



**HOUSE OF COMMONS**

LONDON SW1A 0AA

19<sup>th</sup> June 2023

*Dear Constituent,*

**RE: THIRD PARTY DEDUCTION SCHEME**

Thank you for your recent correspondence in respect of your concerns about the Third Party Deduction Scheme. I have read your comments with interest.

The Third Party Deduction Scheme is designed to protect claimants in receipt of income-related benefits. It is used when a claimant has arrears of essential household outgoings. Under the scheme, those in receipt of certain benefits or credits may have deductions taken from their benefit and paid directly to a creditor or supplier. The Third Party Deduction Scheme should only be used when all other avenues of recovery have been exhausted.

Third-party deductions are only taken when it is in the interests of the individual or family, for example to prevent eviction and homelessness. The types of debt covered by the scheme are rated in a priority order to reflect the degree of risk to the individual, or their family, posed by any enforcement action.

I appreciate your concerns regarding the impact of global price rises on individuals and families. I am not aware of any plans to suspend the Third Party Deduction Scheme, but will communicate your thoughts on this to my ministerial colleagues.

I know that the Government recognises the importance of safeguarding the welfare of claimants who have incurred debt. Under Universal Credit, there is a coordinated approach to deductions from benefits, which supports claimants to manage their financial obligations.

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 be 'Tom Pursglove'.

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