

HOUSING SYSTEMS: BRIEFING

No.3 / 2020v6:

Coronavirus and benefits

We have updated our Briefing – yet again - to help you provide up to date advice to those claimants who are affected by the Coronavirus.

New guidance comes out almost on a daily basis and the information contained in the Briefing is as accurate as we could make it on the date it was written – being **13th May 2020**.

There are, as you would expect with anything new and unknown, some grey areas....so we have done our best to give you the information as we see it, but this does mean that this guidance is not a statement of law and cannot be relied upon. Whilst the government has made numerous changes to the benefits systems to take account of impact on the Coronavirus things may still change.

Generally when we write a Briefing we start with the explanation of the rules and then consider what they mean for the claimant. In this Briefing we decided to turn that around, so it starts with a summary of the measures the government have announced so far, then answers some of the questions claimants will be asking over the coming weeks due to the situation they now find themselves in and lastly looks at the more techie stuff.

When looking at the FAQs we have decided to concentrate on the key points rather than deliver a full detailed answer every time. We have come up with **42** questions – we are sure there are lots more!

We have also included additional information, and useful tables towards the end.

Please note, when answering the FAQs, we have made the following assumptions about the claimant:

- They don't live in 'specified' or 'temporary' accommodation,
- They aren't protected from claiming Universal Credit by the SDP Gateway Condition.
- They are not a mixed age couple.
- They meet the basic qualifying conditions for UC (ie be working age, savings/capital under £16,000, must be in GB, not excluded (eg some students, dependant on age, level of course etc), not claiming Tax Free Childcare, and agree to a claimant commitment).

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 13th May 2020

Please note key changes to previous Briefing have been marked in green

Contents:

Summary of welfare benefit related measures	3
Job Retention Scheme	6
Self-Employed Income Support Scheme	6
New UC Standard Allowance Rates from 6th April	8
WTC: Extra £20 and extension of 4 week run-on	9
Frequently Asked Questions:	
General	10
On Universal Credit	12
On Tax Credits	18
Not on UC, TCs or HB	21
Help with rent issues	23
Other Legacy Benefits	25
Additional Information	
Very Brief Description of Benefits Mentioned in Briefing	26
Tables Workers	27
Hour rules for Working Tax Credit	32
Table showing other sources of financial help for those in hardship	33
Summary table for those stopped work	36
Summary table for those stopped self-employment	39
How much can someone earn and still be entitled to UC?	42
Some Techie Stuff	44

Summary of Welfare Benefit Related Measures

General

- New Job Retention Scheme provides a grant to employers to enable them to pay the wages of their workforce who remain on payroll but are temporarily not working during the coronavirus outbreak ie 'furloughed'. See page 6 for more information.
- New Self Employment Income Support Scheme that will provide many self-employed workers with a lump sum grant payment – [before 25th May](#). See page 6 for more information.
- JSA and UC work availability and work search requirements suspended for at least 3 months – [click here](#)
- All requirements to attend the JobCentre in person are suspended for at least 3 months, starting from Thursday 19th March 2020 - [click here](#)
- JobCentres remain open for specific purposes, eg to help the homeless
- The DWP have postponed all medical assessments for UC, ESA, PIP and IIDB until at least 19th June 2020 – [click here](#)
- A new Council Tax Hardship fund to help reduce Council Tax Bills by up to £150 for anyone in receipt of Council Tax Support / Reduction – [click here](#)
- Those children eligible for free school meals on the grounds of low income who are not attending school will still receive help - generally in the form of a voucher – [click here](#)
- The DWP have suspended recovery of certain debts, [including Third Party Deductions for rent arrears, for TPDs the suspension is just for one month](#) – [click here](#)
- Certain prisoners who are being released early due to the Coronavirus will not fall under the definition of 'prisoner' and will therefore be able to claim means-tested benefits (or be included in a claim for means-tested benefits) – [click here](#)
- The part of the Funeral Payment that covers the costs of additional expenses such flowers, car hire, the funeral ceremony and funeral director charges for making the arrangements, increases to £1,000 (from £700) for all deaths on or after 8th April 2020.
- General Register Offices are currently closed. A temporary measure has been put in place that means new parents can still claim Child Benefit without having to register their child's birth first.

Statutory Sick Pay

- Those claimants who are 'self-isolating' or 'shielding' will be treated as incapable for work
- These claimants will be able to get SSP from day 1 of sickness (rather than day 4)
- As getting a fit note could be problematic, employers are urged to use their discretion about what evidence, if any, they ask for
- A system is now in operation whereby claimants who need one can get an 'isolation note' from the NHS 111 Online service.
- [Click here](#) for more information.

New-Style Employment and Support Allowance

- Those claimants who are 'self-isolating' are treated as incapable for work
- These claimants will be paid from day 1 of sickness (rather than day 8)
- Not required to produce a 'fit note' or 'isolation note'.
- [Click here](#) for more information.

Jobseekers Allowance

- Those getting Jobseekers Allowance will be treated as being capable of work when self-isolating ie due to having Coronavirus, having symptoms or being in same household as some with Coronavirus or having symptoms. This period will not therefore be counted as a period of sickness and so a person will not lose entitlement to Jobseeker's Allowance because of coronavirus disease.

Carers Allowance

- Carers will remain entitled to Carers Allowance if they have a temporary break in caring as a result of isolation due to, or infection or contamination with, coronavirus disease of either the carer or the person cared for. This regulation applies to England and Wales only.

Working Tax Credit

- Standard rate increased by £20 a week – existing Tax Credit claimants to receive this increase within the first few weeks of April. Arrears payment should be treated as capital and ignored as income for HB purposes. See page 9 for more details.
- **Until both the Job Retention Scheme and Self Employed Income Support Scheme close, claimants who are still employed/self-employed and whose hours reduce for a temporary period, or who have been furloughed, will be treated as in remunerative work, working their normal hours and therefore their WTC will not be affected.** See page 9 for more details.

Housing Benefit

- Local Housing Allowance (LHA) changes from 1st April – pay for at least 30% of market rates (This will mean a 're-set' of LHA rates, which have, in the main, been frozen since 2015) - [click here](#)
- Increase in the '16/30 Hour' earnings disregard (given to the majority of claimants who are either getting Working Tax Credit, or are working a certain number of hours) from £17.10 per week to £37.10 a week up until 4th April 2021. See page 9 for more details.

