there were a number of amendments tabled at committee stage, including New Clause 11 laid by Dr Marie Tidball.¹⁸ This would:

- Make sure the Timms review is conducted in accordance with the principles set out in Article 4(3) of the United Nations Convention on the Rights of Persons with Disabilities. (UNCRPD)
- Require the report of the review be laid before the House of Commons within twelve months of the day on which the Bill is passed
- Require parliamentary approval before the outcomes of the Timms review can be taken forward
- Provide for an independent task force led by disabled people to provide oversight of the review
- Require the Secretary of State to provide a regular report on the implementation of proposals taken forward by the review

During the committee stage debate, the Minister for Social Security made commitments in relation to this amendment, and it was not moved. These commitments included that:

- The government accepts the principles set out in article 4.3 of the UNCRPD should apply to the Timms review
- There will be a group of around a dozen people to lead the co-production of the review. This will be chaired by Sir Stephen Timms and the majority of its members will be disabled people or representatives from disabled people’s organisations. (It will deliver the review itself rather than being an independent oversight group).

¹⁸ [See Dr Marie Tidball's amendment \(NC11\)](#)

The government will make provisions to support members of this group including through travel and other costs.

- Following the review there will be a Ministerial statement on the outcomes, followed by a general debate held in government time. No legislation will be brought forward before this point.

There are some areas in which these commitments do not (or may not) go as far as the amendment:

The nature of co-production and independent oversight

It is positive that the government has committed to a co-production group with most of its members being disabled people and representatives from disabled people's organisations. However, there is a lack of clarity about how much decision-making power members of the co-production group will have in practice. While definitions of co-production vary, they invariably include an element of shared power and decision-making between all parties.¹⁹ When asked whether members of the group would have a veto over the proposals brought forward, the Minister responded that *"We will aim for a consensus among all those taking part, and that is what I hope we will achieve."*

The role of parliament in scrutinising the outcome of the Timms review

It is also positive that there is a clear commitment for a debate on the outcome of the review in government time, with an explicit recognition that legislation should not be taken forward before this point. This is particularly important in a context where the original provisions in the Bill around PIP were brought before parliament without consultation, without assessment into their impact on health and other outcomes and with very limited time for scrutiny. The promise of parliamentary scrutiny following the Timms review would be strengthened if there were a commitment for this debate to be around a substantive motion, so that parliamentarians have the opportunity to clearly express a point of view on these proposals.

The approach to engaging disabled people and unpaid carers in the Timms review

It is also important that when appointing the co-production group, the government looks to include disabled people and representatives from Deaf and Disabled People's Organisations with a wide range of experiences, and that it sets out a clear and transparent approach to involving disabled people more widely in the Timms review. This should include unpaid carers and family members who will invariably be affected by any changes to the eligibility criteria for PIP through the knock-on effects on carer's benefits.

¹⁹ See for example: Social Care Institute for Excellence '[Co-production: what it is and how to do it - SCIE](#)'

What parliamentarians can do

While PIP has been removed from the scope of the Bill, we are asking parliamentarians to raise the following questions during the debates:

- Will the government make specific commitments about the nature of the co-production within the Timms review? If there is no consensus among the members of the co-production group, how would it envisage that this would be accounted for in the final outcome of the review?
- Will the government commit to holding the parliamentary debate following the review around a substantive motion, so that parliamentarians can express a view on the proposals?

We are happy to support parliamentarians with further information or briefing ahead of the upcoming debate. Please don't hesitate to get in touch via public.affairs@trussell.org.uk