



Work and Pensions Committee

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From the Chair

3 November 2015

Damian Hinds MP
Exchequer Secretary
HM Treasury
1 Horse Guards Road
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May Annan

The Treasury recently responded to a number of written questions which Karen Buck and I tabled [13615; 13616; 13617; 13649; 13650; 13651; 13728; 13729; 13730] in an attempt to elicit information on the dynamics of the tax credit caseload: flows onto and off of tax credits and the average duration of tax credit claims. In each instance the Treasury replied that the information requested was not readily available and could only be provided at disproportionate cost.

We understand of course the cost limitations involved in responding to written questions. However, the Committee notes that the Treasury's Impact Assessment of the changes to the Child Element and Family Element in the Welfare Reform and Work Bill contains costings (in table 2) that are partly predicated on estimated flows of new claims for tax credits and Universal Credit (table 1), derived from Treasury and DWP micro-simulation models.

The Committee believes that information on tax credit flows is vitally important to help understand the implications of various options to mitigate the impact of the tax credit changes that look set to be introduced next year.

Might I therefore ask please does the estimated Child Tax Credit/Universal Credit caseload on-flow contained in table 1 of the aforementioned Impact Assessment constitute the sum total of what the Treasury knows about tax credit flows? Would it be possible please to use the same models, or other information systems the Treasury may have at its disposal, to provide at least broad estimates that address the enquiries raised in our parliamentary questions?



I would be happy as always to discuss further.

Best wishes and I look forward to hearing from you,

A handwritten signature in black ink, positioned to the right of the text. The signature is stylized and appears to be 'Frank Field'.

Rt Hon Frank Field MP
Chair