



November 2021

Dear Constituent,

Thank you for contacting me about the £20 per week uplift to Universal Credit (UC) and Working Tax Credits.

This extra support was announced by the Chancellor as a temporary measure in March 2020 to provide additional support those likely to be facing the most financial disruption as a result of the public health emergency. Alongside the temporary increase to Universal Credit and Tax Credits, the Government invested over £352 billion in measures to create, support and protect jobs and businesses, introduced mortgage holidays and additional support for renters, and worked with energy suppliers to protect those struggling with energy bills.

I welcome the decision announced at the 2021 Autumn Budget to reduce the UC taper rate from 63% to 55%, as well as increasing work allowances in UC by £500 a year.

These changes to UC represent an effective tax cut for low income working households in receipt of UC worth £2.2 billion in 2022-23.

In the ten years prior to the pandemic, employment was at record high levels, thanks to the Government's careful handling of the economy. This allowed the Government to provide an unprecedented fiscal response. Now with nearly all restrictions lifted and our recovery gathering pace, it's right that focus is switched to getting people back into work and improving their prospects. To support this the Government announced a multi-billion-pound Plan for Jobs.

I am encouraged to see this already delivering for those who have been affected by the pandemic including, for example, through the £2 billion Kickstart scheme, which has already seen over 263,000 approved roles created from a range of different sectors for 16 to 24 year olds on Universal Credit, with over 50,000 young people already in Kickstart roles. This will give young people the practical experience that we know is so crucial in securing sustainable employment. Furthermore, I welcome the £2.9 billion Restart scheme which will provide intensive help to over a million jobseekers who have been out of work for more than a year.

As I am sure you are aware, the Minimum Income Floor (MIF) was temporarily relaxed in April 2020 to support self-employed people at the height of the pandemic. As restrictions have been removed, the MIF is being gradually reintroduced since August, at which time Work Coaches will be given discretion to further suspend the MIF to ensure that those claimants who continue to be severely affected by Covid-19 restrictions can be supported on a case-by-case basis.

I am aware that people use food banks for many and varied reasons. The Government continues to provide a strong safety net through the welfare system for those who need extra support, whilst simultaneously working to support economic recovery and get people back into work as quickly as possible. While there are currently no official statistics on the number of foodbanks, which are independent charitable organisations, I understand that the Government added questions on food security to the Family Resources Survey, to support a better understanding of the lived experiences of families.



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I am keen that we deliver a recovery for the whole of the country, supporting the most vulnerable in society and returning as many people as possible to work.

Thank you again for taking the time to contact me.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Chris'.

CHRIS HEATON-HARRIS MP
MEMBER OF PARLIAMENT FOR DAVENTRY