Statement to Parliament: The Secretary of State for Work and Pensions has made a statement to the House today.

Mr Speaker, I'd like to make a statement on the changes announced to Universal Credit in the Budget last week and on the Managed Migration regulations, which we are laying in the house today.

The Chancellor announced a substantial package at the Budget to ensure that millions keep more of what they earn, and vulnerable claimants are supported when they move to Universal Credit.

In total, Mr Speaker, this package will be worth an extra £4.5billion across the next 5 years.

I want to pay a special thank you to all the colleagues, charities, third-sector organisations, Jobcentre Plus staff and claimants who fed back to me to build this package of support to ensure Universal Credit is a fair system – supporting thousands who can't work as well as thousands who can.

And I'd like to also thank my Right Honourable Friend the Prime Minister and my Right Honourable Friend the Chancellor for their support to deliver these measures.

Because make no mistake, Mr Speaker: this is a department that listens. And a department that will continue to listen, adapt, change and deliver.

We will put an extra £1.7billion a year into work allowances, increasing the amount that hardworking families can earn by £1,000 before Universal Credit is tapered away – providing extra support for 2.4million working families.

Which is why it was welcomed not only in this House, but amongst charities.

Like the Child Poverty Action Group, which said: "The work allowance increase is unequivocally good news for families receiving Universal Credit".

And the Joseph Rowntree Foundation, which said this extra investment "will help make Universal Credit a tool for tackling poverty".

And, we have gone further – recognising the genuine concerns raised about the support we were offering people, especially to the most vulnerable, when they move to Universal Credit.

So we have made a further £1billion package of changes, providing 2 additional weeks of DWP legacy benefits for those moved onto Universal Credit – a one-off non-repayable sum that will provide claimants with extra money during the period before they receive their first Universal Credit payment.

And this is on top of the 2 additional weeks of Housing Benefit announced at

Autumn Budget 2017, and put into place this year.

And we will support the self-employed moving to Universal Credit.

We will open up a 12-month grace period before the Minimum Income Floor is applied, supporting 130,000 self-employed claimants.

Because we are the party of business, we are the party of aspiration.

We will support those in debt by reducing the normal maximum rate at which debts are deducted from Universal Credit awards, from 40% to 30% of Standard Allowances.

This will help over 600,000 families to manage their debts at any one point when roll out is complete – providing them with, on average, £295 extra a year as their debts are repaid over a longer period.

Mr Speaker, this is targeted support to help work pay and support the vulnerable.

Which is why today I lay regulations to deliver the next phase of Universal Credit – Managed Migration.

Through which people will be moved onto Universal Credit.

A move from a system that trapped people on benefits and creating cliff edges at 16, 24 and 30 hours with punitive effective tax rates of over 90 per cent for some.

Between 1997 and 2010, benefit spend went up by 65%.

In 1997, households were paying £5,500 in taxes to fund the benefits system – and by 2010 it had risen to £8,350.

[Political content]

Under this Government 3.4 million more people are in work – the vast majority of which are full-time and permanent roles.

Which means that we have created more new jobs in the UK since 2010, than France, Spain, Ireland, Netherlands, Austria and Norway combined.

Alongside creating a welfare system that supports those who need it.

Through Universal Credit, around 1 million disabled households will receive around an extra £100 on average per month through more generous support.

The managed migration regulations will, in addition:

- protect 500,000 people’s Severe Disability Premium at the point of migration
- deliver Transitional Protection for those we move, to ensure that at the point of moving, those manage migrated have their entitlements protected

We will take a measured approach to delivering Managed Migration, taking our time to get it right and working with claimants to co-design it.

We have and will continue to take on board the advice of experts and charities.

Such as the Social Security Advisory Committee (SSAC) – whose report on the regulations we have published, along with our response today.

And we have accepted in full or part all but one of their recommendations.

And the one we didn't is because we want to be more generous!

I pay tribute to the hard work of SSAC in scrutinising our regulations.

And we have changed a key part of the regulations, which charities have raised with me, my department and MPs.

Which relates to the minimum statutory notice period for people moving from their legacy award to Universal Credit.

We have extended this period from a minimum of 1 month to a minimum of 3 months – to allow claimants maximum time to prepare and make their claim before their legacy award expires.

