

## Loss of Income - Covid19- Coronavirus Briefing2

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	Reduced/ no hours- <i>which Benefit</i>	notes
<b>Employed</b>	<p><b>Non means tested benefits-</b> Job Seekers Allowance (JSA) (new style)</p> <p><b>Means tested benefits-</b> Universal Credit or Existing legacy benefits <small>(Job Seekers Allowance income based/ Employment and Support allowance income related / Income Support/ Working Tax Credit/ Child Tax Credit/ Housing Benefit)</small></p>	<ul style="list-style-type: none"> <li>Check if the government is paying up to 80% of a worker's wages, up to a total of £2,500 per worker each month as a 'furloughed worker'(must stop work). Coronavirus Job Retention Scheme- (CJRS). <ul style="list-style-type: none"> <li>If no longer employed or hours are less than 16 per week, consider JSA(new style) topped up by UC or legacy benefits.</li> <li>Claim UC online. If no longer employed, consider and delaying a claim until wages owed are paid. Request an advance payment. Declare wages paid during each assessment period. Accept a claimant commitment online. Keep the online journal up to date.</li> <li>Working Tax credits can continue if – Laid off/ without or reduced pay/ furloughed- for 8 weeks (and then reviewed).<sup>1</sup></li> <li>Report changes in income if already on legacy benefits.</li> </ul> </li> </ul>
<b>Self Employed</b>	<p><b>Means tested benefits-</b> Universal Credit or Existing legacy benefits <small>(Job Seekers Allowance income based/ Employment and Support allowance Employment and Support allowance income related / Income Support/ Working Tax Credit/ Child Tax Credit/ Housing Benefit)</small></p>	<ul style="list-style-type: none"> <li>Check if the government is paying up to 80% of a client's wages, up to a total of £2,500 each month(note can continue to work). Payable in June 2020. Self-employed Income Support Scheme(SEISS).</li> <li>JSA (new style) is not payable to self employed people.</li> <li>UC- see above. Self employed will need to declare profit and loss monthly. Losses from previous month(s) can be carried forward to the next profitable month. From 6 April the requirements of the Minimum Income Floor will be temporarily relaxed for initially 8 months and perhaps longer.<sup>2</sup> Claim UC before 80% of income received(June 2020?).</li> <li>Working Tax Credit can continue if 'organised and regular, on a commercial basis, with a view to making a profit' and continue to put in sufficient hours.<sup>3</sup></li> <li>Report changes in income if already on legacy benefits.</li> </ul>

<sup>1</sup> Guidance A7/2020: The Social Security (Coronavirus) (Further Measures) Regulations 2020

<sup>2</sup> Reg 5 The Employment and Support Allowance and Universal Credit (Coronavirus Disease) Regulations 2020

<sup>3</sup> HMRC guidance <https://www.gov.uk/hmrc-internal-manuals/tax-credits-technical-manual/tctm02453> accessed 26 3 2020

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	Off sick due to Covid19- coronavirus <i>Which Benefit</i>	notes
<b>Employed</b>	<p><b>Non means tested benefits-</b> Statutory Sick Pay(SSP) or Employment and Support Allowance (ESA)(new style)</p> <p><b>Means tested benefits-</b> Universal Credit(UC) or Existing legacy benefits <small>(Job Seekers Allowance income based/ Employment and Support allowance Employment and Support allowance income related / Income Support/ Working Tax Credit/ Child Tax Credit/ Housing Benefit)</small></p>	<ul style="list-style-type: none"> <li>• If the conditions for SSP are not met then consider ESA(new style).</li> <li>• UC- see above.</li> <li>• Working Tax Credit can continue if are getting SSP.</li> <li>• Report changes in income if already on legacy benefits.</li> </ul>
<b>Self Employed</b>	<p><b>Non means tested benefits-</b> Employment and Support Allowance (ESA)(new style)</p> <p><b>Means tested benefits-</b> Universal Credit(UC) or Existing legacy benefits <small>(Job Seekers Allowance income based/ Employment and Support allowance Employment and Support allowance income related / Income Support/ Working Tax Credit/ Child Tax Credit/ Housing Benefit)</small></p>	<ul style="list-style-type: none"> <li>• SSP is not payable to self employed people.</li> <li>• ESA does require sufficient NI Contributions (similar to JSA (new style) see below).</li> <li>• UC- see above.</li> <li>• Working Tax Credit can continue if are self-employed and would otherwise have qualified for SSP, or are getting employment and support allowance (ESA).</li> <li>• Report changes in income if already on legacy benefits.</li> </ul>

