Department for Work & Pensions

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Department for Work and Pensions
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The Rt Hon Sir Stephen Timms MP
Chair, Work and Pensions Select Committee

5th April 2023

Dear Sir Stephen,

I am writing in response to your letter of 20 March about the Universal Credit debt waivers and the Healthy Start programme.

Universal Credit Debt Waivers

The Department remains committed to working with anyone who is struggling with their repayment terms. In our reply to Lord Field of Birkenhead, we explained how we have a well-established process for working with customers to support them to manage any debts.

Debt waivers for Universal Credit overpayments are only granted in exceptional circumstances, usually where the recovery of the overpayment is causing substantial hardship, and adversely impacting the welfare of the customer or their family.

Under current guidance, when a customer is notified of an overpayment of benefit, they are advised to contact our Debt Management team if they would struggle to make their repayment terms.

Debt Management will work with the individual customer and consider the most appropriate action based on their circumstances. This would include consideration of a waiver. Negotiations are based on the individual circumstances and not the amount owed.

Our policy on the recovery of benefit overpayments is clear, and we encourage anyone who cannot afford the proposed rate of repayment to contact us. Our priority is to negotiate an affordable and sustainable repayment plan with customers, working with them to review their financial circumstances.

In most cases, there is no minimum amount that a customer is required pay, and we have recently extended the timeframe for any reduced repayment to remain in place.

In our reply to Lord Field of Birkenhead we outlined the other options that can be considered where appropriate, including suspending repayments, as well as other areas of support such as a referral to the Money Advisor Network, Money and Pensions Service and His Majesty's Treasury's Breathing Space.

The Department also has a District Provision Tool which enables agents to signpost customers to local provision and tailored support.

Healthy Start Programme

The Department is fully supportive of the Healthy Start programme, and I am pleased to see recent uptake increasing.

As outlined in correspondence from the former Minister for Welfare Delivery *(attached)*, the Healthy Start scheme is administered by the Department of Health and Social Care.

The Universal Credit online system is not designed so that claimants can use it to make a claim to the Healthy Start programme. They are separate systems, with different qualifying conditions, reconciling these would require policy changes to either Healthy Start or Universal Credit.

Consequently, the Department does not intend to add an option to the Universal Credit service to allow claimants to apply through Universal Credit for the Healthy Start scheme. Universal Credit does though have an interface in place so that the Department of Health and Social Care can check a citizen's entitlement to Healthy Start vouchers.

I trust these answer your questions.

Yours sincerely,

Guy Opperman MP
Minister for Employment

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Rt Hon Stephen Timms MP

Dear Stephen,

Thank you for your letter concerning data sharing in Universal Credit (UC).

Following the Social Security Advisory Committee's report into consent in UC on 8 September 2020, we are considering how best to safeguard personal data going forward. This will be balanced with allowing those claimants needing support from representatives to do so in a safe and secure manner.
With regard to explicit consent, we will need to carefully consider the feasibility and desirability of the measures mentioned.

At this stage, it is important to note that areas that may seem attractive to those lobbying for policy changes do not always lend themselves to process design. For example, "tick boxes" need to connect to something in an automated way or generate additional activity, potentially of a manual nature. As ever, we will continue to find the best balance between improving Universal Credit to respond to claimant need and ensuring the service is technically and operationally scalable regardless of claimant demand.

Regarding the Healthy Start scheme, it is administered by the Department of Health and Social Care and includes qualifying conditions that do not directly correspond with those for UC. With that in mind, it is unlikely that the issue surrounding Healthy Start take up can be resolved through UC changes. I am not aware of any discussions between our departments.

Finally, we are focussed on supporting the successful implementation of our ambitious Plan for Jobs, tackling fraud and completing the move to UC for claimants of legacy benefits and tax credit. As I am sure you will appreciate, this is a complex challenge and we must prioritise.

Kind Regards,

David Rutley MP
Minister for Welfare Delivery

Work and Pensions Committee

20 March 2023

Guy Opperman MP
Minister for Employment
Department for Work and Pensions
(By e-mail only)

Dear Guy,

I am writing to you in relation to Universal Credit deduction waivers and the Healthy Start Programme.

Universal Credit deduction waivers

In response to a written question from my predecessor, Lord Field of Birkenhead, earlier this year, Viscount Younger of Leckie explained that "During the last 6-month period ending January 2023, 94 Universal Credit claimants had asked for their debts to be waived. Of these, 14 cases were fully waived and a further 5 cases were partially waived". He went on to confirm that claimants were "not automatically informed of their option to seek a waiver [but] anyone who feels they cannot afford the proposed rate of recovery is encouraged to contact the department to discuss their situation".

I would be grateful if the department might consider whether work coaches could be encouraged, through DWP guidance, to prompt people who would otherwise be at risk of needing to use a food bank or seeking other support to apply for a waiver from deductions.

Healthy Start Programme

Data published last month showed that national uptake of the Healthy Start Programme is currently 62.7%. While this is an improvement on uptake under the paper system (59.9% in August 2021), it still represents a significant number of people who qualify but are not benefitting from the Programme.

To qualify for the Healthy Start Programme you need to be "claiming certain benefits". Will the Government consider adding an option to Universal Credit applications which allows applicants to "request that the relevant department or agency uses this information to process my application for Healthy Start"?

I would be grateful for your response to these questions by Wednesday 5 April. As is usual practice with the Committee's correspondence I will be publishing this letter and your response on the Committee's website.

Yours sincerely,

Stephen Timms

Rt Hon Sir Stephen Timms MP
Chair, Work and Pensions Committee

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