Alongside this, we have unlimited flexibility to extend claim periods for people who need it.

We will also backdate any claimant who has missed the deadline date, but has made a claim within a month of the deadline day passing.

And we will test a variety of communications methods, including advertising campaigns, face to face communication, letters, texts, telephone calls and home visits.

Mr Speaker, this will provide support for claimants during managed migration.

And we will constantly review our approaches, engage fully with charities, experts, claimants and all members of this House.

Mr Speaker, I commend this statement to the House.

Statement to Parliament: Announcement on probate fees

I have today laid before Parliament new legislation to implement a new, banded structure of fees for a grant of representation, commonly known as a grant of probate.

Fees are an essential element of funding an effective, modern courts and tribunals service, thereby ensuring and protecting access to justice.

The Government is investing £1 billion to modernise and upgrade the courts system so that it works even better for everyone, including victims, witnesses, litigants, judges and legal professionals. This includes introducing changes to our Probate Service, who offer an important service to those who are bereaved.

The reform of the service allows people to apply for a grant of probate online, access assisted digital support for those who many not necessarily have the skills or access to engage digitally and empowers individuals to make applications themselves instead of needing to instruct and pay for solicitors. This aims to reduce the burden on applicants, by providing a more efficient and simpler application process.

But such a courts system is simply not possible without proper funding. Since the previous Government set out its intentions to introduce a banded fee structure for grants of probate in February 2017, a number of concerns were raised. We have listened to these very carefully, and under today's proposal we have revised fees so they will never be more than 0.5% of the value of the estate.

Moreover, by raising the estate value threshold from £5,000 to £50,000, we will be lifting around 25,000 estates annually out of fees altogether. For those who do pay, around 80% of estates will pay £750 or less, and all income raised will be spent on running the courts and tribunal service.

It has long been the case that the users of our courts make a contribution to its costs, and we believe this remains both relevant and reasonable – minimising the burden on other taxpayers. Crucially, by asking those who use the courts to pay more, where they can afford to do so, we are able to fund areas where we charge no fees to vulnerable victims and users, including for example domestic violence and non-molestation orders, and for cases before the First-tier Tribunal concerning mental health.

This new banded fee model represents a fair and more progressive way to pay for probate services compared to the current flat fee and reflects our commitment to protecting access to justice by ensuring we have a properly funded and resourced courts system. We are also confident these fees will never be unaffordable. The cost of the fee is recoverable from the estate and executors have several options to fund it. Moreover, the Lord Chancellor retains a power to remit a fee if he considers there are exceptional circumstances.

We will also publish a guidance document before the Statutory Instrument comes into force, entitled Guidance on Ways to Pay for Probate Fees. This will benefit from external stakeholder input, and will help applicants to choose the option to pay which most suits their circumstances, providing reassurance at a difficult time.

Press release: Universal Credit managed migration: reducing the risk to claimants

The Secretary of State for Work and Pensions (the Rt Hon Esther McVey MP) today presented to Parliament SSAC's independent advice to reduce risk for millions of claimants on 'legacy' benefits when they are due to be moved onto Universal Credit. The government's response, also published today, accepted most of the committee's recommendations.

The original proposal required millions of claimants on 'legacy' benefits to make a claim to Universal Credit, presenting a huge operational challenge for the Department for Work and Pensions (DWP), and leaving claimants at risk of financial hardship as they move from fortnightly to monthly payments.

Professor Sir Ian Diamond, Committee Chair, said:

> We are delighted that both the Chancellor of the Exchequer and the Secretary of State for Work and Pensions have listened to the advice of this committee – and to the views of the 455 stakeholders who submitted evidence to our consultation – and taken steps to reduce risk for millions of people.
>
> When we put our advice to government on their proposals for migrating existing claimants to Universal Credit we welcomed the fact that they ensured the vast majority of claimants would not lose out financially at the point of migration. But in several other respects we were concerned that too much risk was being loaded on to individuals. Our advice made clear that needed to be addressed, especially for those out-of-work claimants whose circumstances have not changed and who will be forced to move from fortnightly to monthly payments. It was clear that there were steps that the government could, and should, have been taking in preparing for managed migration that would reduce the risk to claimants. We are pleased that the government has largely accepted our advice – in particular by introducing a 2 week run of payments to out of work claimants to bridge the gap before Universal Credit is paid, by taking more time over the testing phase, by ensuring those whose claim is late or who make a mistake in their initial claim don't lose protections, and by agreeing to publish operational readiness tests which have to be met before the main migration begins.
>
> Nonetheless, a lot of detail still has to be worked out. We are disappointed that the DWP continue to expect that everyone must

> make a claim to Universal Credit in order to be migrated to it. And we remain concerned about the degree to which the department will in practice demonstrate the openness and flexibility to which they have committed. We look forward to working with them on more detailed plans.