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	Who pays?	How to claim	notes
<b>Job Seekers Allowance (new style)</b>	DWP	Claim online at <a href="https://www.dwpe-services.direct.gov.uk/portal/page/portal/jsaol/lp">https://www.dwpe-services.direct.gov.uk/portal/page/portal/jsaol/lp</a> or if the client is on Universal Credit, via journal.	<p>For unemployed people or people working less than full time(16 hours per week). Can request a short term benefit advance if payment is delayed.</p> <p>Must have paid NI conts. at 26 weeks above the lower earnings limit (e.g. 2019/2020 £118) in one of the 2 tax years before the benefit year in which claim made AND in both of those tax years, have paid NI conts. or got credits at 50 X the lower earnings limit (e.g. 2019/2020 50 x £118).</p>
<b>Statutory Sick Pay</b>	employer	Via employer who may top up pay with contractual sick pay.	<p>Payable from day 1(without the usual 3 waiting days) for Covid-19 cases from 13/3/2020. Normally need sick notes- instead obtain from NHS111 if affected-</p> <ul style="list-style-type: none"> <li>• infected or contaminated with Coronavirus disease or</li> <li>• in isolation or</li> <li>• caring for a child or qualifying young person who is a member of the person's</li> <li>• shielding(?)</li> </ul> <p>household and who is in isolation or infected or contaminated with Coronavirus disease.</p> <p>Lasts up to 28 weeks , paid at flat rate, average weekly earnings must be above the lower earnings limit(2019/20 £118).</p>
<b>Employment and Support Allowance(new Style)</b>	DWP	Call DWP on via the UC helpline on Telephone: 0800 328 5644 (identity should be verified at the same time).	<p>Similar NI conditions to JSA. Payable from day 1 for Covid-19 cases from 13/3/2020(instead of the usual 7 day wait). Normally need sick notes- instead obtain from NHS111.</p> <ul style="list-style-type: none"> <li>• infected or contaminated with Coronavirus disease or</li> <li>• in isolation or</li> </ul>

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		If already on UC, via journal.	<ul style="list-style-type: none"> <li>caring for a child or qualifying young person who is a member of the person's household and who is in isolation or infected or contaminated with Coronavirus disease<sup>4</sup></li> </ul> <p>Can request a short term benefit advance if payment is delayed.</p>
<b>Universal Credit</b>	DWP	<p>Claim online- <a href="https://www.universal-credit.service.gov.uk/postcode-e-checker">https://www.universal-credit.service.gov.uk/postcode-e-checker</a></p> <p>If already on this benefit, let them know circumstances have changed via journal.</p>	<p>Assessed and paid monthly. Declare all changes through online journal. Normally paid directly to client. Job centre appointments are suspended for 3 months from 19/3/2020.</p> <p>Request backdating if could not get through on online system due to high demand('official computer system inoperative').<sup>5</sup></p>
<b>Council Tax Support/ Reduction</b>	Local Authority	<p>Contact your local authority.</p> <p>If already on this benefit, let them know circumstances have changed.</p>	<p>Normally assessed weekly- declare changes. Each scheme varies between Local Authorities except for in Wales.</p> <p>£500 million council tax hardship fund- "The government's strong expectation is that billing authorities will provide all recipients of working age LCTS during the financial year 2020-2021 with a further reduction in their annual council tax bill of £150"<sup>6</sup></p>
<b>Legacy benefits</b>	DWP/ HMRC/ Local Authority	<p>If already on these benefits, let them know circumstances have changed.</p>	<p>Legacy benefits would normally only be for existing claimants. Two exceptions where new claims might be made are for rent (Housing Benefit) (supported or temporary accommodation) or possibly those with entitlement to a severe disability premium.</p> <p>A client may be better off staying on legacy benefits/ claiming these rather than claiming UC- seek advice.</p>

<sup>4</sup> Memo DMG 04/20 March 2020. Reg 2 The Employment and Support Allowance and Universal Credit (Coronavirus Disease) Regulations 2020

<sup>5</sup> Reg 26 UC, PIP, JSA&ESA (C & P) Regulations 2013

<sup>6</sup> <https://www.gov.uk/government/news/government-confirms-500-million-hardship-fund-will-provide-council-tax-relief-for-vulnerable-households> accessed 26 3 2020