



Department  
for Work &  
Pensions

The Rt Hon AMBER RUDD MP  
Secretary of State for Work &  
Pensions

House of Commons  
London  
SW1A 0AA

22<sup>nd</sup> July 2019

Dear Colleague,

Universal Credit has been rolled out nationally and there are now over 2 million claimants on the system.

We have made and continue to make improvements to UC. Recently, we have pledged to simplify the process for direct payments to landlords and are looking at ways to improve the process around more frequent payments. We have also made upfront support available for the childcare costs of parents moving into work and will cap the maximum length of a single fixed sanction at 6 months, to deliver a fairer and more proportionate welfare system that supports people into work.

### **Former Severe Disability Premium Claimants**

Last year, we announced that we would introduce transitional payments to those who had moved to UC following a change of circumstances and had previously received the Severe Disability Premium (SDP) as part of their legacy award.

Today, I am legislating to provide immediate support for your constituents who were entitled to the SDP on legacy benefits and who have already moved onto UC. From 24 July 2019, your constituents can be considered for this support, which can include a backdated payment covering the time that they have been on UC as well as ongoing monthly payments that reflect the lost SDP. I will abolish the 'SDP gateway', which stopped legacy claimants receiving SDP from moving to UC, in January 2021, in response to a High Court judgment.

The new regulations increase the rates of SDP payments compared to the previous regulations to ensure that vulnerable constituents receive support equal to their lost SDP. We estimate that by 2024-25, approximately 45,000 of the most vulnerable claimants will benefit from this package of support, worth an estimated £600 million over the next six years.

### **'Move to UC' pilot**

The regulations I announced today start the 'Move to UC' pilot. This is a pilot that will move up to 10,000 claimants who have not had a change of circumstances to UC.

To ensure claimants move as safely as possible, we will start in one site, Harrogate, with the possibility of extending to further sites as the pilot progresses. The pilot allows us to learn from our approach and adapt our processes to make sure we can support people effectively.

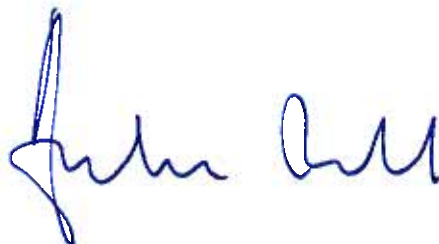
The Department is working, and will continue to work, with stakeholders to develop our approach to the pilot, with support for the most vulnerable and hard-to-reach at the forefront of our minds.

Claimants who are moved as part of the pilot will be eligible for transitional protection to safeguard their legacy benefit entitlement, as well as additional financial support before they receive their first UC payment, including the two-week run on of Housing Benefit, an advance of UC and the Discretionary Hardship Payments.

We will not continue beyond the pilot until we are confident that the right processes are in place to support every one of your constituents who will move to UC. When we are assured of this, we will publish an evaluation of the pilot and return to Parliament before moving any more claimants to UC.

These regulations protect the most vulnerable, safeguard claimants' legacy entitlement, and allow us to implement the safest, most supportive way to move people to UC and I trust that they will be welcomed by Members of this House.

Best wishes,

A handwritten signature in blue ink, appearing to read 'Amber Rudd', written in a cursive style.

**The Rt Hon Amber Rudd MP**  
**SECRETARY OF STATE FOR WORK AND PENSIONS**