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for Work &  
Pensions

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Rt Hon Sir George Howarth MP  
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Our ref: MC2020/68790

10 December 2020

Dear Sir George,

Thank you for your email of 9 November to the Secretary of State on behalf of a number of your constituents about Universal Credit and current legacy benefit rates. I am replying as the Minister for Welfare Delivery and I apologise for the delay.

Since the start of the pandemic, the Government has introduced a raft of temporary emergency measures to help the hardest hit, including the furlough scheme, the Self-Employment Income Support Scheme, and the temporary £20 per week uplift to Universal Credit Standard Allowance.

The Chancellor has confirmed the Universal Credit uplift until March 2021. It is right that we wait for more clarity on the national economic and social picture before assessing the best way to support low income families moving forward.

The uplift is just one part of a comprehensive package of support we have put in place to help people through this difficult period. As we have done throughout this crisis, we will continue to assess how best to support low-income families and will review this against the context of the national economic picture in the new year.

Jobseeker's Allowance, Employment and Support Allowance and Income Support were all increased by 1.7 per cent in April as part of the annual up-rating exercise following the Government's announcement to end the benefit freeze. The Secretary of State has announced - as part of the annual review of social security rates - that these benefits would again rise in line with inflation at the start of the next financial year.

We will ensure benefits retain their value by guaranteeing that for a consecutive year, benefits will increase from April 2021 in line with CPI (0.5 per cent). This includes those benefits which contribute towards extra costs arising as a result of a disability or health condition, such as Carer's Allowance. Also included are working-age benefits, disability, carer and pensioner premiums in income-related benefits and statutory payments.

In addition, we invested nearly £1 billion to increase Local Housing Allowance rates to the 30th percentile of local market rents earlier this year. We are maintaining this support at the same cash level next year.

I hope your constituents will find this reply helpful.

Kind regards,

A handwritten signature in blue ink, appearing to read 'Will', is centered below the text 'Kind regards,'.

**Will Quince MP**

**Minister for Welfare Delivery**