

COUNCIL

27 JANUARY 2021

Proposed Amendment to Item No 13 Motion “Call to immediately abandon plans to cut the level of Universal Credit in Greenwich”

Delete everything after “Council” and *insert*

“notes that 31,534 residents in the Royal Borough of Greenwich are now in receipt of Universal Credit as a result of the enormous economic impact of the Covid-19 pandemic in our borough.

Council notes that residents in Greenwich who are receiving Universal Credit have for the last 10 months received an additional £20/week uplift as a result of Covid-19 support measures announced by the Chancellor on 20th March 2020.

Council notes that this was one part of a broader set of measures introduced by the Government – which are without precedent in scale or scope – to support Greenwich residents and small businesses through the financial impact of Covid-19. This support includes:

- **Furlough / the Coronavirus Job Retention Scheme (CJRS)**, which has supported a peak of 24,600 Greenwich residents to remain in employment by covering 80% of wages up to £2,500 a month.
- **The Self-employment Income Support Scheme (SEISS)**, which has so far supported 14,800 self-employed people in Greenwich through a first grant averaging £3,000 – and 13,900 self-employed Greenwich residents through a second grant averaging £2,600. SEISS grants paid to self-employed people in our borough so far come to a total of £80.1 million.
- **The Covid Hardship Fund**, which provided Greenwich Council with £3.188 million of funding for 2020/21 to further reduce the Council Tax liability of Greenwich residents on the lowest incomes. As of 31st December 2020 more than £2 million in Covid Hardship Payments have been applied to the Council Tax accounts to more than 7,000 Council Tax Support recipients in Greenwich – 2,500 of which have been taking out of paying any Council Tax in 2020-21. The Government has now provided a further £2.8 million of funding to cover increased Council Tax Support claims in 2020/21 – with a 12% increase in claims seen so far and significant further increases expected.
- **The Covid Winter Hardship Fund**, which provided £967,000 of funding to Greenwich Council to support households with children in our borough –

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and which has funded the Council's expanded holiday meal provision, breakfast bags for 8,500 children in educational settings and extended free school meals payments for more than 9,500 children.

- **Payment deferrals** on mortgages, credit cards, personal loans and other borrowing as part of the Financial Conduct Authority's Covid-19 response, and forbearance on tax bills introduced by HMRC.
- **Small Business Grants** totalling £36.852 million for small businesses in Greenwich, and a further £1.843 million in discretionary Business Grants
- **Universal Credit changes in response to Covid-19**, including the £20/week uplift noted above, the suspension of the Minimum Income Floor which has given greater access to Universal Credit to people who are self-employed, and changes to the Local Housing Allowance to provide more support for private renters.

Council notes that as the pandemic has evolved, several of these schemes have been extended, including two extensions to the Job Retention Scheme (now running until April 2021) and two extensions to the Self-employment Income Support Scheme (with a third grant open for applications until 29th January) – and that the Government has repeatedly stated its intention to review and extend support as necessary.

Council notes that the extra £20/week uplift in Universal Credit was put in place by the Chancellor of Exchequer until April 2021 “to strengthen the safety net” specifically to help residents through the economic impact of Covid-19. Council notes that the economic impact of Covid-19 is continuing and is certain to continue well beyond April 2021.

Council therefore welcomes confirmation from the Secretary of State for Work and Pensions that she is “in active discussion with the Chancellor and the PM about how we continue to make sure we support families during this difficult time”.

Council notes that several options have been the subject of public discussion and debate in recent months, including a straightforward non-targeted extension of the £20/week for a further period beyond April, a larger front-loaded payment, a dedicated Coronavirus Hardship Payment, other options that are more targeted than a blanket uplift, a further suspension of the Minimum Income Floor for self-employed claimants, and a larger April uprating of the standard Universal Credit allowance.

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Council therefore:

- calls on the Government to confirm its post-April plans to continue to support Universal Credit recipients through the impact of Covid-19 as soon as possible – and to announce this well before the Budget in March, to provide much-needed certainty to the 31,534 residents in Greenwich now receiving Universal Credit.
- calls on the Council's executive to increase the Council's efforts to ensure that all Greenwich residents who are eligible for Local Council Tax Support apply for and receive it, to ensure that the full £2.8 million provided by the Government for increased claims in 2021/22 is used for the benefit of as many Greenwich residents on the lowest incomes as possible, and as quickly as possible."

If Agreed the motion would read:

Council notes that 31,534 residents in the Royal Borough of Greenwich are now in receipt of Universal Credit as a result of the enormous economic impact of the Covid-19 pandemic in our borough.

Council notes that residents in Greenwich who are receiving Universal Credit have for the last 10 months received an additional £20/week uplift as a result of Covid-19 support measures announced by the Chancellor on 20th March 2020.

Council notes that this was one part of a broader set of measures introduced by the Government – which are without precedent in scale or scope – to support Greenwich residents and small businesses through the financial impact of Covid-19. This support includes:

- **Furlough / the Coronavirus Job Retention Scheme (CJRS)**, which has supported a peak of 24,600 Greenwich residents to remain in employment by covering 80% of wages up to £2,500 a month.
- **The Self-employment Income Support Scheme (SEISS)**, which has so far supported 14,800 self-employed people in Greenwich through a first grant averaging £3,000 – and 13,900 self-employed Greenwich residents through a second grant averaging £2,600. SEISS grants paid to self-employed people in our borough so far come to a total of £80.1 million.

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- **The Covid Winter Hardship Fund**, which provided £967,000 of funding to Greenwich Council to support households with children in our borough – and which has funded the Council’s expanded holiday meal provision, breakfast bags for 8,500 children in educational settings and extended free school meals payments for more than 9,500 children.
- **Payment deferrals** on mortgages, credit cards, personal loans and other borrowing as part of the Financial Conduct Authority’s Covid-19 response, and forbearance on tax bills introduced by HMRC.
- **Small Business Grants** totalling £36.852 million for small businesses in Greenwich, and a further £1.843 million in discretionary Business Grants
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