Money and Mental Health's submission to the Department for Work and Pensions consultation on the Pathways to Work: Reforming Benefits and Support to Get Britain Working Green Paper

Introduction

The Money and Mental Health Policy Institute is a research charity established by Martin Lewis to break the vicious cycle of money and mental health problems. We aim to be a world-class centre of expertise developing practical policy solutions, working in partnership with those providing services, those who shape them, and those using them, to find out what really works. Everything we do is rooted in the lived experience of our Research Community, a group of around 5,000 people with personal experience of mental health problems.

This written submission has been informed by the experiences of our Research Community, as well as our wider body of research. Unless otherwise specified, all quotes in this response are drawn directly from the Research Community.

Summary

We have answered questions 1-3, 6, 10, 11, and 15-17.

This consultation is premised upon the government's proposed reforms to the welfare system, which we strongly oppose. While reforms are required to better support the needs of people with mental health problems, reducing access to the Personal Independence Payment (PIP), whether for current or future claimants, will cause significant harm that cannot be mitigated without enormous and complex changes.

While we broadly support proposals to increase people with mental health problems' access to work, this will not be accomplished by schemes that do not recognise the practical ways that mental health problems affect us, and shape our ability to engage with work and work-related activity. However, we do welcome proposals of a 'right to try' that removes the risk of being penalised for leaving an unsuitable job.

A paradigm shift is needed. Among employers this means the creation of truly accessible workplaces that cater to the needs of people with mental health problems. Meanwhile support to help people into employment needs to be voluntary, mental health informed and not tied to entitlements. The welfare system itself must recognise and support the dignity and agency of people with mental health problems.

Background

- Each year, one in four people experience a mental health problem and mental health problems are the leading cause of disability in the UK[1]

[1] McManus S et al. Mental health and wellbeing in England: Adult Psychiatric Morbidity Survey 2014. NHS Digital. 2016.

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- People with mental health problems often face both additional costs and lower incomes;[2] Personal Independence Payments (PIP) enable recipients to pay for services, support and supplies that help them to live their lives with dignity. PIP also acts as a passport to other critical services and benefits.
- Approximately one in six PIP recipients are in work.[3] Our research suggests that withdrawing PIP could cause recipients with mental health problems to reduce their working hours or withdraw from work completely.[4]
- Our research further shows that if PIP were withdrawn, recipients with mental health problems risk their lives being pushed into disarray and isolation.[5]
- Our research also reveals considerable scepticism in relation to Access to Work, with respondents in our Research Community calling for a paradigm shift within both employers and employment support schemes.[6]

Question 1: What further steps could the Department for Work and Pensions take to make sure the benefit system supports people to try work without the worry that it may affect their benefit entitlement?

The government intends to publish draft regulations that will "ensure someone trying work or on a pathway towards employment will never lead to an immediate reassessment or award review."[7]

We support changes that make it easier and safer for people with mental health problems to try work, and welcome the government's proposed 'right to try' guarantee. In order to support people into employment, it is critical that the government recognises the critical role that financial security plays in making that possible.

> "Pip has allowed me to get a job where I work 12 hours a week. [...] Without pip I'd be stuck in my house without seeing or speaking to anyone for weeks. Pip allows me to go to my job, get to appointments, get out to see family and friends." - Expert by experience

For people with mental health problems, symptoms like low motivation, poor concentration or social anxiety mean many roles and workplaces are inaccessible.[8] The risk of losing benefits if a role proves to be unsuitable leaves many people with mental health problems unable to take a chance with an employer. Likewise, non-work related benefits such as PIP can help people with

[2] Holkar M. Debt and mental health: a statistical update. Money and Mental Health Policy Institute. 2019.
[3] Office of Budget Responsibility. Trends in working-age disability benefit onflows. 2024
[4] D'arcy C, Weir D and Wells K, Lead shoes instead of a life ring. Money and Mental Health Policy Institute. 2025.
[5] Ibid.
[6] New analysis of May 2025 survey carried out for *Lead shoes instead of a life ring* (2025)
[7] Gov.UK. Further details on welfare reforms published ahead of Second Reading. 2025.
[8] Bond, N and D'Arcy C. Closing the gap. Money and Mental Health Policy Institute. 2021.

