From the Chair

Guy Opperman MP
Parliamentary Under Secretary of State for Pensions and Financial Inclusion
Department for Work and Pensions

27 February 2019

Changes to Pension Credit

Thank you for your letter dated 20 February on changes to Pension Credit for mixed age couples.

My letter posed five questions about the impact of this change. Your response answered two of those questions, for which I am very grateful. The outstanding questions concern losses to mixed aged couples under Universal Credit relative to the legacy system, the impact on poverty, and whether the Department’s impact assessments of the change reflect changes to the state pension age since they were published in 2011/2012.

Universal Credit is a radical change to the existing welfare system. It is essential that Parliament, claimants, and the organisations that support them have the best and clearest information possible about its likely impact. I am sure that you appreciate the importance of transparency in reassuring claimants and Parliament alike as the new system rolls out.

Might I therefore please ask again for responses to the following questions?

1. Do the 2011 and 2012 impact assessments for Universal Credit as they relate to mixed age couples fully reflect the changes to the state pension age planned up to 2028? If not, might you please share any further impact assessment or equality impact assessment the Department has conducted of this change?

2. Might you please share what modelling, if any, the Department has carried out on:
   a. Levels of notional financial loss to mixed age couples as a result of this policy, taking into account only the shift from Pension Credit to Universal Credit;
   b. Levels of notional financial loss once Pension Credit passported benefits are taken into account?

3. What assessment, if any, has the Department made of the impact of this change on:
   a. Working age poverty; and
   b. Pensioner poverty?

If the Department has not carried out any modelling or analysis relating to questions 2 and 3, might you also please make that clear?

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