

Universal Credit and Personal Independence Payment Bill (Second Reading) Briefing for Parliamentarians

June 2025

Summary

- The Universal Credit and Personal Independence Payment Bill introduces several measures included in the government's Pathways to Work Green Paper, published in March earlier this year. However, whilst several aspects of the Green Paper are subject to a formal public consultation process, Marie Curie is concerned that the changes introduced in this Bill have not been fully consulted on, particularly with the people they impact most.
- In its current form, this Bill will have serious consequences for people living with a terminal illness, and the changes which the government reportedly intends to make to the Bill will do little to improve the position for this particularly vulnerable group.
- Marie Curie is particularly concerned about people living with terminal illness who **do not** fall under the Special Rules for the End of Life (SREL), because whilst they may have an inevitably progressive and life-limiting illness, they may not yet have a prognosis of 12 months or less to live.
- People with terminal illness who are not yet in their final year of life may still have difficulties with everyday tasks, and moreover, it may be completely impracticable to ask them to be looking for, or even staying in, work, due to the nature of their worsening condition.
- Marie Curie's research report, *Dying in Poverty 2024*, has shown that **111,000 people die in poverty in the UK every year** – more than 300 people every day¹. People living with terminal illness of working age are particularly vulnerable to poverty at the end of life.
- This Bill is a **missed opportunity** to improve the financial security of working age people with a terminal condition. Many working age people at the end of life rely on benefits as their main, or sometimes sole, source of income.
- The inadequacy of the working-age benefits system is a key reason why working-age people are disproportionately more likely to die in poverty. **Yet no terminally ill person will be better off than today as a result of this Bill, and there is a risk that some will be considerably worse off as a result of the changes.**

¹ Marie Curie, *Dying in Poverty 2024*, November 2024

Dying in poverty

Nobody should die in poverty. The last months, weeks, and days of someone's life should be a time to focus on what really matters – making memories with family and friends, and living as well as they possibly can. But too often, financial pressures add unnecessary worry, uncertainty, and strain to what is already a difficult time. Loss of income and rising costs create a double impact that creates instability at a time of life when security is much needed.

Marie Curie research has found that **111,000 people are dying in poverty every year**. That is more than 1 in 6 people who die every year spending their last months, weeks, and days on an income below the poverty line². In part, this reflects the persistence of poverty across the UK, which affects more than one in five people across the country – which in turn is a reflection of the erosion of the social security system that should be there to support us all if and when we need it.

Our research shows that **people living with terminal illness of working age are particularly vulnerable to poverty at the end of life**. A key reason for this, is that the State Pension and other pensioner benefits are normally paid at a significantly higher rate than the equivalent financial support for people of working age. Research conducted by Marie Curie suggests that without change, planned increases to the State Pension Age will mean thousands more people will die before receiving the State Pension, and more will die in poverty every year.

Summary of the relevant changes to people living with terminal illness

This Bill is a missed opportunity to support working age people living with terminal illness from poverty at the end of life. Marie Curie research has found that working age people are at a much greater risk of dying in poverty: 28% of these people who died in 2023 died in poverty, compared to 16% of pension age people. To address this, the government should introduce greater protections for this group by aligning the amount of Limited Capability for Work Related Activity (LCWRA) benefits for claimants who meet the definition of being terminally ill and who meet the Severe Conditions Criteria with the Pension Credit Guarantee amounts.

Whilst the Bill will protect people living with terminal illness who qualify for the Special Rules for the End of Life (SREL), as they have 12 months or less to live, it will not improve their financial situation compared to today. This is a group of people who the government reasonably expects not to work, and many of whom will have made decades of national insurance contributions. So we believe changes should guarantee this group a level of income equivalent to the Pension Credit guarantee.

Marie Curie is also specifically concerned about the group of claimants who have a terminal illness, but that are not covered by the SREL due to their prognosis, and may also not meet the Severe Conditions Criteria in order to qualify for the UC Health Element today, but would qualify for it once they are further along into their diagnosis.

² Marie Curie, [Dying in Poverty 2024](#), November 2024

The groups that will qualify for today's rate of UC Health, as opposed to the new rates introduced in this Bill, include:

- People qualifying under the Special Rules
- People meeting the Severe Conditions Criteria (SCC) – whereby claimants:
 - Already meet the Limited Capability for Work Related Activity (LCWRA) criteria
 - Have a lifelong condition with no prospect of improvement

Marie Curie is concerned that people who do not meet the LCWRA criteria, as they are still assessed as having a limited capability for work (LCW) at the present moment, but will certainly be included within this category as their condition progresses, will miss out on any entitlement to the higher rate of the UC Health element until their condition sufficiently worsens, despite their diagnosis and condition.

Similarly, people with a terminal condition but with more than 12 months to live will need to meet the new '4 points for any one activity' criteria, in order to receive the PIP Daily Living component. This could particularly affect people in the early stages of progressive conditions, and their carers. The recent changes reported in the media provide no protection whatsoever for people diagnosed with such a condition after April 2026.

Recommendations for the Bill

Marie Curie has identified three key areas of the Bill that we think should be improved and amended throughout the legislative process, including:

- Increasing the value of the future LCWRA amount so it is in line with pension credit for Terminally Ill claimants and people meeting the Severe Conditions Criteria
- Ensuring that the Severe Conditions Criteria captures non-SREL claimants, i.e. changing from 'already meets LCWRA' to 'already meets LCW'
- Exempting people with terminal illness from the new additional PIP Daily Living criteria

Our team is currently in the process of working up some potential amendments to introduce these changes to the Bill, which will be shared with parliamentarians at Committee Stage.

Questions for the Minister

- Whether the Secretary of State believes that someone in the early stages of a progressive, life-limiting condition, whose level of function currently meets the Limited Capability for Work criteria, is realistically likely to ever be Fit For Work?
- Whether the Secretary of State will link the LCWRA rate for terminally ill claimants to that of Pension Credit Guarantee, in recognition that they are not expected to work again due to their health?
- What engagement or consultation has the Secretary of State had prior to the publication of the Bill with people living with terminal or progressive illnesses, or organisations representing them?

Marie Curie is the UK's leading end of life charity

We're here for anyone with an illness they're likely to die from, and those close to them. We bring 75 years of experience and leading research to the care we give at home, in our hospices and over the phone. And we push for a better end of life for all by campaigning and sharing research to change the system.

For more information or to arrange a meeting to discuss the contents of this briefing, please contact: parliament@mariecurie.org.uk