Universal Credit

- Standard Allowance increase by £20 a week for 12 months (but will not apply for the purposes of calculating transitional protection for managed migration cases). See page 8 for more details.
- Local Housing Allowance (LHA) changes from 1st April – pay for at least 30% of market rates (This will mean a 're-set' of LHA rates, which have, in the main, been frozen since 2015) - [click here](#)
- The increase in the Standard Allowance and LHA rates will apply from the beginning of the Monthly Assessment Period which ends on or after 6th April 2020. See page 8 for more details.
- Minimum Income Floor (MIF) suspended for everyone affected by the economic impacts of coronavirus. The amending Regulations give various discretionary powers to the DWP to do this – [click here](#)
- Not be required to produce a 'fit note' or 'isolation note' if affected by Coronavirus.
- Those who have contracted Coronavirus or are self-isolating and have written notification that they are unable to go to work are treated as having a Limited Capability for Work (LCW):
 - entitled to work allowance if treated as having LCW on date UC is assessed

- Claimants will not be required to attend the JobCentre
- Can receive Advance Payment without having to physically attend a JobCentre
- Managed Migration pilot has been suspended.
- Don't ring us, we'll ring you. Due to the high demand on the phones, UC adviser will call new claimants shortly after them making a claim to help them complete the claim including verifying their ID over the phone. NOTE: They will call from a withheld number.
- Currently only 'critical workers' are able to access Universal Credit childcare. Where a UC claimant has paid for childcare in advance, but has been unable to receive that childcare due to the lockdown, their UC award cannot include a Childcare Costs Element until the childcare which has already been paid for has been provided (assuming all the other rules are met). Retainers are not eligible to be covered – [click here](#)

Job Retention Scheme

On 20th March 2020 the government announced a new 'Coronavirus Job Retention Scheme' that aims to support businesses to help pay people's wages.

Employers can now apply online to HMRC for a grant to cover most of the wages of their workforce who remain on payroll but are temporarily not working during the Coronavirus outbreak.

How it works

Employers will need to:

- Designate affected employees as 'furloughed workers,' and notify each employee of this change.
- Submit information to HMRC about the employees that have been furloughed and their earnings through a new online portal (still in development)
- HMRC will reimburse 80% of furloughed workers' wage costs, up to a cap of £2,500 gross per month.

Latest statistic – from British Chamber of Commerce – show that 7 out of 10 firms have furloughed workers.

More information on the scheme – on gov.uk: [here](#), and on the Housing Systems website: [here](#)

Self-Employed Income Support Scheme

On 26th March the government announced its proposal for supporting the self-employed during the Coronavirus pandemic. They are introducing a Self-Employed Income Support Scheme.

The government will pay self-employed people - who are eligible for the scheme - a taxable grant worth 80% of their average monthly profits over the last three years*, up to £2,500 a month.

*Where someone has not been in self-employment that long, a shorter period will be used.

This scheme will be open for at least three months although could be extended if necessary. **People can apply from 13th May and will be paid before 25th May.**

Those entitled will receive a taxable lump sum to cover March, April and May.

Who will get this help?

The scheme will be open to those who:

- Are already in self-employment, who have a tax return for 2018/2019*, and
- Who have average annual trading profits of less than £50,000 pa, and
- Who have lost trading / profits due to COVID-19, and
- Whose self-employment makes up the majority of their income.

HMRC will contact those eligible directly, ask them to fill out a simple online form, then pay the grant straight into their bank account.

Who can't get help?

The following self-employed workers will not be able to receive the grant:

- Those who started their self employment on or after 6th April 2019 - as they will not have submitted a tax return for 2018/19
- Those with average annual trading profits (loosely your taxable profits) of £50,000 or more.
- Those who are also employed and their employed income is higher than their self-employed income.

- Company directors who pay themselves a salary or dividends won't be covered by this scheme, but they could get support through the Coronavirus Job Retention Scheme for employees if they operate a PAYE scheme.

Nothing until 3rd/4th week in May?

The government has announced that people can apply from 13th May and will be paid before 25th May.

Impact on benefits

The grant payment will be treated as earnings for benefit purposes.

On the **government's business support** website it states:

The grant is recognised as income for the purposes of Universal Credit and Tax Credits and may impact the amount claimants are entitled to.

For Universal Credit

It will be treated as earnings for the Monthly Assessment Period in which it is paid. So it will not result in any overpayment for those who have claimed UC already (ie no need to reassess entitlement for March, April and May to include the payment as income).

If the claimant has been reporting a loss* every month up to the point it is paid, then this can be offset against the grant and only the difference will be treated as earnings.

But for some it may mean that the claimant's UC award reduces to nil (and they will need to reclaim) and/or the 'surplus earning' rules may then apply.

NOTE: If a self-employed worker has not yet claimed UC and is due the payment, they may be better off waiting to claim until they have received it – they should talk to a Benefits Adviser about this.

For Tax Credits

As it is a taxable payment, it will be treated as an income payment so it will form part of the claimant's self-employed income for 2020/21 and will be able to be offset by allowable expenses. So the grant payment will only affect their Tax Credits if they expect their total profits for 2020/21 to be more than £2,500 greater or lower than their profits for 2019/20.

For Housing Benefit

The payment will be treated as income so it will form part of their self-employed income and will be able to be offset by allowable expenses. If their projected income is now higher than the income the HB Office has been using, then they should inform the HB Office who may adjust their ongoing HB award.

This was confirmed in **LA Direct 04/2020**

'No changes to HB regulations are required as the SEISS grant remains a payment of taxable income received from self-employment. The SEISS payment is part of the self-employed income assessment for the tax year in which it is received.'

Universal Credit: Extra £20 a week

New Standard Allowance Rates:

	2019/20	2020/21
Single under 25	£251.77	£342.72
Single 25 or over	£317.82	£409.89
Couple both under 25	£395.20	£488.59
Couple one or both 25 or over	£498.89	£594.04

NOTE: The increased Standard Allowance will affect UC awards from the first Assessment Period that ends on or after 6th April 2020. All other increases (apart from the LHA rates) will take effect from the beginning on the first Assessment Period after 6th April 2020.

For all the 2020/21 Benefit Rates download our poster: [Click here](#)

Watch out for some strange results

The general rule in Universal Credit - when there is a change in the Regulations - is that the change takes effect from the beginning of the claimant's first Monthly Assessment Period after the change takes place. This ensures that no-one benefits from the change for a period before the change was legally in place.

However, Regulations have been introduced that allow the increase in the Standard Allowance and LHA rates that took effect on 6th April 2020, to apply to a claimant's UC award from the beginning of the Monthly Assessment Period in which this change occurred.

But the normal rules will apply to all the other benefit rates changes.

So any UC assessment made between 7th April - 5th May will be calculated using the 2020/21 Standard Allowance and LHA rates (for those claimants living in private rented accommodation) but with all the other Elements based on the 2019/20 rates.

Example

Joseph gets Universal Credit. His Monthly Assessment Periods runs from the 18th of one month to the 17th of the next.

He lives in a social rented house with his 16 year old son.

When his Universal Credit is assessed on 17th April it will be based on the 2020/21 Standard Allowance, his rent as at w/c 13th April, and the 2019/20 Child Element.

Working Tax Credit

£20 increase

The Basic rate of Working Tax Credit increases from £1,960 to £3,040.

HMRC has confirmed that increases to the basic element of WTC will be applied to claims in batches over a 35-day period from 9 April 2020 which will result in the increase from 6 April 2020 being paid as arrears.

Where a claimant is in receipt of Housing Benefit these arrears payments should be treated as capital and not as income – [click here](#).

HB Circular A7/2020 confirm that:

'This means that in cases where HB claims do not see the increased rate of the additional earnings disregard and increased rate to the basic element of WTC applied to individual claims within the same benefit week, overpayments are not created.'

No change to Working Tax Credits where hours reduced

Entitlement to Working Tax Credit normally depends on the claimant working a certain number of hours – [click here](#). Where someone's wages have dropped, this may mean that their hours have dropped too.

Normally.....

Where the drop in hours is going to be less than 4 weeks, then WTC can continue.