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mental health problems to make their own decisions about what they need in order to access employment and should not be placed at risk by trying work.[9]

To underpin a successful 'right to try' scheme, we recommend:

- Fast, flexible reinstatement: if work becomes unmanageable due to mental health problems, benefits should be automatically reinstated to previous levels without full reassessment or delays.
- A clear taper system to ensure people can build up hours without sudden income shocks.
- Health-sensitive support: Work coaches should be trained to recognise when work leads to worsening health.
- Transparency and safeguards: People need clarity on what trying work means for their benefits, including linked support like council tax reduction or free prescriptions, and assurance these will be protected or reinstated quickly if needed.

Question 2. What support do you think we could provide for those who will lose their Personal Independence Payment entitlement as a result of a new additional requirement to score at least 4 points on one daily living activity?

While the government now proposes not to apply the new rules to existing claimants[10] we nonetheless, strongly oppose the premise of this proposal. The government is right to consider how the benefits system can better support people, but making it even harder for people with mental health problems to access PIP is not the solution.

1 in 4 PIP recipients who responded to our survey in May 2025 would lose their entitlement if the new rules were applied to them.[11] When asked, many felt there was no adequate replacement support if they were to lose PIP. For people with long-term mental health problems, PIP isn't an 'extra' - it's what enables them to survive, maintain stability, and take part in their communities. Suggestions like community support or social prescribing might sound helpful in theory, but they don't fill the gap that lost income creates, or fully replace the lost dignity that a reduction in agency entails.

PIP is already extremely difficult to claim. Only 56% of claims are awarded at the initial decision stage psychiatric conditions are already less likely to result in a PIP award compared to physical health conditions. Government statistics show that people with psychiatric disorders are the most likely to have their award reduced or disallowed following review (31%).[12]

The proposal to only apply the change to new claimants does not address the fundamentals of these issues and risks further entrenching a two-tier system in which people with mental health

[9] D'arcy C, Weir D and Wells K, Lead shoes instead of a life ring. Money and Mental Health Policy Institute. 2025.
[10] Gov.UK. Further details on welfare reforms published ahead of Second Reading. 2025.
[11] D'arcy C, Weir D and Wells K, Lead shoes instead of a life ring. Money and Mental Health Policy Institute. 2025.
[12] Gov.uk. Personal Independence Payment: Official Statistics to April 2024. 2024

problems are penalised both at their initial assessment and at review. People whose mental health problems have a cumulative effect across multiple categories, or whose conditions fluctuate over time, will still be placed at a significant disadvantage when claiming, and risk losing out on vital support.[13]

The Government should scrap this proposed change for future claimants as well as existing ones, as it carries very considerable risk of pushing already vulnerable people further into poverty, isolation, and poor health. If the government does nonetheless proceed with this change for new claimants, at a minimum it should:

- Ensure the PIP assessment adequately accounts for mental as well as physical health, avoiding penalising claimants whose conditions have a cumulative impact across multiple daily living components or fluctuate over time.

- Improve access to flexible community mental health services, including talking therapies, crisis support, and wraparound care, delivered consistently across the country.

- Invest in supported employment and job retention schemes, including specialist advice, peer support, and employer engagement for people who want to try work.

- Ensure passported benefits are protected: Losing PIP doesn't just mean losing one benefit - it can mean losing thousands of pounds in related support like council tax support, carers' allowance, or blue badge eligibility. This support must be retained for people who cannot work or earn enough to replace the lost income.

Question 3. How could we improve the experience of the health and care system for people who are claiming Personal Independence Payment who would lose entitlement?

We strongly oppose reforms that would reduce the number of people with mental health problems eligible for PIP. For many, PIP acts as a bridge - enabling access to care and additional benefits that simply isn't available elsewhere.[14] As in our answer to question 2, the proposal not to apply the changes to existing claimants does not adequately address our concerns.

