



HM Treasury

1 Horse Guards Road
London
SW1A 2HQ

Rt Hon Sir George Howarth MP
House of Commons
London
SW1A 0AA

18 August 2020

Dear Sir George Howarth,

Thank you for your correspondence dated 17 July on behalf of your constituent regarding child benefit. The Treasury has received unprecedented amounts of correspondence since the start of the coronavirus outbreak in the UK. The Chancellor of the Exchequer has asked me to write to you directly.

The Government is committed to helping families through the unprecedented impact of the Covid-19 outbreak. This is why at Budget 2020, and in the Chancellor's announcement on the 20 March, we committed to a targeted, multi-billion-pound package of support for families this year.

We have announced measures that can be quickly and effectively operationalised, and that benefit as many disadvantaged families as possible. The Department for Work and Pensions and HM Revenue and Customs are experiencing significant increased demand and the Government must prioritise both implementing the changes we have already announced and the safety and stability of the benefits system overall.

The measures announced on 20 March include a £20 per week increase to the Universal Credit standard allowance and Working Tax Credit basic element, a relaxation of earnings rules for self-employed Universal Credit claimants, and

an increase in the Local Housing Allowance rates for Universal Credit and Housing Benefit claimants to the 30th percentile of market rents.

This is in addition to measures announced at Budget, which included widening the scope of Statutory Sick Pay and making accessing benefits easier for those affected by COVID-19. The Budget also announced that the Government will provide Local Authorities in England with £500 million of new grant funding to support economically vulnerable people and households in their local area. This ensures that additional welfare support is targeted at low income households, including those who have to claim Universal Credit as a result of the current outbreak. Child Benefit has been increased in line with inflation from April as planned.

Whilst we will keep measures under review as we analyse the impact of Covid-19 on vulnerable groups, we do not plan on making any further changes as we must focus all our efforts on delivering this package.

I hope this is helpful. If you have any questions about this reply, please email public.enquiries@hmtreasury.gov.uk quoting reference MC2020/29059.

Yours sincerely,

Max Kirby

Correspondence and Enquiry Unit
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