

Press release: Amber Rudd sets out fresh approach to Universal Credit

Amber Rudd announces that government will not extend the two-child limit on Universal Credit for children born before April 2017, when the policy came into effect, benefitting around 15,000 families.

Other important changes include pressing ahead with a pilot to support 10,000 people from 'legacy benefits' on to Universal Credit in a test and learn approach.

Universal Credit must help everyone reach their full potential and ensure that work always pays, while protecting those who cannot work from poverty, the Work and Pensions Secretary Amber Rudd has said today in her first landmark speech.

She also announced changes designed to make Universal Credit fairer, including pilot schemes to provide more frequent payments for new claimants, a new online system for private landlords and a more flexible approach to childcare provisions.

This is in addition to the £4.5 billion boost to the system announced in the Budget which included a commitment to increase work allowances by £1,000 a year for 2.4 million households, and provide £1 billion to help people moving over from the old benefits system to Universal Credit. These changes will mean working parents and people with disabilities claiming Universal Credit will be up to £630 better off each year.

Speaking at a Jobcentre Plus in London, she said the new benefit system is a force for good for the majority, but said greater flexibility is needed to ensure the system works for everyone.

Secretary of State for Work and Pensions Amber Rudd said:

There is wide support for the principles we advocate – helping people into work, making work pay, and providing support in times of need.

I want Universal Credit to gain further support as we roll it out in practice.

This means delivering it in a way that meets the needs of claimants, who come from every conceivable background and who have incredible potential to achieve their ambitions.

Amber Rudd announced that a pilot of the scheme will take place before a vote on the full migration of existing benefit claimants onto Universal Credit.

From July 2019, up to 10,000 people in the pilot will be carefully supported onto the new benefit. When that is complete the Department for Work and Pensions will return to Parliament to seek permission for future migration.

This will have no impact on the roll-out of Universal Credit, which will be fully rolled out by the end 2023 as previously set out.

Since being appointed as Secretary of State, Amber Rudd has spoken about her motivation to build a fairer and more flexible system for claimants, particularly women and families.

She announced today that the government will not extend the two-child limit on Universal Credit for children born before April 2017 – which was due to come into place from February 2019. This change means that all children born before that date will continue to be supported by Universal Credit. This move will benefit around 15,000 families.

The speech also covered the minister's other key priorities for this year, including working towards delivering more frequent payments to new Universal Credit claimants, aiming to make budgeting easier for claimants and making sure the system works in the best interests of women.

Minister for Women and Equalities Penny Mordaunt said:

The Government Equalities Office has been working across government to ensure every department is supporting women's economic empowerment. I congratulate Amber and the Department for Work and Pensions on the changes set out today.

If we want women to thrive, to be as financially secure and resilient as they can be, and to reach their full potential, we need to address the challenges and choices they face.

Secretary of State for Housing, Communities and Local Government James Brokenshire said:

I want everyone to have the security, dignity and opportunities they need to build a better life – at the heart of which is ensuring everyone can find a safe and secure home to call their own.

The measures announced today will ensure that landlords can receive rent from those on Universal Credit directly into their accounts. This important change will help strengthen the choices and opportunities available for those on Universal Credit to secure the homes they and their families need.

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