Where the drop in hours is going to be more than 4 weeks then WTC will end after that 4 week period - due to the 4 week run-on.

However.....

HMRC has announced that people temporarily working reduced (or no) hours due to Coronavirus, or who are being furloughed, will not see a change in their Tax Credit payments - so long as they are still employed or self-employed - as they will be treated as working their normal hours until the Job Retention Scheme and Self-Employment Income Support Scheme close, even if they are not using either scheme. They do not need to contact HMRC about this change.

This is a temporary measure to ease the pressure on the number of new UC claims and to make things easier for everybody.

If they have rent to pay and they are not getting any Housing Benefit, they might want to consider whether they could be better off claiming Universal Credit. But every situation is different – it is best to speak to a Benefits Adviser. There is a lot to think about here including what life will be like on Universal Credit once the Coronavirus outbreak has ended and all the current concessions removed.

Housing Benefit 16/30 hour disregard

The Housing Benefit 16/30 hour disregard has also been increased by £20 a week ie from £17.10 to £37.10 a week so that those HB claimants who are getting Working Tax Credit see the full benefits of the £20 increase to their WTC award.

Frequently Asked Questions:

General

I've been told that if I'm self-isolating then I may be able to claim benefits. But what exactly does self-isolating mean?

People self-isolate for different reasons. In the world of benefits special rules apply to someone who is self-isolating so it is important to understand what exactly it means.

At the moment, the government is advising 'social distancing' for all and 'shielding' for those with certain health conditions - but these are not the same as 'self-isolation'.

So those who would be classed as 'self-isolating' will be those who:

- Are infected or contaminated with Coronavirus
- Are showing symptoms of the Coronavirus
- Are in the same household as someone infected with or showing symptoms of the Coronavirus

More information on the Housing Systems website: [here](#)

If you are wondering whether you'll be treated as being unable to work for benefit purposes then this is how we feel the current rules work (following the various amendments to the Regulations due to the Coronavirus outbreak):

For Statutory Sick Pay: You will be treated as being incapacitated for SSP if you are 'self-isolating' OR 'shielding'.

New- Style Employment and Support Allowance: You will be treated as having a Limited Capability for Work if you are 'self-isolating'.

NOTE: It is unclear at the moment whether someone who is 'shielding' can be classed as having a Limited Capability for Work for NS-ESA. The gov.uk website suggests they can (updated to include this on 20th April), but the ESA Regulations have not been amended to include this change (as the SSP Regulations were).

Universal Credit: You will be treated as having a Limited Capability for Work (LCW) ONLY if you have a notifiable disease ie you are 'self-isolating' and a written notice saying can't work (we are assuming an 'isolation note' will be enough). This is only useful to those claimants who have earnings in an Assessment Period, don't have any children, and are treated as having a LCW at the end of their Assessment Period AND have provided their work coach with an isolation notice proving it - as they will then be entitled to a work allowance for that Assessment Period and therefore will receive more Universal Credit.

I'm self-isolating and I've been told to claim Universal Credit – is this my best option?

That depends on whether or not you are currently getting any of the benefits Universal Credit replaces in particular Tax Credits and/or Housing Benefit. If you are, then:

- If you make a claim for Universal Credit any Tax Credits and/or Housing Benefit you are currently receiving will stop (although you may be entitled to the two week HB run-on).
- You will then have to wait around 5 weeks before you receive any Universal Credit.
- If you make a claim for Universal Credit you can receive an Advance Payment, but this is a loan that needs to be repaid.

- For some people Universal Credit pays less than the Tax Credits and/or Housing Benefit they have been getting and so you could find that in the long run you end up worse off.
- More deductions for debts can be taken from a Universal Credit payment than from a Tax Credit or Housing Benefit payment – even with the current suspension of certain debts, you could be worse off because of this.

My pay from work has dropped and I'm really struggling. I don't know how I'm going to pay this week's rent – I've been told that if I make a claim for Universal Credit I can get an interest free loan within days, and that would really help. Is this true?

Someone who makes a new claim for Universal Credit can receive an Advance Payment. How much they receive depends on their income and personal circumstances.

An Advance Payment is an interest free loan and you pay it back over 12 months – the repayments are taken out of your Universal Credit award before you receive the payment.

If you are not currently getting any of the benefits Universal Credit replaces in particular Tax Credits and/or Housing Benefit, then you may have nothing to lose.

However, if you are getting Tax Credit and/or Housing Benefit, then as soon as you make a claim for Universal Credit these benefits will stop (although you may be entitled to the two week HB run-on) and you will not be able to get back on them. Some people are worse off on Universal Credit. So before you make the claim for Universal Credit you need to ensure that this is – in the long run – the best option for you, and it could be that delaying your date of claim could be beneficial to you. So please seek advice from a Benefits Adviser. And contact your landlord to let them know your current situation.

As my hours and therefore my income will drop for a couple of weeks, meaning I'm going to struggle to pay my rent this month, I've been told I should claim Universal Credit – is this a good idea?

That depends on whether or not you are currently getting any of the benefits Universal Credit replaces in particular Tax Credits and/or Housing Benefit.

If you are not currently getting any of the means-tested benefits, then you may have nothing to lose by making a claim for Universal Credit. Whether you are entitled - and how much you will receive if you are - will depend of your income, savings and personal circumstances.

If you are currently getting Tax Credits and /or Housing Benefit, then you may be better off staying on these in the long run. Due to special measures, [until the Job Retention Scheme and the SEISS Scheme close, HMRC is allowing Working Tax Credit awards to continue even if your hours have reduced below that required – as long as this is temporary and you remain employed/ self-employed. You do not need to inform HMRC of the change in hours.](#)

Seek advice from a Benefits Adviser. And contact your landlord to let them know your current situation.

I'm self-isolating and work has said they will pay me Statutory Sick Pay (SSP), but this is all. I'm going to struggle to manage - is there anything else I can claim?

That depends on whether or not you are currently getting any of the benefits Universal Credit replaces in particular Tax Credits and/or Housing Benefit.

If you are not currently getting any of the means-tested benefits, then you may have nothing to lose by making a claim for Universal Credit. Whether you are entitled and how much you will receive if you are will depend on your income, savings and personal circumstances.

If you are currently getting Tax Credits and /or Housing Benefit, then you may be better off staying on these in the long run. If you do decide to claim Universal Credit, then it could be that delaying your date of claim could be beneficial to you. So please seek advice from a Benefits Adviser.

On Universal Credit

I'm getting Universal Credit to top up my wages. But I've had to self-isolate - is there anything I should do?

Contact your Work Coach – let them know that you are self-isolating. If you could still be self-isolating at the end of your UC Assessment Period then it may be worth contacting NHS 111 and asking for an 'isolation note'. If you provide this to your work coach and ask that you be treated as having a 'Limited Capability for Work' because you have a notifiable disease as per paragraph 3 of Schedule 8 of the UC Regulations 2013, then, if your award does not already include a work allowance, you may now be entitled to one and this would increase your award. Keep looking at your UC account / texts and watch out for any 'to-do's' – make sure you do complete any given to you. Keep your Work Coach informed of your situation. If you are likely to be off work for more than 7 days, then you will need to get an 'isolation note' from NHS111 online for your employer.