Participants in our research told us that they rely on PIP to pay for things like private therapy, specialist support, and basic personal care items that protect their wellbeing and dignity.[15] The proposed changes would increase pressure on already overstretched health and care systems and remove vital support that helps people manage their mental health and stay well.

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[13] D'arcy C, Weir D and Wells K, Lead shoes instead of a life ring. Money and Mental Health Policy Institute. 2025
[14] *Ibid*.
[15] *Ibid*.

One Research Community member: explained,

> "PIP pays for the private therapy […] which keeps my mental health at a functioning level most of the time. Without these I doubt I could even manage the permitted work hours (14 hours per week) that I do." - Expert by experience

Community services are already struggling to meet needs and shifting the burden from PIP to the health and care system - without significant investment or structural reform - will only deepen existing inequality. The Department's own Universal Credit data shows that at least 66% of people applying for the health element report a mental health problem.[16] Across the country, all local authorities report that 50% of claimants are receiving the UC Limited Capability for Work-Related Activity (LCWRA) element.[17]

PIP is a gateway to additional benefits, simplifying the application process in a way that is often beneficial for people with mental health problems. The proposed changes could inadvertently exclude people who are eligible for support but miss out due to not qualifying for PIP. This would further undermine the government's goal of improving access to health support.

To improve the experience of the system for this group, the Department must:

- Reverse its proposal to tighten eligibility for PIP for future claimants, particularly where it disproportionately affects people with mental health conditions.
- Invest in accessible, community-based mental health services - including free or subsidised talking therapies and social prescribing pathways.
- Ensure access to mental health support is not contingent on navigating complex benefit systems, especially for those in crisis.
- Actively consider how access to other benefits can be ensured when reviewing the PIP assessment process.

Question 6. How should the support conversation be designed and delivered so that it is welcomed by individuals and is effective?

Any support conversation must be genuinely supportive, entirely voluntary, and designed to build trust, not reinforce fear or conditionality. For people with mental health problems, contact with the DWP is often experienced as adversarial or distressing.[18]

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[16] Gov.uk. Universal Credit Work Capability Assessment statistics, April 2019 to June 2024. Department for Work and Pensions. 2024

[17] Ibid.

[18] Braverman, Bond and Evans. The Benefits Assault Course. Money and Mental Health Policy Institute. 2019.

One Research Community member shared:

> "Every communication from them was hostile and threatening.The assessor was judgemental and did not seem to have any medical understanding of my physical disability and no compassion or interest in my mental health. […] The assessment process had been so awful and made me feel so worthless, even causing me to have suicidal thoughts at times […] The idea of having regular contact with them is extremely off-putting and a danger to my mental health." - Expert by experience

While there is no single factor that contributes to someone having suicidal thoughts, the reality of how distressing engagement can be must be the foundation for designing any new engagement.

The DWP's own findings also highlight key limitations.[19] While some participants valued the emotional support and increased contact, there was no measurable improvement in mental health outcomes. Those with complex mental health needs often found the support insufficient, pointing to a mismatch between what generalist coaches could offer and what claimants actually needed.

Unless the wider system is equipped to act on these conversations, they risk raising expectations that cannot be met - or worse, becoming another source of stress and surveillance for people already in vulnerable situations.

To be effective and welcomed, any support conversation must:

- Be offered without conditionality or impact on benefit entitlement.
- Be delivered by staff with appropriate mental health training, with time to listen and respond appropriately.
- Allow for choice of communication method (written, digital, phone, or via an advocate), tailored to individual needs.
- Be part of a wider system that includes access to appropriate healthcare, community support, and employer flexibility - not a standalone ask to "prepare for work."

Question 10. How should we determine which individuals or groups of individuals should be exempt from requirements?

We believe support must be available, the system must shift from "who deserves relief from pressure?" to "how do we build support people can genuinely use?"

We therefore strongly oppose making benefits conditional on support conversations or stronger requirements. Our Research Community consistently tells us that frequent or mandatory

[19] Gov.uk. The experience of Additional Work Coach Support: Findings from qualitative interviews with customers. Department for Work and Pensions. 2025

contact with the DWP can feel intrusive, anxiety-inducing, and overwhelming.[20] For people with mental health problems, the wrong kind of contact can become a barrier, not a bridge to support. This includes being asked to "prepare for work" when unwell, which can feel coercive and unsafe - especially if the underlying assumption is that they *should* be progressing toward work.

