

UK Labour government to impose massive welfare cuts and criminalisation of benefits claimants

Dennis Moore
5 February 2025

The UK Labour government is putting forward proposals that will see long-term sick benefits claimants forced to look for work as a condition for receiving sickness payments. Another proposal being mooted is for some claimants to have their benefit payments cut by up to £5,000 a year. Another would make it more difficult for claimants with mental health conditions to claim separate disability benefits.

The changes, spearheaded by work and pensions secretary Liz Kendall, would be the most ferocious attacks on the welfare system for over a decade. There are 2.4 million benefit claimants claiming incapacity benefits who are currently not required to look for or prepare for work.

Many are in significant distress over whether their benefits will be stopped or reduced. The Disability News Service reported on a recent survey carried out via a question posed on social media by Inclusion Barnet's Campaign for Disability Justice (CDJ). CDJ asked disabled people how they believed they would be affected if the government went ahead with the cuts.

Of the 100 respondents, 12 percent said they would have to cut back on food, with some saying they would have nothing. Others said they would no longer be able to afford food necessary for their dietary needs. One in 10 said they have to cut back on heating and one in seven feared they would even lose their home if the government went ahead with cuts to their benefits. Nearly a third of respondents, without any prompting from CDJ, said cuts to their benefits would cause a deterioration in their health.

Inclusion Barnet had to contact approximately a fifth of the respondents with information on how they could access support with their mental health, after many had

disclosed suicidal thoughts.

Labour's proposals are a continuation and extension of Tory plans to cut at least £3 billion from disability benefits, put forward amid screaming denunciations from the right-wing media about a forecast £8.6 billion welfare "overspend" this year. Much has been made of the fact that the proportion of the welfare budget going towards the sickness benefits has increased rapidly in the last decade.

To distract from the fact that this reflects both the sharp cuts to other payments like low-income benefit and the raging mental and physical health crisis in the UK—caused in large part by these cuts and exacerbated by the COVID pandemic—Labour has launched a vicious campaign aimed at further demonising benefits claimants. The centrepiece is its New Public Authorities (Fraud Error & Recovery Bill), which entails extraordinary attacks on democratic rights.

The legislation allows those accused of benefit fraud to be banned from driving for up to two years if they fail to reimburse the money owed—if it exceeds £1,000 and the DWP have made repeated requests to the claimant that the money is paid back and the requests are ignored. DWP investigators will also be empowered to apply to the courts for search warrants, for the first time giving them the power to enter and search premises—with police in attendance—and seize computers and smart phones for "evidence gathering."

The bill also legally compels a bank or employer of a person suspected of fraud to comply with the retrieval of money that is suspected of being owed to the DWP. The DWP will have the powers to authorise payments to be made from an employed person's bank accounts, without their authorisation. These measures build on

the powers the government already has to investigate the bank accounts and request bank account transaction details on a case by case basis of those suspected of benefit fraud, under the Social Security Fraud Act 2001 and the Social Security Administration Act 1992.

The new powers will also apply to payments that the DWP makes in error to a claimant, treating the recipient in the same way as if they had made a fraudulent claim.

According to government estimates, the Fraud Error & Recovery Bill will claw back £1.5 billion over the next five years and is part of the government plans for £9.2 billion in savings from measures to tackle fraud and error in the welfare system. Its measures amount to a criminalisation of welfare recipients, with Kendall declaring, “We are turning off the tap to criminals who cheat the system and steal law-abiding taxpayers’ money.”

Campaign groups have raised that the Bill’s measures will invade a person’s right to financial privacy, with the possibility that legitimate claimants will be wrongly investigated.

The policy of criminalising benefit claimants is being enforced while the richest get away with tax avoidance and evasion on a staggering scale. The Office for National Statistics estimated that for the year 2022-23, the amount lost to the Treasury for tax evasion stood at £5.5 billion. Legalised tax-dodging accounts for even greater sums: the lower rate of capital gains tax versus income tax saves the rich £14 billion a year.

At the same time, a vast amount of benefits go unclaimed each year, often because potential claimants are not even aware they can claim them in the first place, or because, given the filthy diet of propaganda regularly vomited up in tabloid press demonising “benefit scroungers,” they would feel stigmatised for doing so.

Missing Out, a report published in April last year by the social policy organisation Policy in Practice, estimates that there £14.4 billion of benefits and support went unclaimed in 2023, an increase of £4 billion over the previous year.

The new offensive against what remains of the welfare system is being carried out by Labour on behalf of the corporations and the military it promised to represent in government. Every single penny seized from disabled people and millions of other benefit claimants will go towards big-business handouts and

increased spending on the armed forces.

Last week, a *Times* editorial drew the connection bluntly, complaining, as Kendall finalised the DWP’s brutal plans, “With each passing year more and more billions are squandered on benefits for the working-age ‘sick’ while Britain’s defences crumble for want of a mere fraction of that amount.”

The attack on benefits claimants, like that on migrants, is the spearhead of an offensive against the entire working class and all of its social rights, from welfare support to education and healthcare.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact