

Pathways to Work: Reforming Benefits and Support to Get Britain Working Green Paper

To: The Department for Work and Pensions
Submission date: 30 June 2025

Q1 - 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?

Introduction

The Motability Foundation welcomes the opportunity to respond to this Green Paper. We support the Government's ambition to reform health and disability benefits so that they are fit for the future, enabling disabled people and those with long-term health conditions to live with dignity and independence.

This is the best way to grow the economy, improve individual wellbeing, reduce the UK's persistently high level of economic inactivity, and safeguard the long-term financial sustainability of the welfare system. We recognise that accessible, affordable mobility is a key lever for achieving these objectives, not least promoting and sustaining employment among disabled people. Through the Motability Scheme - a world-leading, all-inclusive leasing programme which gives 860,000 disabled people affordable, reliable access to a car, mobility scooter or powered wheelchair - we remove a significant barrier to labour market participation for those customers able to work.

Accessible transport is not a luxury, but a fundamental right. It is a necessary enabler for wider goals, including economic participation, access to education and training, and independent living. This is particularly relevant in the context of the Government's 'Pathways to Work' agenda which rightly recognises that barriers to work are not just about skills, training opportunities or the presence for some of an 'activity trap'. They are also about ensuring there are practical enablers too, like having accessible transport to travel to and from work.

Research conducted by the Motability Foundation has identified a 'transport accessibility gap' for disabled people due to a significant disparity in transport patterns and frequencies compared to non-disabled people (Motability, 2022).



Put simply, they are far less likely to be able to rely on public transport than people without disabilities. A key reason for this gap is because current transport provision (in both public and private modes) does not adequately cater for the needs of disabled people.

The report by the House of Commons Transport Committee into disabled people's access to transport, published earlier this year, reinforces this evidence. It plainly states that “no mode of transport is free from problems” for disabled people. These significant and pervasive barriers have led to exclusion. For example, in 2023 disabled adults in England made 25 per cent fewer trips across all transport modes compared to non-disabled adults (ibid). This affects a significant amount of people within our nation. The latest official statistics estimate there are nearly 17 million disabled people in the UK, making up more than a quarter of the population. Of this, just under 14 million reside in England and around one million disabled people live in Wales.

Given the transport barriers faced by disabled people, especially using public transport modes, car travel remains the most popular form of transport, whether as a driver or a passenger. By giving disabled people their own means of personal transport, the Motability Scheme provides opportunities that would otherwise be out of reach. It gives them the ability to take up and sustain employment, build their human capital through accessing training and education, maintain their social networks and provide opportunities to participate in community life.

The Motability Foundation

The Motability Foundation is a national charity and was set up with all party parliamentary support in 1977 and is incorporated by Royal Charter. We believe that access to transport is fundamental to independent living, social inclusion, and economic participation for disabled people. One of our key priorities is to work with Government, disabled people's organisations, other charities and industry to amplify the voices of disabled people in the transport system and create innovative solutions to the transport accessibility issues they face. This reflects our broader mission in challenging the inequalities disabled people face in transport and helping to deliver practical, long-term solutions. We recognise being able to leave our home, access different places and spaces, and see the people who matter most to us, are vital and essential parts of life. Our vision is to build a future where all disabled people have the transport options to make the journeys they choose and we work to change this by:

- funding other charities and organisations who give disabled people everyday transport options, from community buses to wheelchairs;

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- awarding grants to other charities and organisations who provide different types of transport, or work towards making transport accessible;
 - carrying out ongoing research, in partnership with disabled people and key stakeholders in the industry, to inspire innovations that continue to champion accessible transport for all; and
 - overseeing the Motability Scheme and providing grants to help people use it.

To illustrate this, in 2023/24 we awarded £72.6 million in Motability Scheme-related grants, covering Independent Driving Solutions, Bespoke Passenger Solutions, vehicle adaptations and wheelchair accessible vehicles (WAVs) all of which are rigorously means tested to reach those most in need. We channelled a further £9.2 million through our Access to Mobility grants, funding driving lessons and providing familiarisation training for those using adapted controls. Furthermore, we support people to make their personal contributions (regarding the Social and Domestic Contribution) required under the UK Government's Access to Work employment support programme, so that they can use their vehicles beyond work.

Alongside individual support, we invested £23.2 million across 43 organisations to support organisations to provide transport solutions for disabled people to travel. This includes expanding community transport, enhancing affordable wheelchair provision and boosting independent travel. Through six grant programmes, these projects are expected to benefit 221,000 people and we have committed an additional £50 million for grant making, from March 2025, to extend this impact.

The Motability Scheme

The Motability Scheme is the main way we provide access to transport for disabled people, addressing a longstanding market failure and enabling customers to access affordable and suitable personal transport. The Foundation sets the strategic policies of the Scheme and oversees its performance. The day-to-day running of the Scheme, including responsibility for finance, administration and maintenance, is managed by Motability Operations.

