

HOUSING SYSTEMS: BRIEFING

No.4 / 2020:

Coronavirus and benefits – forthcoming changes

In our previous briefing on Coronavirus and Benefits we looked at the changes to benefits, and the impact on benefits of the government's Covid-19 schemes. The Briefing had six incarnations as changes were happening all the time.

We now have all this information on the Covid-19 pages on the Housing Systems website – this section is open access to anyone and is continually updated: www.housingsystems.co.uk/COVID-19

This Briefing therefore is not a replacement for previous Briefings but instead it is a summary of the further changes that are due.

Please note our Coronavirus and Benefits E-Learning has also been recently updated, and is also open access: www.housingsystems.co.uk/Training/E-Learning/Coronavirus-and-benefits

The Job Retention Scheme (JRS)

Applications for these are now closed. The scheme ends on 31st October 2020.

Employers are expected to contribute more – paying NI and topping up a higher percentage of wages as the government's payments decrease between August and October.

This could mean more workers losing their jobs or having their hours reduced (we have heard that the DWP are preparing for one million new claims in the coming weeks). More on the JRS on [this page](#).

The Self Employed Income Support Scheme (SEISS)

Applications for the second and final tranche can be made from August 17th 2020 until October 19th 2020. We expect this means the first of the payments – to cover June, July and August – will begin around 23rd August.

For those on Universal Credit, as with the first payments, receiving 3 months' worth in one Monthly Assessment Period will usually mean the UC award drops - where this drops to nil, the surplus earnings rules may kick in. Claimants will not need to reclaim when they become entitled again, under changes made to the regulations in May 2020. More on the SEISS on [this page](#).

Claimant Commitment and Conditionality

The suspension of work related requirements was lifted at the end of June 2020, meaning new claimants can now have work related requirements imposed and current UC claimants will have their requirements reviewed (this is being rolled out gradually because of the high number of claimants). On 9 July Mims Davies [said](#) that the initial approach would involve conducting '*interviews by phone and testing a 30-minute commitment appointment.*' We assume this is for new claimants, and that for review interviews '*work coaches have the option to pick from a range of appointment lengths.*'

In the same parliamentary answer Mims Davies said *'Claimant commitments must be reasonable for this unprecedented time, reflecting the reality of a person's local jobs market and personal circumstances to help prepare them for getting back into work. The claimant commitment will take into account local and national public health guidelines'*. and

'Sanctions are only used when people fail to meet their agreed commitments without good reason'.

So if someone is sanctioned for failing to do something that could be considered unreasonable it is worth them challenging it – note there is no time limit to request a reconsideration of a sanction. More on conditionality on [this page](#).

Appointments

Job Centres had been closed to the public for all but the most exceptional circumstances but are beginning to re-open. Gov.uk guidance ['Understanding Universal Credit'](#) now states:

'You do not need to attend the jobcentre unless we ask you to do so. If you need to contact us the quickest way to do this is online or by phone. If you need to attend a jobcentre, they are open and one of our colleagues will be able to assist you. Please wear a face covering when entering a jobcentre.

If we need to make an appointment with you, this will be on the phone. We will leave a message in your journal before we call you.'

So as ever, the message for claimants is to keep checking for notifications and notify DWP if they change their mobile phone number! More on [this page](#).

Reviews and medical assessments.

On 6 July 2020 the DWP [announced](#) that face to face medical assessments continue to be suspended, but kept under review. But they also said that some 'review and reassessment activity' will gradually resume for PIP and DLA. Otherwise, while suspension continues, where benefit awards are due to expire, the end date could be extended, and when the review is conducted it will probably continue to be telephone or paper-based.

Some procedural changes to both reviews and assessments may be permanent – Justin Tomlinson [said](#) the DWP had learned *'some valuable lessons about how we can better use medical evidence and oral evidence from claimants and increase the proportion of cases that are done as paper-based reviews.'* And the DWP has been meeting with stakeholders to obtain feedback on the success of telephone assessments and to gather ideas for improvement. More on medical assessments on [this page](#).

NOTE: The number of people making new claims for Personal Independence Payment has dramatically reduced since the start of the Coronavirus outbreak. In April 2020, there were 25,000 registrations for new claims. A drop of over 50% of the level a year earlier and the lowest number since December 2013. Many believe this is due to the difficulties claimants have accessing support and medical evidence.

IMPORTANT: PIP cannot be backdated but will be awarded from the date a claimant requests a claim as long as they return the PIP2 'How your disability affects you' form by the deadline given. This has been extended to three months from the date of request.

Contacting the DWP by telephone:

Telephone: 0800 917 2222

Textphone: 0800 917 7777

[RelayUK](#) (if the claimant cannot hear or speak on the phone): 18001 then 0800 917 2222

[Video relay service](#) for British Sign Language (BSL) users

Lines are open: Monday to Friday, 9am to 5pm

Recovery of debts from Universal Credit

Certain debts had been suspended (this was to allow the DWP to relocate staff to deal with the volume of new claims received in March/April 2020). But all eligible debts can be recovered from UC now – including third party deductions and overpayments. Revised [guidance](#) states:

'If money is usually taken from your benefits or pay, or you previously repaid by Direct Debit, you do not need to do anything. The Department for Work and Pensions (DWP) will write to you when repayments restart.'

