

**TOM PURSGLOVE MP**  
CORBY & EAST NORTHAMPTONSHIRE



HOUSE OF COMMONS

LONDON SW1A 0AA

13<sup>th</sup> May 2020

*See Comment,*

**RE: 'CORONAVIRUS EMERGENCY INCOME SUPPORT SCHEME'.**

Thank you for your recent correspondence in respect of the welfare system during the Coronavirus outbreak and your suggestion of a 'Coronavirus Emergency Income Support Scheme'; your comments upon which I have read with great interest.

I agree that it is critical the Government delivers essential support to people across the country during this unprecedented time. It is very clear that the steps we need to take to confront this public health emergency are having a profound effect on our economy. I know that many people now fear losing their jobs, and being unable to pay their rent or mortgage and bills.

As I am sure you are aware, Ministers in the Department for Work & Pensions (DWP) have made significant enhancements to the welfare system to ensure people receive vital support at this time, and the Chancellor has introduced measures to support those who now find themselves without employment.

I am encouraged that this includes extra support for the welfare system through Working Tax Credit (WTC) and Universal Credit (UC). Both the UC standard allowance and the WTC basic element have been increased by £1,000 per year for the next 12 months. This equates to an additional £86.67 per month, on top of the planned annual uprating – a 1.7 percent uplift to all benefits that came into effect in April, ending the benefits freeze. Together, these measures represent an injection of £6.5 billion into the welfare system.

All existing WTC recipients are set to benefit, alongside all UC claimants, both new and existing. The new rates will automatically be reflected in claimants' awards. Around 2.5 million households will immediately benefit from this additional UC funding, as will anyone who becomes unemployed or whose earnings decrease under the impact of the Coronavirus. I would also emphasise that where people feel they will struggle to wait for their first formal UC payment, advances are available. These are typically paid in a matter of days and recovered over a period of 12 months.

However, as you rightly point out, it is important to also try to reduce people's costs. To help ease the pressure on outgoings, the recovery of most government debt has been paused for at least three months. This includes any overpayments of Universal Credit, Social Fund loans and Tax Credit debts. The Government has also introduced mortgage holidays and suspended new evictions while this national emergency is taking place - recognising pressure on household resources.



I know that my colleagues in Government are continuously reviewing existing and new policies and analysing how best to deliver crucial support to those that need it at this worrying time.

Once again, thank you for having taken the time to contact me and if I can ever be of any further assistance to you then please do not hesitate to contact me again.

*With best wishes,*

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

**TOM PURSGLOVE MP  
MEMBER OF PARLIAMENT  
CORBY & EAST NORTHAMPTONSHIRE**