



Ministry
of Justice

Lord Timpson
Minister of State for Justice

The Baroness Hamwee
House of Lords
London
SW1A 0PW

MoJ ref: SUB130372

23 December 2025

Dear Baroness Hamwee,

SENTENCING BILL – INCOME REDUCTION ORDERS: MINIMUM INCOME THRESHOLD

Thank you for your contributions during Committee Stage on 26 November. I am grateful, as always, for the constructive way in which you scrutinise the Bill, and I wanted to offer a short clarification on the point you raised about the Minimum Income Threshold for Income Reduction Orders (IROs).

In your remarks, you referred to the figure of 170 times the National Minimum Wage. To avoid any misunderstanding, that figure represents a statutory floor: a minimum level below which the threshold cannot be set. This floor is important because it provides a safeguard ensuring that low earners can never fall within scope of an IRO.

The actual minimum income threshold will be set through secondary legislation subject to the affirmative parliamentary procedure, and therefore will be subject to full parliamentary scrutiny. The Government's intention is that this threshold will be set at an appropriately high income level, so that IROs apply only to offenders with significant earnings. This will ensure the measure does not capture low-income households or risk creating financial hardship or disincentives to work.

The statutory floor protects against the possibility that any future Government could set the threshold at a level that is too low. The level we intend to bring forward in regulations will be well above that minimum.

I hope this clarifies the distinction between the statutory floor in the Bill and the higher threshold that will be brought forward for Parliament's consideration. I am grateful for your engagement on this point, and I look forward to continuing our discussions as the Bill progresses.

Thank you again for your engagement on this, to reassure you, a copy of this letter will be placed in the House Library.

Yours sincerely,

Lord Timpson
Minister for Prisons, Probation and Reducing Reoffending