

Chair of the Poverty and Inequality Commission
Bill Scott



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To: Thérèse Coffey MP
Secretary of State for Work and Pensions

by email

6 April 2020

Dear Dr Coffey,

I am writing to you as Chair of the Poverty and Inequality Commission for Scotland about the further action that needs to be taken to help people who have been deeply affected by the coronavirus outbreak.

The Poverty and Inequality Commission welcomes the measures that the UK Government has put in place to support the self-employed and to enable workers to be furloughed to protect jobs and businesses. Some workers, however, have already lost their jobs or had their hours significantly reduced and for these workers the social security system must provide a safety net.

Figures show the enormous demand that this crisis is putting on the social security system and the Commission commends the work of the staff at the Department for Work and Pensions for who are working on one of the frontlines of this crisis. We do not underestimate the massive effort that has been made to get 950,000 new claimants registered in a two week period.

The Commission is writing to you now about the five week waiting period for Universal Credit. Many individuals and families do not have the savings that would allow them to wait for five weeks for a payment, forcing them to take up an advance that in effect puts them immediately into debt, with deductions being taken from their future payments. The situation is particularly acute at the moment because so many people will have found themselves in this situation unexpectedly and with no notice.

Claimants cannot wait five weeks for payments so the Commission is asking the UK Government to make the Universal Credit advance non-repayable. In the longer term the five week wait for Universal Credit should be eliminated, but the Commission recognised that this is more technically challenging and that the quickest way to support families now is to make the advance non-repayable. This will immediately make a big difference to struggling

families, allowing them to take up the advance without worrying that it will force them into debt. Deductions to repay advances for existing claimants should also be stopped.

Bill Scott.

Bill Scott
Chair of Poverty and Inequality Commission