I'm off work at the moment due to self-isolating, but my childcare provider is charging a retainer that I have to pay to secure the place. Universal Credit usually pay 85% of the cost – will they still do so when I'm not actually going into work?

The DWP have stated that only those claimants who are paying for childcare that is actually being provided can receive help with their childcare costs.

So where you are paying a retainer, to keep your childcare place, you will not be able to get a Childcare Cost Element for childcare not actually being received.

You could try asking your Work Coach for help from the Flexible Support Fund. It is more likely (though not guaranteed) that they would agree to this if not paying the retainer means the place would be given to someone else, and you would be unable to access childcare in your area when you need to return to work – explain that being unable to pay the retainer would mean you could lose your job.

I've been 'furloughed' from work and my child's nursery is closed. The nursery are charging a retainer to guarantee my child's place when things get back to normal. Will my Universal Credit still cover 85% of the cost even though I'm not actually going into work?

See answer above.

The company I work for is in financial difficulties: I am worried that it will go into liquidation and I will have no job – can I claim Universal Credit?

As long as you satisfy the basic claiming criteria for Universal Credit you will be able to make a claim. You have to: be working age, have savings/capital under £16,000, be in GB, not be excluded from UC (some students are excluded depending on age, level of course etc), not be claiming Tax Free Childcare, and agree to a claimant commitment. Whether you will have an award paid/how much will depend on your individual circumstances. You could use an online calculator to give an estimate of how much you may be entitled to.

Hopefully, due to the recent government announcements regarding the Job Retention Scheme your employer will be able to keep you on. If you are laid off, then the timing of your UC claim may be important (see below) and you should also make a new claim for Council Tax Support.

I've just lost my job and I'm due some holiday pay - when can I claim Universal Credit?

You can claim immediately, but depending how much holiday pay you are due, and when, you may be better off delaying your claim until you receive it. If you are due a significant amount of holiday pay in the next few days / couple of weeks, then it is more likely that it would be better to delay the claim until after you receive this payment. This is because this payment from your employer will reduce your UC award.

If you are entitled to a work allowance and the amount of holiday pay (and any wages you are still due) is less than this allowance, then you should claim immediately. This is because the payment from your employer will be totally disregarded and so not affect your UC award.

If you are not sure what you are best doing, contact a Benefits Adviser.

My contract of employment has just ended and I've made a claim for Universal Credit. But my outgoings are going to be much higher than my income – what can I do?

Make sure you claim Council Tax Support to help you with your Council Tax Bill. If you pay rent and so have a Housing Costs Element included in your Universal Credit award you can also try for a Discretionary Housing Payment from your Local Authority.

Think about what bills / expenses you can cut down – there's lots of useful information online. Speak to a Money Adviser who can help you renegotiate debt repayments and draw up a realistic budget.

Contact your Local Authority and ask if they can provide any help through their Local Welfare Assistance fund – note not all Local Authorities have these.

You could also contact your local Food Bank to see what help they can provide.

I need to make a claim for Universal Credit but I'm self-isolating and don't have access to the internet at home. How can I make that claim?

You should ring the UC Helpline 0800 328 5644 and explain your situation. They will be able to take your claim over the phone and explain what happens next.

I'm on Universal Credit and usually have a claimant commitment requiring me to do 20 hours per week job searching when the kids are at school. I'm having to self-isolate as one of my kids has a cough - will I still need to do the 20 hours?

Explain on your journal why you are self-isolating (or phone the UC helpline 0800 328 5644 if you cannot access your online account at home). Your Work Coach should agree to this as it is reasonable that you are having to self-isolate. Once you stop self-isolating, your work searching requirements should be lifted anyway, as there are no requirements for anyone to have to look for work at the current time, due to the Coronavirus outbreak. This will change in the future - so watch out for messages from your work coach. You will need to accept any change to your claimant commitment online within 7 days, or your claim could be closed.

I'm currently on UC as a jobseeker, but need to provide care for my Mum who has come down with Coronavirus. I'm worried that my UC will be sanctioned as I'm having to stay with Mum temporarily. And she's no access to the internet.

Let your Work Coach know what is going on - if you can't access the internet to get on your journal call the Helpline 0800 328 5644.

If you are having to self-isolate due to government guidelines you should be treated as having a limited capability for work. This means that your Work Coach should review your claimant commitment - so make sure you agree to your new claimant commitment within 7 days - or your claim could be closed.

Your work search requirements should be suspended for the moment anyway - due to the coronavirus outbreak. This is a temporary measure for all claimants, initially up to the end of June 2020, so watch out for messages from your work coach when this changes.

I need to send my Work Coach a message but I'm self-isolating and don't have access to the internet at home. What should I do?

You should ring the UC Helpline 0800 328 5644 and explain your situation. They will be able to explain what happens next.

I need to make a claim for Universal Credit. I am self-isolating as my partner is showing symptoms of the Coronavirus. Will I have to attend the Jobcentre for a New Claim appointment? I've heard that if I miss this appointment our claim for UC will be closed. What should I do?

You should not be asked to attend an appointment at the Jobcentre at the current time, due to the Coronavirus. You can communicate with your Work Coach by sending them a message via your UC journal and ring the UC Helpline 0800 328 5644.

The DWP have put extra staff into helping with new UC claims. You will probably find that your Work Coach will call you within days of you making your claim – when they do it will show as a withheld number – make sure you answer it. This will be your New Claim Interview and if you have not managed to verify your ID online, your ID interview too.

I am a jobseeker and I get Universal Credit for myself and my two children. The children get free school meals, but the school has closed – what should I do?

The government has said that families who get free school meals due to being on a low income will be offered vouchers for supermarkets or local shops, or food or meals by their schools. So if you have not already been contacted by the children's school, you could ring the school to find out what the local arrangements are.

I have a client with a learning disability who needs to claim UC. He is not able to claim online or over the phone by himself and he has no family close by to support him. Can the DWP visit him?

Routine DWP home visits have been suspended at the moment, but the DWP will still visit in some cases. So we assume they may decide to visit him, if there is no other way of sorting out his claim. You should ring the UC Helpline and explain the situation.

I've been laid off and I'm due some redundancy pay - can I claim Universal Credit?

Statutory and contractual redundancy payments, whether paid as a lump sum or over a given period, count as savings for UC purposes and not as earnings. So if a redundancy payment takes your total savings over £16,000, you would not be entitled to UC. If your savings (including your redundancy pay) are less than £6000 your savings will not affect the amount of UC you could get.

Savings between £6,000 and £16,000 are deemed to generate an income. This is set at £4.35 a month for each £250 (or part of) you have above £6,000. So, for example if you have £9,450 in savings the DWP will include £60.90 as assumed income from these savings when they work out your UC entitlement ($£9,450 - £6,000 = £3,450$, $£3,450 / £250 = 13.8$ - so $14 \times £4.35 = £60.90$).

You could use an online calculator to give an estimate of how much you may be entitled to.

I'm self-employed but have no work at the moment. I've heard that I'll only get £95.85 a week on Universal Credit - how am I going to manage?

Many headlines are stating that the only help available for the self-employed affected by the Coronavirus is £95.85 per week.

However, many self-employed workers are entitled to more support from the benefits system.

For example: Dianna has had to close her sandwich shop. She's thought about doing on-line orders but doesn't think there will be many takers. She lives in a housing association rented two bedroom house with her 8 year old son. She hasn't claimed benefits since starting the shop 15 years ago. She's really worried about how they are going to live and pay the rent for her home (£134 a week) if she only gets £95.85 a week from the government as she doesn't have any savings or business reserves?

Dianna will be able to make a new claim for Universal Credit. She will receive £1271.80 a month (the equivalent of £293.49 a week) before any deductions eg to pay back an Advance Payment.

If she receives a payment from the Self Employment Income Support Scheme we expect this to be taken into account as earnings for the Monthly Assessment Period in which it is received meaning any UC awarded before that is safe and will not be recovered.

I'm a self-employed hairdresser. I live with my partner and 2 children in a rented property. I've had to shut up shop due to the Coronavirus outbreak and I can't see that I'll have much work in the coming weeks. My partner does not work and we don't have any savings. We do get some Universal Credit. What should we do?

Let your Work Coach know and continue to report your income and allowable expenses. Your Work Coach can use their discretion not to apply the Minimum Income Floor as your work has been affected by the Coronavirus outbreak. So for the duration of the Coronavirus outbreak, your UC payments should be based on your actual takings (or no takings) even if you have been trading for 12 months or more.

If you receive a payment from the Self Employment Income Support Scheme this will be taken into account as earnings for the Monthly Assessment Period in which it is received meaning any UC awarded before that is safe and will not be recovered.

It is important that you continue to report your income and allowable expenses, if you are making a loss this can be offset against the grant when you receive it and only the balance will be taken as earnings when the DWP calculate your award for that Assessment Period.

If you are not already getting any help with your Council Tax Bill - make a claim for Council Tax Support.

And if your children are school age and you do not already get free school meals for them then contact your local authority - you may now be entitled.

I've been working full-time for the last couple of years as a self-employed beautician. A lot of my regular customers have cancelled their bookings and my work has suddenly dried up. I'm single and not currently claiming any benefits – what help is available?

You can make a claim for Universal Credit, assuming you meet the basic eligibility requirements (eg. savings not more than £16,000, not a person from abroad who is excluded etc).

If you are not due any large payments from customers **and/or a payment from the Self-Employed Income Support Scheme**, then you're probably best claiming UC online as soon as possible. You'll not need to attend the JobCentre, but you'll need to communicate with your Work Coach either via your UC journal or over the phone.

If you are due any large payments from customers and/or a payment from the Self-Employed Income Support Scheme, then you maybe better waiting before you claim UC until you have received these payments. Ask a Benefits Adviser for help.

Your Work Coach can use their discretion not to apply the Minimum Income Floor as your work has been affected by the Coronavirus outbreak. So for the duration of the Coronavirus outbreak, your UC payments should be based on your actual takings (or no takings) even if you have been trading for 12 months or more.

If you need an Advance Payment to tide you over until your first UC payment, you can apply via your UC account.

If you are not already getting any help with your Council Tax Bill - make a claim for Council Tax Support.

We have a tenant who is currently in his home country of Romania. He is unable to travel home due to the Coronavirus outbreak. He is planning to return but does not know when this will be. He was previously self-employed and had no claim for benefits. Would he be able to make a new claim for UC to cover his housing costs whilst out of the country due to Coronavirus?

Under the basic conditions of entitlement to UC he has to be "in Great Britain" - which means physically being in GB as well as passing both parts of the habitual residence test.

And he doesn't even come under the temporary absence rules (Reg 11 of the UC Regs treats someone as being in GB if away and intending to return within a month), because those rules only apply to people who were already on UC when they went away.

He could check if his travel insurance could cover his rent payments while he is stuck abroad.

Or, if someone else was already living in the property when he went away, they might be able to claim - they could be treated as liable to pay the rent while the tenant is away if the DWP considers it reasonable to do so.

I've lost the laminated card with my Personal Security Number on it - and I can't remember the number. Last time this happened I was told I had to go for an interview at the Job Centre - but it's shut and there are no appointments! I don't have an online account.

The Job Centre should have a number on the front door for emergencies and for people who are vulnerable. Try ringing this and tell them your problem - they should be able to help you over the phone.

If they can't help, contact your landlord and ask to speak to a benefits adviser or support worker who will try to contact them for you.

If that doesn't work, ring the UC helpline. It may take you a while to get through.

I desperately need an Advance Payment - but I can't apply until my ID has been verified - and I can't get through on the phone to get this sorted - what can I do?

Put a note in your journal to request a phone call as soon as possible. Say that you desperately need an Advance. Make sure you allow withheld numbers on your phone, and keep your phone charged and close by so you can answer the call when it comes.

The DWP have put extra staff into helping with new UC claims. You will probably find that your Work Coach will call you within days of you making your claim – when they do it will show as a withheld number – make sure you answer it. This will be your New Claim Interview and if you have not managed to verify your ID online, your ID interview too.

Have all your information ready for when the DWP call you. Be aware that if they call you it could show as a withheld number.

I'm on UC, been working but I've been told that there's no work for me for the next few weeks and I'm not protected by the Job Retention Scheme. The children are at home, but no one is ill. What should I do?

You should let your Work Coach know that you do not have any hours at present and they will review and probably set up a new claimant commitment for you. You should not be expected to look for work at the current time - the government has said work search requirements are suspended for all UC and JSA claimants until the end of June 2020 (and that could be extended). You must ensure you accept this new claimant commitment online within 7 days, otherwise your claim could be closed.

The next time your UC is assessed – at the end of your Monthly Assessment Period - it will be based on any wages that you received during that Monthly Assessment Period. So if your work income has dropped you should see an increase in your UC award.

You may become eligible for free school meals, if your earnings are less than £616.67 in any Monthly Assessment Period. You can ask the school / LA for free school meals: while schools are shut, the government have announced a voucher system for children who aren't in school. If you qualify for free school meals for a child, you will keep that entitlement until they finish the level of education (ie. primary / secondary / further) which they are in at the time when Universal Credit is fully rolled out (now expected to be 31st December 2023).

If you cannot wait until you receive your next Universal Credit payment, you could request a Change in Circumstances Advance. Whether you receive one will be up to the DWP and it is a loan that would be repaid over 6 months out of your future UC payments.

Keep checking your texts or emails for messages from your work coach.

On Tax Credits

I'm self-isolating so can't go into work – I've let my employer know. I get Working Tax Credit – will this continue whilst I'm off work?

Whilst you are self-isolating you can receive Statutory Sick Pay or 'New-Style' Employment and Support Allowance, and you are then treated as still working your normal hours whilst you are receiving these benefits for up to a maximum of 28 weeks. So your Working Tax Credit is unaffected.

Will they re-assess my Tax Credits to take account of my lower wages?

If your wages have dropped temporarily because your hours have reduced – or where you have been designated a 'furloughed worker' - then as long as you continue to be employed / self-employed you can continue to receive Working Tax Credit (WTC) and the amount will not be affected, even if you are no longer working the minimum required to qualify for WTC. You do not need to notify HMRC of the change in hours. This concession will end when the Job Retention Scheme and the SEISS Scheme close.

If your wages are going to be affected by the Coronavirus outbreak for a long time then your earnings are more likely to drop by more than £2,500 in total and so your Tax Credit award could be reassessed.

Tax Credits are assessed for each tax year. As we are now in March, you might not see a drop of more than £2500 in the tax year 6th April 2019 – 5th April 2020, but you might do in the next tax year. Let HMRC know about your situation.

If you pay rent and do not get Housing Benefit you should also check to see whether claiming Universal Credit would be a better option for you. Contact a Benefits Adviser.

My hours have now dropped below those required to claim Working Tax Credit – so will my Tax Credits stop?

While you stay employed / self-employed, until the Job retention Scheme and SEISS Scheme end, you stay on your Working Tax Credit where your hours drop temporarily below those required to claim WTC. This concession lasts until the end of the Job Retention Scheme and SEISS Scheme. You don't need to inform HMRC and your Tax Credit payments will continue as normal. However if you know for certain that this is a permanent measure ie your contract of employment has been changed, then you must let HMRC know and your Working Tax Credit will stop after 4 weeks unless you find more hours.

Child Tax Credit is unaffected by the number of hours you work.

Additionally, if you have school age children, you could be eligible for free school meals if you're getting Universal Credit and your wages are low enough.

If you pay rent and don't get Housing Benefit it is worth checking whether or not you'd be better off on Universal Credit. Seek advice from a Benefits Adviser.

My partner has Coronavirus so the whole family has to self-isolate. We're getting Tax Credits to top up her income, but no Housing Benefit as our earnings are too high. We're waiting to see if anyone else comes down with Coronavirus but, because our only income is now Statutory Sick Pay and Tax Credits, we are going to struggle to pay the rent. She doesn't think her employer will be entitled to pay her under the Job Retention Scheme as her job is not under threat. We don't want to claim UC and would rather stay on Tax Credits if we can. If we delay claiming UC to see what happens (as this could just be a short term thing) - but then decide to claim UC - will we be able to get the claim backdated?

Unfortunately, delaying claiming UC for these reasons wouldn't fall under the rules that would allow a claim for UC to be backdated.

In the short term, as your partner is receiving Statutory Sick Pay (SSP) she is still treated as being in work for Tax Credit purposes, and so your Tax Credits can continue. **And until the Job Retention Scheme and SEISS Scheme close, HMRC is allowing people whose hours have reduced temporarily to stay on Working Tax Credit – and the change will not affect their Tax Credits award.**

If you pay rent and don't get Housing Benefit you may also wish to contact a Benefit Adviser to do a benefit check to compare any potential UC award with your current Tax Credit entitlement and then make an informed decision.

Also, let your landlord know about your current situation.

I currently work part time (16 hrs pw) and care for my severely disabled son who receives DLA high rate care. I do get some Housing Benefit and Tax Credits, but my employers have said there is no work at the moment, so I am staying at home and have accepted being designated as a 'furloughed worker' – do I have to claim Universal Credit?

No, you don't have to claim Universal Credit, although this could be an option.

If your employer is unable to give you any work at the moment but is keeping you on their payroll then they will be entitled to receive a grant under the Job Retention Scheme that will mean they can pay you at least 80% of your normal wages or £2,500 gross a month (whichever is the lower). **You can stay on your Working Tax Credit with the same payments until the Job Retention Scheme and the SEISS Scheme close – as HMRC treat you as being in work** even though you are not actually working due to being furloughed.

You can request HMRC to reassess your Tax Credits but whether they are able to do so or not depends on whether your earnings in any tax year are dropping more than £2,500 or not.

If you decided to claim UC your Tax Credits and HB awards would stop. You would have to wait around 5 weeks until you got your first UC payment – although you could request an Advance Payment.

If you are spending 35 hours or more a week caring for your son then your UC award would include a Carer Element, and this could continue when you start back at work regardless of your hours or pay.

There's a lot to consider here – including the additions for your disabled son, and potential deductions (more debt deductions can be taken from your UC than from Tax Credits and/or HB). So you are best contacting a Benefits Adviser and getting a calculation done to see which situation would be better for you now and in the long term.

I'm a self-employed physiotherapist. I live with my partner and 3 children in a rented property. The majority of my customers have cancelled their bookings due to the Coronavirus outbreak and I can't see that I'll have much work in the coming weeks.

My partner does not work and we don't have any savings. We do get some Working Tax Credit and Child Tax Credit.

Even though you are no longer working the required number of hours for WTC, your WTC can continue until the Job Retention Scheme and SEISS scheme close.

However, it might take longer for your work to pick up. So, you might need to consider making a claim for Universal Credit - particularly as you have rent to pay.

You may* be entitled to a lump sum grant payment from the Self-Employed Income Support Scheme, this scheme is open on 13th May with payments made by 25th May.

If you are entitled to do a lump sum grant payment from the Self-Employed Income Support Scheme then you are probably best not claiming UC until you have received the payment.

If you claim UC then your Tax Credits will end straight away (ie no 4-week run-on).

You will be able to apply for an Advance Payment to tide you over until your first UC payment- and you can apply online. But this will be recovered from your on-going payments.

New regulations allow the DWP not to apply the Minimum Income Floor due to the Coronavirus outbreak, so make a request on your journal. That way, your Universal Credit award will be based on your actual income less allowable expenses, instead of being based on expected earnings.

*NOTE: If you have set yourself up as a Director of a business, then you will not be entitled to a payment from that scheme. You may wish to consider – if you are not going to have any customers for a period of 3 weeks or more – registering yourself as a 'furloughed worker'. At the moment you can stay on your Working Tax Credit for an 8 week period – even though you are not actually working due to being furloughed. We do not yet know what will happen at the end of those 8 weeks. Although you may be better off on Universal Credit.

I'm a single parent with two children. I'm a self-employed delivery driver. I currently get Working Tax Credit, Child Tax and a small amount of Housing Benefit. My income has increased. What should I do?

You should notify both HMRC and the HB Office. It is likely that your Tax Credit award will reduce and your HB award could stop altogether.

Should your income drop again in the future, then let HMRC know and they may be able to reassess your award. But you will not be able to make a new claim for Housing Benefit, so at that point you may be better claiming Universal Credit – but get advice first.

The restaurant where I worked has gone into liquidation, so I no longer have any pay or a job to go back to after the Coronavirus pandemic. What will happen to my Tax Credits?

You must notify the Tax Credit Office. Your Working Tax Credit award will stop – although you will be entitled to a 4 week run-on.

You might be entitled to New Style Jobseeker's Allowance (depending on your National Insurance record).

If you are also getting some Child Tax Credit and / or Housing Benefit this can continue (although it is worth checking whether or not you'd be better off on Universal Credit instead). Speak to a benefits adviser.

Not currently on UC, Tax Credits or HB

My hours have reduced at work – I don't think I will get help from the Job Retention Scheme as I am doing some work, but can I make a claim for Housing Benefit as I am unable to pay my rent?

If you have been working and not getting any benefits you will not be able to make a new claim for Housing Benefit. Your only option will be to make a claim for Universal Credit.

If you are going to make a claim for Universal Credit, then consider whether you may be better off long term if you delay this by a few days (see below).

My hours are dropping from Monday. I don't get any benefits at the moment but will need help paying my rent - what can I claim?