The Scheme offers eligible, disabled people the ability to lease a new motor vehicle for three years (or five years for a Wheelchair Accessible Vehicle – WAV) in a comprehensive, value-for-money, worry-free package. Eligibility for the Scheme is determined by entitlement to specific government disability benefits, with the criteria for those benefits established and maintained solely by the UK Government (for England and Wales). The Scheme's package for customers includes insurance, servicing and maintenance, breakdown cover, tyre and windscreen repair, replacement cover plus any adaptations or conversions required for disabled people to have their independence. As well as automotive vehicles, powered wheelchairs and



mobility scooters can also be leased along similar lines. The Scheme currently has over 860,000 customers.

The Motability Scheme has been deliberately created to be easy and uncomplicated for customers because the process of leasing, let alone buying a vehicle, can be significantly more complex and stressful for a disabled person. For instance, in the absence of the Scheme, disabled people would need to identify the right vehicle option(s) which best met their impairment(s) and/or condition(s). This may require them to source and purchase appropriate adaptations.

This can be difficult because mainstream car dealerships do not typically offer the guidance or practical support needed by disabled people when leasing or purchasing, especially regarding accessible options and specialist modifications. They would also have to manage the vehicle's general maintenance which can be complex and time consuming. It can also be costly. With a 'one-stop shop' approach, the Scheme takes care of all of these issues. It offers unparalleled convenience effectively removing the day-to-day burdens of vehicle ownership from a disabled driver. To our knowledge, no other country in the European Union or the OECD has a nationwide leasing scheme established by the state which is as comprehensive or extensive as the Motability Scheme. It offers a unique value proposition, consisting of a blend of charitable oversight and private sector efficiency, supported and enabled by the state.

Beyond the UK, other countries organise support based on an assortment of financial (such as cash grants, subsidies) and fiscal initiatives (such as exemptions or reductions in VAT, registration fees, road tax) based at national/federal or regional/state level. Eligibility for support can be restricted and exclusive. It can be directly linked to access to employment, with those not participating in the labour market unable to qualify for assistance. Or eligibility may be linked to specific groups, such as military veterans. None match the exceptional convenience and equitable breadth of coverage offered by the Motability Scheme. Internationally, it is a best practice model of private accessible transport, supporting disabled people to secure and develop their independence, freedom, and wellbeing.

Supporting disabled people into education and employment

Increasing disabled peoples' mobility and access to transport brings benefits which can improve their quality of life. This can range from the little things, like being able to save time in making journeys, to life changing ones, such as disabled jobseekers having the means to commute to work, thereby enabling and securing participation in the labour market. There are mental health wellbeing benefits too. For example, having the ability to travel when and where they choose can provide disabled people with the means to create and sustain social networks.



Independent research on Motability Scheme customers, commissioned by Motability Operations, shows that having a reliable means of transport can directly boost disabled people's employment opportunities as well as their earnings. In a survey of 982 Motability Scheme customers, 21 per cent stated that the Scheme had a substantial impact on their job prospects, often describing it as "significant" or "life-changing". On average, respondents were able to work an average 14 additional hours per week due to the Scheme. Oxford Economics estimates that having the means to travel to work equates to approximately £546 million in additional wages for Scheme customers (Oxford Economics, 2025).

The same survey also found that 27 per cent enjoyed markedly better access to education, a gateway to higher-paid, higher-quality work, as a result of having access to private transport. Oxford Economics estimates that increased access to education, facilitated by having a car under the Scheme, contributed an additional £91 million in wages for customers (ibid). As an example of the Scheme's impact at an individual level, take Ben, someone who was able to secure an apprenticeship after learning to drive with a grant from the Motability Foundation, and who now independently drives his Motability Scheme car:

"Before I learned to drive, I would go to college via taxi, but they'd be late and make me late to college, late to lessons. So obviously it's just better being able to drive. I use push-pull hand controls because I've got cerebral palsy, which means I've got stiffness in my ankles. Having the car gives me that sense of security. Now I can drive, I can go to places like the gym, I can go to work, without any worries. It makes me feel a lot more confident."

Access to health appointments and services also improved substantially for survey respondents, with 87 per cent describing the benefit as "significant" or "life-changing." Fewer missed appointments and reduced demand on non-emergency patient transport saves the NHS an estimated £157 million (ibid). Furthermore, better health is likely to help customers remain in work longer.

Supporting the UK economy

The Motability Scheme sustains a considerable economic footprint in the UK, driving activity across the economy. This includes expenditure from vehicle manufacturers and dealerships, specialist adaptations, ongoing maintenance of vehicles and insurance. It also includes Motability Operations' own running costs. These are illustrated through the Schemes' contribution to UK GDP, employment supported, and tax revenues generated.

In 2022/23 the Scheme added just over £4 billion to UK GDP, accounting for 0.2 per cent of all economic output in the country. Around £2.5 billion of this was generated



directly by Motability Operations and those involved in supplying new vehicles to the Scheme, including motor manufacturers, dealerships and others providing vehicle-related services. In the same period, Oxford Economics estimates that these firms spent £1.3bn in their supply chains, thereby supporting an additional indirect contribution of £902m to UK GDP (Oxford Economics, 2025).

