The Rt Hon John Healey MP
Chancellor of the Exchequer
HM Treasury

Wednesday 21st October 2026

Supporting Independence for People with a Disability: Motability and the Budget

Dear Chancellor,

As a charity representing over 105,000 people living with a spinal cord injury across the United Kingdom, I am writing to you ahead of the Budget regarding support for disabled people to live an independent and fulfilled life.

The previous Budget announced several changes to fiscal policy surrounding the Motability Scheme, notably the addition of VAT on Additional Payments and the inclusion of Insurance Premium Tax. As you will be aware, in order to absorb the increase in costs Motability introduced operational adjustments such as decreasing the mileage allowance, increasing the mileage excess fee, and limiting overseas use of vehicles.

These operational adjustments were imposed for new leases started on, or after, 1st July 2026. Given that many users of a vehicle on the Motability Scheme are in a multi-year contract, and the time period between the announcement in the previous Budget and the imposition of changes, the impact and additional costs have not yet been fully realised or appreciated by disabled people on the Scheme. However, the Government has already recognised that people across the country are under increased strain with a higher cost of living and this is disproportionately felt by disabled people; it is understood that in order to achieve the same standard of living as non-disabled households, there is an additional cost of £1,095 a month for disabled households.[1]

Given the delay in previous fiscal changes to the Motability Scheme impacting users, we believe that it would be prudent to delay any further changes until the effect can be fully appreciated. Furthermore, the operational situation of the Scheme is intricately linked with the ongoing work of the Timms Review into Personal Independence Payment (PIP). Given eligibility for the Scheme is dictated, in part, by the award of PIP and the Review's stated aim to ensure that PIP is 'fit and fair for the future in a changing world'. I hope you agree it would be circumspect to await the forthcoming publication of the final report before considering additional measures.

We want to be clear that, for us, this is not about the existence or otherwise of an organisation, rather it is about the critical support for people with a disability: the Scheme enables independence, empowers choice, and facilitates hundreds of thousands of disabled people to engage in their communities, take up meaningful activities and achieve long term employment.

[1] Scope (2025) *Disability Price Tag*

As a signatory to the *UN Convention on the Rights of Persons with Disabilities*, the United Kingdom is required to promote, protect, and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all persons with disabilities, while respecting their inherent dignity. Any threat to the independence and standard of living for disabled people can have serious ramifications across society.

We understand the concerns regarding accountability of the Scheme to the public and more importantly the people it serves, and in that vein have written separately to the Motability Foundation. To reiterate, this is about the sustainability and effectiveness of support that is crucial to so many disabled people.

Whilst there are increasing pressure facing public finances, and we appreciate the pressure on HM Treasury, these pressures are felt by citizens across the country. Disabled people's independence and engagement in society, life, and work, should not be at risk before the full impact of the Scheme on the vast majority of disabled people using it are understood, and before appropriate organisational optimisation is undertaken.

We look forward to your reply.

Yours sincerely,



Nik Hartley OBE

Chief Executive, Spinal Injuries Association