



Chris Heaton-Harris
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Dear Constituent,

Thank you for contacting me about Universal Credit (UC).

UC was the biggest and most fundamental reform to the welfare state since its creation. It is a modern benefit based on the sound principles that work should always pay and those who need support receive it. It is also fair to taxpayers.

A decade ago, the welfare bill cost each household around £8,500. This was an increase of nearly £3,000 per household since 1997. Not only was this system failing to reward work, but it was the taxpayer bearing the burden.

I firmly believe that UC is a fair benefit that protects vulnerable claimants and ensures that work always pays. As UC is a simpler, more accurate benefit based on up-to-date information, it provides people with their full entitlement.

In the Budget 2018, the Chancellor announced a £4.5 billion package for UC, which is making a real difference to the lives of claimants across the country. An extra £1.7 billion a year is going into work allowances, increasing the amount that hardworking families can earn by £1,000 before their award is tapered away, providing extra support for 2.4 million working families.

This is on top of a £1 billion package of changes, providing two additional weeks of DWP legacy benefits for those moving onto UC, a 12-month grace period before the Minimum Income Floor is applied, and a reduction of the normal maximum rate at which debts are deducted from UC awards, from 40% to 30% of Standard Allowances.

In April 2020, a £10m Universal Credit Transition Fund was introduced to help vulnerable people claim Universal Credit as a route into work.

Thank you again for taking the time to contact me.

Yours faithfully,

CHRIS HEATON-HARRIS MP
MEMBER OF PARLIAMENT FOR DAVENTRY