As long as you satisfy the basic claiming criteria for Universal Credit you will be able to make a claim. Whether you will have an award paid/how much will depend on your individual circumstances.

The timing of your UC claim can be important, especially if you are paid monthly (see below) or if you are due a payment of wages in the next few days. If you are not already receiving any help with your Council Tax Bill, you should also make a new claim for Council Tax Support.

My hours are reducing at work and I've been advised to claim Universal Credit, but I have been told that, because I am paid monthly, the date I claim can make a big difference – can you explain this?

Universal Credit is a monthly benefit. It is assessed and paid in chunks of a month called Assessment Periods. Your date of claim determines when your Assessment Periods start and end. So, for instance, if you claim UC on 25th March, your first Assessment Period would be 25th March to 24th April, and all following Assessment Periods would run from 25th of one month to 24th of the next.

When the DWP work out how much UC you are entitled to, they take into account the wages you've received during that Assessment Period.

If you are paid monthly, then depending on your pay date and Assessment Periods you can sometimes find that two wages are paid within one Assessment Period.

Let's say you get your wages paid on 26th of the month. Then in July, because 26th falls at the weekend, your employer will pay you early – on Friday 24th July. This means that when your UC award is assessed on 24th July it will include two monthly wages – the one paid on 26th June as well as the one paid on 24th July. This will mean that your UC award for that Assessment Period drops dramatically – which may make it difficult for you financially as your wage amount hasn't actually changed. Your next UC payment would then be higher than normal as no wages will be taken into account in your next UC Assessment Period ie for 25th July – 24th August, but overall this can leave you worse off (although those with small UC awards can sometimes be better off).

So if the date you are looking to claim Universal Credit is on or just before your normal pay date from work, you may be better delaying your claim by a few days. Seek advice from a Benefits Adviser.

I'm off work at the moment self-isolating and I'm not entitled to any SSP. I've been advised to claim Employment and Support Allowance, but isn't this for people who have had to give up work through ill health?

'New-Style' Employment and Support Allowance is not just for those finishing work through ill-health – if you meet the qualifying conditions for it then even if you still have an employment contract you can make a claim for it.

Depending on your situation you may be able to make a claim for Universal Credit and / or Council Tax Support too – contact a Benefits Adviser to find out more.

I get Contribution Based ESA (in the support group) and Personal Independence Payment and have done for years. My partner usually works part time but has been temporarily laid off because of the Coronavirus outbreak and is going to get just 80% of her wages. We're going to struggle to pay the rent. Do we have to claim Universal Credit?

If you have been on ESA for years, it is probably 'Old Style' Contribution Based ESA. This means that you may be eligible for a top up from Income Related ESA, but this would depend on your partner's wage (and whether or not she is still treated as working her normal hours). But this would not provide any help towards paying the rent. And you won't be able to make a claim for Housing Benefit.

If you are getting Daily Living PIP, and your partner spends 35 hours a week caring for you, then - depending on your partner's earnings - she may be able to claim Carers Allowance for looking after you. This would give you an extra £67.25 a week, **but this would depend on her wages.**

Or you may be better off on Universal Credit - the assessment would include a Standard Allowance (the UC personal allowance has increased by £20 per week for the year April 2020 - 21 (unlike ESA)), LCWRA Element and a Housing Costs Element and possibly a Carer Element too. Because you have a limited capability for work, there would be a work allowance, meaning more of your partner's wages would be ignored when your UC is calculated. Your ESA (and any Carers Allowance) would count as income when UC is calculated.

Ideally you need a benefit check to decide what is best for you.

Help with Rent

There are some specific issues around the Coronavirus outbreak and Housing Benefit / UC Housing Costs Element.

We have had several queries from subscribers to our email query service relating to moving home, temporary absences and the Bedroom Tax.

More information about Housing Benefit and moving home on the Housing Systems website [here](#).

More information about Housing Benefit and temporary absences on the Housing Systems website [here](#).

More information about Housing Benefit and the Bedroom Tax on the Housing Systems website [here](#).

I claim Income Support, Child Tax Credit and Housing Benefit. My daughter and I were due to move into my new tenancy (in the same local authority area) next Monday, but this is not going to be possible due to the Coronavirus lockdown. My new tenancy starts on Monday and I have given 4 weeks' notice on my current tenancy. I was told that I could only get Housing Benefit on two homes for the unavoidable overlapping period if I move into the new property and remained liable for the old one. I can't move yet but I can't afford two lots of rent!

It is correct that you would only be able to get HB on two homes during the overlap period if you have already moved in to the new property.

If you are having to delay your move for a few weeks, talk to both your new landlord and your existing landlord. They might be willing to put things on hold. Your old landlord might agree to extend your notice period and the new landlord might agree to wait until a suitable date to start the new tenancy. If that is not possible, you could contact your Local Authority to see if they could award a Discretionary Housing Payment. There are no guarantees on this, it will depend on the circumstances.

My friend, who lives alone, is quite poorly and has been admitted to hospital. He gets Income Related ESA paid into his bank and Housing Benefit paid straight to his landlord. What will happen to his benefits while he is in hospital?

Both ESA and HB should continue to be paid.

You have not mentioned if he gets Personal Independence Payment or any other disability benefit, if he does, they might stop after 4 weeks and that could mean the amount of his ESA reduces after 4 weeks, but ESA should continue to be paid.

His Housing Benefit can continue for up to 52 weeks while he is away from home due to being in hospital and expecting to return within 52 weeks of when he was admitted.

If he is well enough, he should let the ESA and HB dept know that he is in hospital. If he is too poorly to do that, perhaps you or a member of his family could report the situation on his behalf. It would be wise to let his landlord know too.

I claim Universal Credit for myself and my two sons, age 12 and 9. We live in a 3 bedroom house and my UC Housing Cost Element is reduced due to the Bedroom Tax. My sons have always had their own bedrooms, but I am just wondering if the Bedroom Tax could be lifted during the Coronavirus outbreak. My younger son has asthma, so he needs to keep his distance from the rest of the family for safety reasons.

There have been no changes to the Bedroom Tax rules in connection with the Coronavirus pandemic. If you are struggling financially you could contact your Local Authority to see if they could award a Discretionary Housing Payment. There are no guarantees on this: it will depend on the circumstances.

I have a tenant who is self isolating with her daughter who falls into the high vulnerability group. As a consequence her son, who is still at work, has had to move out and is sofa surfing. He needs to claim UC as his income has dropped - should he declare himself as homeless or should he claim as if he is still living at home?

Are they treating people like him who can't live at their main address due to COVID 19 any differently?

Presumably this is only a temporary measure and he will be back home soon?

If this is the case, when he claims UC he should state his mum's address as his normal address. And mum should have listed him as living in the property.

This would mean he is treated as living there for the period he cannot live there (as long as his overall absence is unlikely to exceed 6 months).

He would therefore be allocated a bedroom under Bedroom Tax / LHA rules.

If he is under 21 then there would be no non-dep deduction, or what the DWP call Housing Costs Contribution, but if he is 21 or over then there could be a deduction but only £75.15 a month.

Other legacy benefits

I get Income-Related Employment and Support Allowance and have been earning £100 a week permitted earnings. My employer has told me not to come in for 3 months and that they won't be paying me during this time. I'm not sure how I'm going to manage financially – what can I do?

