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Dear Stephen,

Thank you for your correspondence dated 7 July 2021, and for confirming that SSAC are content with The Universal Credit (Coronavirus) (Restoration of the Minimum Income Floor) Regulations 2021 and will not be taking the regulations on formal reference. We are grateful for the scrutiny of the Committee, and confirm that these regulations will be laid on the 8 July.

Please find responses below to the concerns you have raised.

Communicating the reintroduction of the MIF

We carefully considered the best way to communicate this change to claimants, adopting an approach which avoids creating concern and uncertainty amongst those who may not be affected for many months. We will communicate the reintroduction of the MIF to individual claimants directly and have committed to send a journal message to each claimant at least a week before their gateway interview to provide notice that we need to review their current status. Work Coaches will then explain in one to one conversations with claimants what it means to be gainfully self-employed on UC and have the MIF applied. Additionally, and importantly, a notice period will ensure that no claimant who is due to have the MIF applied will see a reduction in their UC award for at least one month from the point at which their gainful self-employment decision is explained to them.

Information for self-employed claimants on GOV.UK and the Understanding Universal Credit website will be reviewed and updated ahead of the coming into force date. We will also update DWP stakeholders to ensure that they are fully aware of the changes and able to provide up to date and accurate advice to claimants that get in touch.

Application of discretion

While the guidance for staff is still currently in development, we can commit to sharing this with you in the week leading up to these regulations coming into force on the 31st July, and to considering any comments the Committee might have.

Learning and agile response

We are firmly committed to evaluating and monitoring the impact of this policy, as we do with all new policies, and will consider evidence from a range of sources. Officials from policy, service design and service delivery will meet weekly and work closely to ensure that this policy is being implemented as intended. These conversations will be supported by data from within the UC Service itself, as well as evidence provided by the Service Innovation Lead (SIL) network in each Jobcentre who have responsibility for gathering feedback directly from Work Coaches. We will use this information to determine whether any changes are necessary.

I trust that these answers provide the reassurance you're looking for, and thank you and the Committee once again for your support with these regulations.

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