Aligned with the employment ambitions outlined in the Green Paper, the Motability Scheme serves as a significant engine of job creation and tax revenue across the UK economy. It directly supports the employment of over 10,000 workers (as of 2022/23), with just under 2,000 being employed by Motability Operations itself. In this period, Motability Operations and other employers associated with the Scheme paid around £324m in taxes (Oxford Economics, 2025). Around 44 per cent (£143m) of this direct tax contribution related to Motability Operations' corporation tax payment (ibid).

The Motability Scheme's economic footprint supports further indirect employment in its supply chain as well, with 13,000 jobs. In a 'ripple' effect, created when these workers spend their wages in the local economy, there is an induced impact. Nearly 11,000 jobs are sustained in wider consumer economy activity associated with the Scheme (Oxford Economics, 2025). Oxford Economics estimates that Motability Operations and the Motability Scheme supports a tax contribution of nearly £800m (2022/23) to the UK Exchequer (ibid).

Supporting the UK's transition to net zero

As the UK's largest EV fleet, the Motability Scheme is making one of the biggest operational shifts in its five decades of service and advancing the Government's net zero ambitions. Motability Operations has committed £265.5 million to help customers overcome financial and practical barriers that could otherwise deter the switch to zero emission vehicles. This includes supporting Scheme customers, who choose to adopt EVs, by installing home chargepoints to enhance the practicality of EV ownership. To date, 80,000 off-street chargepoints have been installed.

The Scheme is setting the standard for an inclusive transition to net zero emissions because it enables disabled people on low incomes to choose whether or not to lease EVs without having to worry about cost. Nearly half of all Motability EVs (47 per cent) are found in the poorest third of English council areas, compared with just 25 per cent of the wider UK EV fleet (Oxford Economics, 2025). The Motability Scheme's EV fleet, across UK local authority districts, is also more evenly spread compared to the rest of the UK EV fleet. The latter comprises of EVs operated by other car leasing companies as well as those owned by the general population. This is important. It illustrates that Motability Scheme EV customers come from across the



nation, and are not concentrated in major urban centres and more affluent regions, such as the south east of England (ibid).

Furthermore, the Scheme's purchasing power also keeps prices down. Its EVs have a median list price of £34,995, roughly 20 per cent below the commercial fleet average of £43,450 (ibid). With over 100,000 EVs leased to customers, this early uptake shows that they can be a practical option for everyone, not only those with higher incomes. In 2024 the Motability Scheme accounted for about 20 per cent of all new car purchases, making it the single largest car buyer. It gives manufacturers a reliable order pipeline, particularly when we are passing through a period of geopolitical uncertainty and technological change. Motability Operations is likewise the largest supplier in the used car market, releasing almost 300,000 well maintained vehicles each year and helping dealerships throughout the UK meet demand whilst accelerating an inclusive transition to zero emission transport.

The Motability Foundation is also investing in establishing standards for accessible EV public charging solutions. Making chargepoints accessible for all motorists is not just an inclusion issue. It directly advances the Green Paper's goal of removing practical barriers which can keep disabled people from securing and sustaining employment. The Foundation, in partnership with the Government's Office for Zero Emission Vehicles (OZEV), co-sponsored the British Standards Institution to create PAS 1899:2022 - the world's first standard for accessible public EV chargepoints.

PAS 1899 turns inclusive design principles into auditable requirements that cover every stage of installation, including bay widths, bollard spacing, connector height and cable weight, kerb gradients, tactile wayfinding, lighting and signage. Applicable to all charger speeds and site types, it gives charge-point operators, local authorities and investors a single, freely available benchmark for equitable access. A revised edition is scheduled for 2026.

Society is on the verge of a new era in mobility, driven by net zero emissions transport goals and by the acceleration of generative artificial intelligence in transport solutions. It is therefore crucial that this transition considers and 'designs-in' accessibility from the outset to ensure that disabled people benefit from the shift to greener modes of transport. To support this, the Motability Foundation has funded research to explore the challenges in designing EVs for disabled consumers, including wheelchair accessible vehicle (WAV) users (Energy Saving Trust, 2023), and how future vehicle design could be more inclusive (Designability, 2024). Looking further ahead, we have supported research to understand the opportunities and challenges for disabled travellers from automated transport technologies (TRL & RiDC, 2024).



The Motability Foundation shares the Green Paper's ambition to build a benefits system which removes barriers to work for disabled people. Drawing on decades of experience running the Motability Scheme, we have seen at firsthand how certainty over disability benefits, particularly the mobility component, and access to affordable, accessible transport (via a best practice, all-inclusive leasing model) can transform employment prospects, raise living standards and safeguard wellbeing for hundreds of thousands of disabled people each year.

By giving disabled people firm reassurance that their disability benefits will stay in place while they test out work, thereby avoiding the 'activity trap', and pairing that certainty with practical help to travel to and from the workplace, the Government can draw on a larger, more diverse talent pool for the UK labour market, reduce economic inactivity and help build a greener, more inclusive economy. We stand ready to work with the Department, disabled people's organisations and other partners to ensure that any reform delivers the opportunity, independence and dignity the Green Paper rightly seeks.

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