We do, however, recognise the value of tailored, ongoing support for people in vulnerable circumstances - particularly those managing mental health problems. A common theme of our research is the desire for more consistent, person-centred support. Voluntary engagement - where the individual is in control of when and how they access support - is far more likely to result in positive outcomes.

If the government is serious about removing work conditionality for people who are too unwell to work, it must also remove conditions that simply reintroduce coercion under a different name. Support that is genuinely helpful cannot be built on fear.

If support conversations are introduced, they must:

- Be entirely voluntary and user-led.
- Be delivered by professionals with a strong understanding of mental health and trauma-informed practice.
- Not be tied to benefit entitlement or trigger any form of conditionality or reassessment.

If an exemption model is pursued, it must:

- Include all individuals whose mental health problems pose a substantial risk of harm or deterioration if required to meet any form of condition or contact.

- Be determined by appropriately trained, independent professionals or through trusted evidence of condition, not left to DWP discretion alone.

- Be accompanied by a clear communication strategy that reassures people they will not be penalised for disengagement linked to their condition.

Question 11. Should we delay access to the health element of Universal Credit within the reformed system until someone is aged 22?

We do not support this proposal and instead recommend the current age threshold is retained. Delaying access to the health element of Universal Credit risks withholding essential support from young adults who may already be in significant distress and in need of stability.

[20] Braverman, Bond and Evans. The Benefits Assault Course. Money and Mental Health Policy Institute. 2019.

Mental health problems often begin early. Evidence shows that around three-quarters of all mental health conditions develop before the age of 25.[21] Support should be based on a person's condition and functional need, and any proposal that treats a 21-year-old with a long-term health condition differently from a 22-year-old in a similar situation appears both unjustified and potentially discriminatory.

13. How can we support and ensure employers, including Small and Medium Sized Enterprises, to know what workplace adjustments they can make to help employees with a disability or health condition?

Employers must be supported to understand and implement effective workplace adjustments - particularly in relation to mental health, where needs are often less visible, more variable, and poorly understood. This is especially important for smaller employers, who may lack HR infrastructure or confidence in what is required under the Equality Act.

Our research found widespread scepticism among people with mental health problems about whether employers are willing or able to offer meaningful adjustments. One participant explained:

> "My employer has systematically hindered any flexible request or support request I have made, only offering the very bare minimum legal requirements. The government's priority should be forcing employers to implement robust support systems BEFORE slashing PIP[…]Otherwise, working would make no sense if I had lost the support PIP affords me." - Expert by experience

Many respondents also emphasised the fluctuating nature of their health. Some weeks they could manage work with minimal support; other weeks, they required flexibility, reduced hours, or time off. The most effective adjustments were those that recognised and accommodated this variability, rather than relying on fixed expectations.

We recommend that the government, in collaboration with the Department for Business and Trade, the EHRC and other partners:

- Develop and promote clear, evidence-based guidance on reasonable adjustments for mental health, including practical real world examples suited to smaller employers.

- Improve awareness of legal duties under the Equality Act, particularly around anticipatory adjustments and the need for flexibility in relation to fluctuating conditions.

- Strengthen signposting to support such as Access to Work and ACAS, ensuring that mental health needs are properly addressed within these services.

[21] Cheung R, McKeown R, Shah R. State of Child Health. London: RCPCH. Royal College of Paediatrics and Child Health. 2020.

Finally, while adjustments can and do make a significant difference for many, it is also essential to recognise that some people will remain too unwell to work, regardless of the support offered. A fair and inclusive system must accommodate both realities.

Question 15. What do you think the future role and design of Access to Work should be?

The Access to Work (AtW) scheme has enormous potential to support people with mental health problems to enter and stay in work.

To truly deliver on its potential, however, our research found that the scheme needs both a cultural shift and structural reform to become a meaningful support mechanism for people with mental health problems. Specifically:

- Promotion and awareness: Many eligible individuals - and their employers - are unaware of the scheme. Better promotion is urgently needed, including targeted outreach to people with mental health problems and small employers.

- Streamlined access: The application process must be simplified and sped up. Delays in decisions or awards can render the support ineffective or irrelevant, especially when someone is already in crisis or close to leaving work due to their health.

- Expansion of mental health-specific support: The mental health element of AtW should be made more flexible and person-centred. For example, grants should be able to fund ongoing therapies, digital support tools, and flexible adaptations beyond a narrow clinical framework.

- Support for self-employed people: Self-employment offers flexibility that can be life-changing for people with mental health conditions, but AtW does not currently offer tailored or adequate support for this group. The scheme should be adapted to reflect the needs of the self-employed - including mental health-focused platforms, insurance products, and crisis planning support.

- Clear integration with employers' responsibilities: While AtW can fund support beyond an employer's legal duty under the Equality Act, this boundary is often misunderstood. Guidance should be clearer, and AtW should actively support employers to meet their responsibilities while ensuring employees are not left without vital accommodations.

AtW must be reimagined as a *preventative* service, not simply a reactive one. Used well, it could stop people falling out of work in the first place - a win for individuals, employers, and the public purse.

16. How can we better define and utilise the various roles of Access to Work, the Health and Safety Executive, Advisory, Conciliation and Arbitration Service and the Equalities and Human Rights Commission to achieve a cultural shift in employer awareness and action on workplace adjustments?

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We welcome the intent behind this question - a cultural shift in how employers understand and act on workplace adjustments is long overdue. However, this cannot be achieved without a better-resourced and more assertive framework of enforcement and support.

In our 2021 research 'Closing the gap'[22] we found that:

- Only 17% of people with recent experience of mental health problems have ever requested a reasonable adjustment at work, and among those who did, two-thirds (68%) said their request was rejected or only partially met.

- Discrimination is a barrier: 1 in 5 say they have faced workplace discrimination because of their mental health problem.

To create genuine change:

- Access to Work must be better resourced and better promoted, particularly to people with mental health problems, and its application process streamlined. Mental health support within the scheme should be expanded and simplified.

- The Equality and Human Rights Commission (EHRC) must be resourced and empowered to proactively enforce the Equality Act, particularly around failure to provide reasonable adjustments. We have previously called for a more visible enforcement presence from EHRC in cases involving mental health discrimination.

- The Health and Safety Executive should treat mental health with parity to physical health in its regulatory focus, especially in how employers manage risks related to stress, burnout and psychological safety.

Question 17. What should be the future delivery model for the future of Access to Work?

Whilst we welcome any effort to help more people access and stay in work, the current Access to Work (AtW) delivery model is not fit for purpose - especially for people with mental health problems.

AtW is under-resourced, under-promoted, overly complex, and chronically slow. Our previous research has highlighted that people often wait months - sometimes nearly a year - to receive the support they're entitled to.[23] In the meantime, employers are expected to cover costs or delay onboarding. This is a disincentive, particularly for small businesses, and undermines the scheme's purpose. If the aim of this green paper is to increase economic participation, relying on systems that already frustrate both claimants and employers will not deliver results.

[22] Bond, N and D'Arcy C. Closing the gap. Money and Mental Health Policy Institute. 2021.
[23] *Ibid*.

The future delivery model must be:

- Truly person-centred: Mental health conditions fluctuate. Access to Work should allow for flexible support plans that can be adjusted quickly - not locked in rigid funding periods or pre-set lists of eligible items. The delivery model should include tailored mental health support delivered by trained advisors, not generalist caseworkers.

- Integrated across employment types: The current model does not meet the needs of self-employed people, those in gig economy roles, or individuals doing short-term or part-time work. A modern AtW model must reflect the diversity of how people with health conditions engage in the labour market - with flexible funding and support options that match that reality.

- Co-produced with users: The new delivery model must be designed in partnership with disabled people, particularly those with mental health problems who are currently underrepresented in take-up and service design.

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