Liz Sayce, the Committee’s Vice-Chair, added:

> The sheer scale of the operational challenge facing DWP cannot be underestimated. Millions of individuals are relying on the government to get this right. The department estimates that at least one-third of this group will be disabled people currently dependent on Employment and Support Allowance. Many with, for instance, serious health conditions or learning difficulties will struggle to complete a claim online. We welcome the government’s commitment to ensure that disabled people are supported through the claims process, including taking claims during home visits and over the telephone, and we are keen to work with the department on the detail of these plans to ensure they work well for all disabled people.

When the committee looked at the government’s proposals it recognised that the challenge facing DWP is exceptionally difficult. It is a huge logistical task to contact millions of people, who may be receiving up to 4 different benefits administered by 3 different organisations, collect any additional information needed to determine entitlement, and seamlessly terminate legacy benefit awards (with different rules and definitions) as Universal Credit awards start, without leaving any gaps or overlaps in entitlement.

Many of the committee’s concerns focussed on the claims process itself and on the move to monthly payments. It is of the firm view that the migration plans should, as far as is possible, minimise the risk to claimants. The proposals presented to the committee in June did not do that. In fact, in some respects, the department had chosen to reduce its own risk by transferring it to claimants – most obviously, through the proposal to require all existing claimants to make a fresh claim for Universal Credit. While in some circumstances that approach may be unavoidable, but in many it should be possible to make migration less burdensome, and less risky, for claimants.

In examining each of the proposals, the committee considered the following questions:

- is it deliverable – is it likely to work or would it be too complex or unwieldy?
- is it explicable – will those affected understand it and what they must do?
- is it proportionate to the problem it is trying to solve?
- is it fair – for example, does it impose disproportionate burdens on particular groups of people?

The committee's 12 recommendations focussed on those aspects of the proposals that did not meet the above criteria. In particular it called on the government to undertake a rigorous and transparent assessment of its operational readiness – including the potential impact on different groups of claimants – and to engage delivery partners and claimants in developing its detailed delivery plans and communications. Its recommendations also made clear that the responsibility for ensuring that claimants are moved safely onto Universal Credit rests with the government.

The committee therefore welcomes the Chancellor of the Exchequer's 2018 Budget statement on 29 October which made clear the government's intention that the migration to Universal Credit should be as smooth as possible. In particular, it welcomes the Chancellor's announcement that out of work claimants who are currently reliant on fortnightly benefits will receive a 2 week run on of benefit.

The committee also welcomes the Secretary of State's positive response to the majority of our recommendations, and looks forward to continuing to work with her in ensuring that these proposals are delivered safely and without putting vulnerable customers at risk.

The committee also thanks the many individuals and organisations who responded to its request for advice. This informed and enriched its own understanding of the likely effects of DWP's proposals. The committee is indebted to them for their help.

Read the committee's report on the Universal Credit managed migration proposals.

More information

At the point at which the draft proposals were presented to the committee in June, the department estimated that, over a 4 year period from 2019 to 2023, 2.09 million households (2.87 million individuals) will have been migrated. It was also estimated that the majority of claimants being migrated are currently in receipt of tax credits (54%) and Employment and Support Allowance (36%).

SSAC is an independent advisory body of the Department for Work and Pensions. The committee's role is to give advice on social security issues; scrutinise and report on social security regulations (including tax credits) and to consider and advise on any matters referred to it by the Secretary of State for Work and Pensions or the Department for Communities in Northern Ireland.

The committee membership comprises: Sir Ian Diamond (Chair), Bruce Calderwood, David Chrimes, Carl Emmerson, Chris Goulden, Philip Jones, Jim McCormick, Grainne McKeever, Dominic Morris, Seyi Obakin, Judith Paterson, Charlotte Pickles, Liz Sayce and Victoria Todd.

