

## **Motability Operations Group plc – Welfare Reforms**

Ahead of the publication of the *Pathways to Work: Reforming Benefits and Support to Get Britain Working* Green Paper on 18 March 2025, media speculation created some uncertainty regarding the potential impact of proposed welfare reforms on access to the Motability Scheme.

The Government's Green Paper and subsequent Spring Statement on 26 March 2025 provided some clarification. Importantly, it confirmed that the changes to disability allowances would not affect the mobility component. Furthermore, the Government also confirmed that the Personal Independence Payment will remain an important non-means tested benefit and will be uprated in line with CPI as usual.

The Government also committed in its Green Paper to review the PIP assessment involving experts and disabled people. Any future changes to qualifying criteria could affect Scheme participation - particularly among renewing or new customers - if household incomes are reduced as a result.

The Group is currently assessing the potential implications and is awaiting the Terms of Reference for the review before making any further comment.

We remain committed to being transparent and constructive with investors and will host an investor call once the potential impacts are better understood. It remains business as usual for the Scheme and we thank investors for their continued support.