



Department
for Work &
Pensions

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Rt Hon Stephen Timms MP
Chair, Work and Pensions Committee
House of Commons
London
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17 December 2020

Dear Stephen,

Thank you for your letter of 26th November regarding the development of new statistics for measuring poverty. I have also met with Baroness Stroud, who shared with me her views on poverty measurements.

This Government has undertaken considerable thinking and introduced a number of practical interventions to help disadvantaged people during this difficult period. The analysis of these interventions to date suggests they have been targeted in the right way, with working households in the lowest income decile seeing no drop in household income. However, we have limited resources and the Department and I have focussed them on interventions during the pandemic. As the Minister for Work and Pensions updated the House of Lords in October, we have suspended work that had been agreed with my predecessor on a new poverty metric.

I maintain the best way to lift people out of poverty is to get them into work. We are focussed on delivering a multi-billion-pound investment in a number of new schemes to create jobs and ensure people are as well prepared as possible to re-enter the workplace. Likewise, for those families who are struggling this winter, we have introduced the Covid Winter Grant Scheme, targeted at disadvantaged families, with the main focus that every child will be warm and well fed this winter. My immediate on measures that will help improve people's lives is based on Maslow's hierarchy of need.

The extensive Households Below Average Income (HBAI) statistics will continue to be published and we are expanding the survey size of the Family Resources Survey, from which the HBAI statistics are drawn, which will strengthen the quality of the statistics.

Therese Coffey