



Work and Pensions Committee

House of Commons | London | SW1A 0AA

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From the Chair

11 January 2019

Rt Hon Amber Rudd MP
Secretary of State for Work and Pensions
Department for Work and Pensions

Dear Amber,

Divisional Court ruling

You will of course have seen by now the court's ruling on the judicial review brought by four single mothers. The Court has found that the DWP wrongly interpreted the Universal Credit Regulations 2013, which led it to calculate Universal Credit payments incorrectly if the claimant happened to have two pay days falling in the same Universal Credit assessment period.

Might I please ask you:

1. How the Department came to interpret the regulations incorrectly, especially when the interpretation chosen by the Department seems to be contrary to common sense and has caused claimants huge difficulties?
2. What steps the Department will now take to right this wrong, and on what timetable?

When you gave evidence to the Committee on 19 December, we raised with you the specific issue of claimants who are—because of the way in which payment dates fall—paid twice in one month. This was a particular issue around Christmas time, but it can of course happen at other times of the year. You told us then that you had spoken to the Treasury:

“to ensure that they spoke to HMRC to ensure that businesses were alert to the changes they need to make in order to make sure that when the payment is made pre-Christmas the individual does not lose their UC.”¹

You explained further that this was a responsibility of employers, and that “Employers make payments in certain ways. There are certain boxes to tick as part of the HMRC responsibility

¹ Q 44



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that they have, and normally they do.”² You assured us that your approach would tackle this issue, not just at Christmas, but year round.

The court’s decision, however, seems to suggest that the problem is not employers’ failure to tick a box, but the Department’s interpretation of its own regulations.

3. Might you please explain to us in more detail your point about employers’ obligations to provide information to HMRC?
4. How does your work in this area relate to the Court’s decision about the correct interpretation of the Regulations?

With best wishes and I look forward to hearing from you,

Rt Hon Frank Field MP
Chair

² Q 45