

# 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 £4.5 billion 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 £1.7 billion 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 2.4 million 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 £1 billion 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 managed 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.