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**From:** Minister for Welfare DELIVERY [/O=EXCHANGE/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=101541001M-MINISTER FOR WELFARE DELIVERY023]  
**Sent:** 06/08/2020 09:52:50  
**To:** Secretary of State [I&S]@dwp.gsi.gov.uk; [NR] DWP MINISTERS GOVERNANCE & STRATEGY [NR]@dwp.gsi.gov.uk  
**CC:** Minister for Welfare DELIVERY [I&S]@dwp.gsi.gov.uk  
**Subject:** FW: URGENT: Submission UC Budget Options

Hi [NR]

Please find MfWD comments and recommendations below to accompany the UC budget options submission. As you can see, he feels quite passionately about these measures and would be happy to meet SoS to discuss further if needed.

I understand that SoS has changed her view and is now considering keeping the standard allowance increase for another year after it was supposed to end. Can you provide any further clarity on her position?

Many thanks,

[NR]

[NR]

Assistant Private Secretary to Will Quince MP, Minister for Welfare Delivery  
Department for Work and Pensions | Ministers, Governance & Strategy Directorate  
Caxton House, 6-12 Tothill Street, London, SW1H 9NA

Tel [I&S]

**Sent:** 06 August 2020 08:16

**Cc:** [NR] DWP MINISTERS GOVERNANCE & STRATEGY [NR]@DWP.GSI.GOV.UK>; Minister for Welfare DELIVERY [I&S]@dwp.gsi.gov.uk>

**Subject:** Re: URGENT: Submission UC Budget Options

The Secretary of State knows my view and how much work, officials and I have done to work out a plan that addresses numerous objectives.

As I see it, there are many benefits to maintaining the standard allowance increase and increasing the child element;

- 1) Politically it would be toxic for us to remove it in April and colleagues, especially 2019 intake colleagues are very concerned by this. I would not feel comfortable defending this at the Despatch box and we would face considerable criticism from the public, journalists and charities,
- 2) Look at the job losses now and on the horizon, we are not in work incentive territory but fiscal stimulus territory and these are the best measures for that with a strong multiplier effect.
- 3) By creating the natural cliff edge, you create a huge incentive to move to UC making the pilot largely redundant with huge numbers moving naturally at lower cost saving on transitional protection.
- 4) These two measures significantly turn the dial on poverty (all measures) and child poverty helping us meet our manifesto commitment by 2024.

The work incentive measures are ones I support but now is not the time for measures of these nature, there is little point incentivising motivated people into work that simply isn't there. It also has zero impact on move to UC and does not have as significant an impact on poverty or child poverty.

I would be very happy to discuss the above with the Secretary of State, this is vitally important and what we do between now and April and what we managed to secure and get over the line will define the Department's response to the recovery, supporting the poorest and most vulnerable. We must get it right.

Best wishes

Will

On 5 August 2020 at 18:04:20 BST, Minister for Welfare DELIVERY

**I&S** <[will@dpw.gsi.gov.uk](mailto:will@dpw.gsi.gov.uk)> wrote:

Hi Will,

Please find attached a box note and revised submission for Secretary of State on UC budget options. Secretary of State does not seem to be convinced by some of the options, notably maintaining the standard allowance increase. Her focus remains on work incentives.

As these options were worked up with your input, officials are seeking your steer.

1. Do you have any feedback for officials on the submission?
2. Please can you provide your recommendations and comments to accompany this submission when it goes to Secretary of State.

A response by **11am Friday 7 August** would allow your comments to be sent with the submission.

Many thanks,

**NR**

**NR**

Assistant Private Secretary to Will Quince MP, Minister for Welfare Delivery  
Department for Work and Pensions | Ministers, Governance & Strategy Directorate  
Caxton House, 6-12 Tothill Street, London, SW1H 9NA

Tel: **I&S**

<200805 SoS sub - UC Budget Options.docx>

<200805 Box note - Revised UC budget options.docx>