Further enquiries should be directed to Denise Whitehead, Committee

Secretary, on 020 7829 3354.

News story: HMCTS sign lease for the Civic Centre with Newcastle City Council

Work to bring civil, family and tribunal hearings into one accessible building in Newcastle city centre have taken a step forward with the signing of a new lease.

The development will provide a modern, fit for purpose building for local people, legal professionals, judiciary, and courts and tribunals staff. The new courthouse is expected to open by 2020.

We have been working in partnership with Newcastle City Council to develop plans and designs for the Civic Centre, which is being fully refurbished and will include the new Civil, Family and Tribunals (CFT) courthouse.

Linda Ventress, HMCTS regional estates strategy lead, said:

> This new court will help provide a modern, fit for purpose building for the people of Newcastle. We are delighted to see the next stage of the project begin and look forward to bringing civil, family and tribunal work into one location, making it easier and more efficient for people to access justice.

This is the first part of a wider plan for the courts in Newcastle, which will also see conversion of the existing Newcastle Combined Court into a Criminal Justice Centre.

The government is investing £1bn in reforming courts and tribunals, including making significant improvements to the condition and design of court buildings. This will improve the experience of visiting or working in a court, and lead to better value for taxpayers by reducing operating costs and increasing the efficiency of the estate.

News story: UK leading Europe for FDI as Fox hunts future investors in China

International Trade Secretary Dr Liam Fox will attend China’s biggest international import show alongside a 50-strong UK business delegation. He will be beating the drum for UK businesses during the inaugural China International Import Expo (CIIE).

Taking place in Shanghai from 5-10 November, Dr Fox will push for British firms to secure tens of millions of export wins and investment at the show.

He will hope to build on the recent success highlighted in the United Nations Conference on Trade and Development (UNCTAD) report, which indicated the UK achieved the second highest level of Foreign Direct Investment (FDI) in the world during the first six months of 2018.

Championing UK business, Dr Fox will tour the UK Pavilion in China as it showcases world-leading companies including Jaguar Land Rover and British Airways, as well as promoting a range of sectors popular in the Chinese market such as healthcare, education and the creative industries.

International Trade Secretary Dr Liam Fox MP said:

> As we leave the European Union, we have a once in a generation opportunity to put the UK at the centre of the world’s fastest growing market – and increasing trade with China is at the heart of this vision.
>
> Greater global trade links not only deliver a better deal for consumers and businesses but create jobs for people back in the UK. Whether you are an armchair exporter or a growing firm looking for international investment – this event will help drive prosperity in the UK.

Over recent months China has started to open up its markets for UK goods and services, including dairy products, potatoes and petrol stations. DIT’s presence at the show will help create even more exciting opportunities for British companies.

The International Trade Secretary will be joined by the Minister for Trade and Export Promotion Baroness Fairhead and His Royal Highness The Duke of York.

The UK, which has been named a “Country of Honour” at CIIE, is seeing the event as a major opportunity to grow bilateral trade which is already worth more than £65bn.

UK Pavilion at CIIE

The UK's presence at CIIE will feature revolutionary technology and industry best practice from a range of sectors including healthcare and life sciences, financial and professional services, creative industries, energy and mining, ICT, education, aviation, FMCG and sport.

The theme of the Pavilion is Innovation is GREAT and will include cutting-edge Virtual Reality and Augmented Reality technologies from ground-breaking British companies such as Mi Hiepa Sports, who promote Global Elite Football VR – a market leading VR training & cognitive development tool for elite football, which is already used by world leading football clubs.

The pavilion will also feature companies such as WorldFirst, ACCA, Lloyds Bank, Alibaba Cloud, the University of Buckingham, Rio Tinto, Baosteel and Anstee, GSK and Boots.

Notable British contributions to the Expo include:

- BP who have been operating in China since the early 1970s and are one of the leading foreign investors in the oil and gas sector in China
- HSBC who will showcase the bank's heritage in China and its central role in linking China with the world through trade and investment
- Global healthcare company GSK, who are fostering exchange between Chinese and British universities in the fields of health and economy, and developing advanced medical solutions that are most relevant to Chinese patients