

## Government Retreats on Benefit Cuts to Secure Party Unity

The government has confirmed a notable softening of its welfare reform plans, following growing pressure from Labour backbenchers and disability advocates. In a move aimed at defusing an internal rebellion, Prime Minister Keir Starmer agreed to key changes that will limit the impact of proposed benefit cuts. The revised plan now ensures that existing recipients of Personal Independence Payments and the health-related component of Universal Credit will not be affected, changes that mark a significant shift from the government's original position.

More than 120 Labour MPs had expressed serious concerns about the bill, warning it risked disproportionately affecting disabled people and undermining the party's commitment to fairness. In response, the government negotiated through the weekend to reach a compromise. The final agreement means the most substantial changes will now apply only to future claimants. Alongside this, an additional £1 billion in employment support has been brought forward, and a wider review of disability benefits has been promised.

The concessions have eased tensions across parts of the Labour Party, with several MPs saying the revised plan better balances the need for reform with the protection of vulnerable groups. Treasury Committee Chair Meg Hillier welcomed the changes, calling them a "measured step" that offers reassurance to concerned constituents while keeping Labour's fiscal goals in view.

However, not all concerns have been put to rest. Critics within and outside Parliament have pointed to the risk of creating a two-tier benefits system, with future applicants potentially facing stricter conditions than those already receiving support. Questions also remain about how the government will make up for the reduced savings, estimated to be £3 billion less than originally projected.

Despite these challenges, the government is now expected to win Tuesday's second reading of the bill, thanks in part to support from disability organisations and key party figures. The episode reflects both the pressures of governing and the realities of internal debate, with Starmer navigating between party unity, fiscal discipline, and the demand for fairness in policy. The outcome suggests a leadership approach rooted in negotiation and responsiveness, even as broader questions about the direction of welfare reform remain.