## **MAYOR OF LONDON**

Andrew Boff AM
Chair of the London Assembly
C/o Davena.Toyinbo@london.gov.uk

Date: 23 November 2021

Our ref: MGLA100921-2694

Dear Andrew,

Thank you for your letter of 9 September about the motions agreed at the London Assembly (Plenary) meeting on 2 September. My reply to motion 1 is set out below:

## Motion 1 - Universal Credit uplift

The £20 uplift to Universal Credit has provided much-needed support to more than a million Londoners during the pandemic. The increase was long overdue, as years of cuts had left benefits well below the genuine cost of living. Withdrawing the uplift on the last day of the furlough scheme, while there is still unprecedented economic uncertainty and households face rising living costs, has already started to have a devastating impact on Londoners.

In September, I published research carried out by the University of Essex assessing the effects of the pandemic on financial hardship in London, including projections of the impact of withdrawing the uplift to Universal Credit. The research showed that removing the uplift will put a further 130,000 Londoners into poverty in 2022, with some of the most disadvantaged groups, including young people, lone parents, and Black Londoners, hardest hit. The research is available to read here.

Whilst the Chancellor did announce some positive changes to Universal Credit in the Autumn Budget, like the reduction of the taper rate, their impact will be offset by the effects of the removal of the  $\pounds 20$  uplift. The Resolution Foundation estimates that 75% of the 4.4 million households on Universal Credit will still be worse off despite the budget measures. And in London, we know that there are at least 600,000 Londoners on the benefit who will feel the pinch this winter as a result of a combination of both the removal of uplift and missing out on any support in the budget.

If Government is serious about levelling up the most disadvantaged communities, they must provide more sustainable and effective support to help those on the lowest incomes meet their basic living costs. I will share the findings of the University of Essex research with Government Ministers, including the Chancellor, and civil servants to press this point home and call on them to take action in response.

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Thank you again for writing to me.

Yours sincerely,

**Sadiq Khan** 

Mayor of London