

The Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

23 December 2020

Dear Mr Sunak

Re: Permanent increase to Universal Credit

I am writing to you regarding the basic rate for Universal Credit and the impact it has on those residents of the London Borough of Richmond upon Thames who have experienced extreme hardship in 2020.

Nearly 11,000 Richmond upon Thames residents claim and rely on Universal Credit to pay for day-to-day essentials including food, clothing and utilities. In a year when those families and individuals on the lowest incomes have been impacted the most by the months of restrictions, home-schooling and in some cases loss of income and severe isolation, this increase was significant and very welcome by those it helped.

The impact of the £20 a week increase reflects the reality that the standard level of benefits was simply not enough and remain inadequate to protect the increasing number of households relying on them as the pandemic rolls on.

On behalf of Richmond Council, I am therefore asking you to maintain the Universal Credit uplift and permanently increase the basic rate by £20 per week - the level received by claimants since the start of the pandemic in March 2020.

Ending this increase would see the level of unemployment support fall to its lowest real-terms level since 1990-91, and its lowest ever relative to average earnings. Indeed, the basic level of out-of-work support prior to the March boost was – at £73 a week (£3,800 a year) – less than half the absolute poverty line.

At a time when local economies and independent businesses are taking a hit from the on-going restrictions on high-streets, the increase in benefit levels has also supported local businesses and local jobs during the pandemic and will continue to do so as people are more mindful to shop local and support their communities.

Richmond upon Thames Council is therefore joining other local authorities to ask you to reconsider ending this uplift in April 2021 and permanently make the £20 increase to Universal Credit.

Yours sincerely



Cllr Robin Brown, Finance and Resources Lead Member, Richmond Council



Sarah Olney, Member of Parliament for Richmond Park



Munira Wilson, Member of Parliament for Twickenham