The DWP have also said that people who are experiencing 'real financial hardship' can request deferral of repayments by contacting the Debt Management line on 0800 916 0647. More on [this page](#).

LHA 'uplift'

The Local Housing Allowance rates were reset to the 30th percentile market rent in each broad rental market area in April 2020. Therese Coffey has [said](#) that this is a 'permanent uplift'. More on [this page](#).

LHA – Definition of 'Hostel' for exemption from Shared Accommodation Rate

In August 2020 the DWP issued guidance to HB Offices (LA Welfare Direct 08/2020) that the exemption from the shared accommodation rate in Housing Benefit and Universal Credit on the basis of former residence in a homeless hostel may apply to those leaving hotels and bed and breakfasts (B&Bs) used in the 'Everyone In' initiative in England (and similar provisions in Scotland and Wales) to accommodate homeless people and rough sleepers during the coronavirus (COVID-19) outbreak.

To be exempted the claimant will have to fulfil the other criteria and the re-purposed hotel / bed and breakfast that they were staying in under the 'Everyone In' project will have to satisfy the strict definition of 'hostel'. This means that provided the claimant is between 25 and 35 and satisfies the other conditions of the exemption they will be entitled to a one-bedroom LHA rate rather than the shared accommodation rate.

Increase in UC Standard Allowance and basic element of Working Tax Credit

Will Quince, The Minister for Welfare Reform, [confirmed](#) on 4 May 2020 that the £20 per week increases are temporary but added: *'All things of this nature will be kept under review.'* So there is a (slim) possibility that the government may decide not to end this increase from April 2021. More on [this page](#).

Universal Credit Managed Migration

The 'move to Universal Credit' pilot in Harrogate continues to be suspended. More on managed migration on [this page](#).

Universal Credit Minimum Income Floor

Currently, regardless of how long a self-employed UC claimant has been trading, their UC award can be based on their actual takings (if they have any). This easement ends 13th November 2020.

More on [this page](#).

Affected by Covid-19: UC, ESA and SSP

Anyone self-isolating due to the coronavirus – either because they have the virus, are showing symptoms, are living with someone who does or (since 28th May 2020) if they have been notified that they have been in contact with someone who has the virus- can be treated as incapacitated for the purposes of ESA and UC – this ends 13th November 2020.

ESA and SSP ‘waiting days’ return on 13th November 2020.

SSP entitlement for those providing isolation notes continues but the government are keeping this under review. However shielders’ eligibility for SSP ended 1st August 2020, but may return: the government have stated: *‘From 1 August, the government will pause shielding unless the transmission of COVID-19 in the community starts to rise significantly.’*

More on sickness and disability (and treated as such) in [this section](#).

Benefit entitlement to prisoners on temporary release

This temporary easement will end on 13th November 2020, and prisoners on temporary release will not be eligible to claim UC (or Housing Benefit where appropriate). This does not include those on a curfew order or released on licence, on a home detention scheme, on a suspended sentence, or sentenced to community service: they remain eligible for benefits. More on [this page](#).

Tax Credits

Those currently getting Working Tax Credit who cannot work or are working fewer hours because of Coronavirus do not need to tell HMRC about this change as long as they are still employed or self-employed and the drop in work / hours is only a temporary measure. This ends at the end of October 2020, when the JRS scheme ends.

The extension of the time limit for critical workers to report changes of circumstances from one month to three will also end at the end of October 2020, when the JRS scheme ends. More on Tax Credits in [this section](#).

Carer’s Allowance

Entitlement during breaks in caring if the carer or disabled person has Covid-19 or is self-isolating because of symptoms, or because of living with someone with symptoms, ends 13th November 2020 in England and Wales, and 3rd December 2020 in Scotland.

Child Benefit

Parents can currently claim Child Benefit without having to register their child’s birth. No announcements have yet been made but it is expected that as register offices are opening to the public that this will end. More on [this page](#).

Housing Benefit

The additional £20 earnings disregard will end from April 2021, in line with the loss of the additional £20pw in UC and ESA (as above) – unless the government decide to extend it. More on Housing Benefit under Covid-19 [here](#).

NOTE: There is plenty more information and examples on the COVID-19 pages of our website which we add to every day: [Click here](#) – which we have linked to, where appropriate, from this Briefing.

If you are a Housing Systems member and you are helping a client affected by the Coronavirus and need help working out their benefit situation then please do contact us at info@housingsystems.co.uk.

PLEASE NOTE: The information in this Briefing is subject to change and change it will. So please watch out for updates.

This Briefing is correct as at 12noon on 17th August 2020