If you are paid via PAYE then your employer should be able to pay you a minimum of 80% of your average earnings under the Job Retention Scheme – ask them about this.

If you are still going to struggle and pay rent and have a contribution to make – for example because of a Bedroom Tax reduction - you could try for a Discretionary Housing Payment from your Local Authority.

Think about what bills / expenses you can cut down – there's lots of useful information online. Speak to a Money Adviser who can help you renegotiate debt repayments and draw up a realistic budget.

Contact your Local Authority and ask if they can provide any help through their Local Welfare Assistance fund – note not all Local Authorities have these.

You could also contact your local Food Bank to see what help they can provide.

You could also think about claiming PIP, although claims can take several weeks or months to be processed.

If you are advised to claim UC, please get advice first to check that this is your best option.

Additional Information

Very brief description of benefits mentioned in this briefing

Statutory Sick Pay

Statutory Sick Pay is paid to an employee by their employer for up to 28 weeks, if they earn at least **£120.00 per week (was £118.00 per week before 6 April 2020)**. It's paid at a flat rate of **£95.85 per week (was £94.25 before 6 April 2020)**. However, they may also be entitled to additional sick pay from their employer depending on the terms of their employment contract.

New-Style Employment and Support Allowance

New-Style ESA is paid where someone meets the key qualifying conditions – including having paid the correct level of NI contributions (if claim made in 2020, DWP will generally look at NI contributions in tax years 2017/18 and 2018/19) - to those employees who are not entitled to SSP, whose SSP has finished, or who are unable to work due to a health condition. Self-Employed people can claim.

New-Style Jobseekers Allowance

New-Style JSA is paid where someone meets the key qualifying conditions – including having paid the correct level of NI contributions (if claim made in 2020, DWP will generally look at NI contributions in tax years 2017/18 and 2018/19) - to those employees who are not in paid work of 16 hours or more a week, and who are fit for, available for, and actively seeking work (although the availability and work search requirements have been currently suspended). Self-Employed people cannot generally claim as they have not paid the correct type of NI.

Universal Credit

Universal Credit is a means-tested benefit paid to working age claimants who require financial help. It is for those in work, as well as those out of work. It can include help with rent and childcare.

Tax Credits

Working Tax Credit is for working claimants, it is provided to boost the income of working people who are on a low income. Entitlement is, amongst other things, dependent upon hours worked.

Child Tax Credit is money paid to people responsible for children.

You cannot make a new claim for Tax Credits and would need to claim Universal Credit instead unless protected by the SDP Gateway Condition.

Housing Benefit

Housing Benefit is a means-tested benefit to help people pay their rent.

You cannot make a new claim for Housing Benefit and would need to claim Universal Credit instead unless you live in 'specified accommodation' or in 'temporary accommodation' or are Pension Credit age and single or Pension Credit age and your partner is also Pension Credit age (some exceptions to this) or you are protected by the SDP Gateway Condition.

Employed Workers, Coronavirus and Universal Credit			
Furloughed	DWP will pick up any reduced wages via the RTI system. Any Childcare Costs Element should continue as long as claimant is paying for childcare actually being received and meets the payment and notification conditions. BUT Retainers not eligible.	UC continues in payment and takes account of any drop in earnings.	
Hours / pay reduced*	DWP will pick up any reduced wages via the RTI system. Any Childcare Costs Element should continue as long as claimant is paying for childcare actually being received and meets the payment and notification conditions. BUT Retainers not eligible.	UC continues in payment and takes account of drop in earnings.	
On unpaid leave due to Coronavirus*	DWP will pick up any reduced wages via the RTI system. Any Childcare Costs Element should continue for the Assessment Period in which the unpaid leave started assuming childcare actually received prior to going on unpaid leave. Retainers not eligible.	UC continues in payment and takes account of drop in earnings.	
Lost job*	<p>Inform DWP. Will need to agree to a new claimant commitment – may have some work preparation tasks.</p> <p>Any Childcare Costs Element should continue for the Assessment Period in which the claimant lost their job assuming childcare actually received prior to going losing job. BUT Retainers not eligible.</p>	<p>UC continues in payment. Any final wages, holiday pay, pay in lieu of notice will be taken as earnings for Assessment Period in which paid.</p> <p>Any Redundancy Pay counted as savings. If savings now above £16,000, UC stops. Savings between £6,000 and £16,000 will be deemed to generate a tariff income.</p>	
Self-Employed Workers, Coronavirus and Universal Credit			
Hours reduced*	Need to continue to report income and allowable expenses every month – especially important if they are making a loss# Childcare as employed worker above.	UC continues in payment and takes account of any drop in earnings - Minimum Income Floor (MIF) has been suspended	
No work at present*	Need to report income and allowable expenses every month – especially important if they are making a loss# Childcare as employed worker above.	UC continues in payment and takes account of any drop in earnings - MIF has been suspended	
Closed business* ie do not intend to trade again even after Coronavirus	Will need to agree to a new claimant commitment – may have some work preparation tasks. Childcare as employed worker above.	UC continues in payment and takes account of current situation	
#May be entitled to the Self-Employment Income Support Grant – this will be classed as earnings for the Assessment Period in which it is paid. But should be offset by any Surplus Losses notified to DWP in previous Assessment Periods.			
* NOTES: If will struggle until next UC payment following this change can request a Change in Circumstances Advance. May now be entitled to: Council Tax Support, Free School Meals. If struggling to pay their rent, they may be entitled to a Discretionary Housing Payment.			

Employed Workers, Coronavirus and Working Tax Credit				
Furloughed	No need to inform HMRC at the moment	The worker will be treated as working their normal hours	WTC continues in payment as before unless wages due to drop more than £2,500 in current tax year then claimant can request re-assessment.	No need to claim UC, but worth getting a better off calculation done* - especially if pay rent & not claiming HB
Hours reduced but above those required by WTC rules	Only need to inform HMRC if this is a permanent drop	Remain entitled to WTC	WTC continues in payment as before unless wages due to drop more than £2,500 in current tax year then claimant can request re-assessment.	No need to claim UC, but worth getting a better off calculation done* - especially if pay rent & not claiming HB
Hours reduced due to Coronavirus and dropped below those required by WTC rules but this is only for a temporary period	No need to inform HMRC	HMRC allowing Tax Credits to continue with no change until Job Retention Scheme closes.	WTC continues in payment as before unless wages due to drop more than £2,500 in current tax year then claimant can request re-assessment.	No need to claim UC, but worth getting a better off calculation done* - especially if pay rent & not claiming HB
Hours reduced below those required by WTC rules and this is expected to be a permanent change	Inform HMRC	Unless has partner working the required number of hours, WTC will end 4 weeks after lost job unless starts new job working required hours		May need to claim UC If also getting Child Tax Credit, this can continue in payment (as long as don't make claim for UC) and WTC can be reinstated if find another job.
On unpaid leave due to Coronavirus but this is temporary	No need to inform HMRC	HMRC allowing Tax Credits to continue with no change until Job Retention Scheme closes.	WTC continues in payment as before unless wages due to drop more than £2,500 in current tax year then claimant can request re-assessment.	No need to claim UC, but worth getting a better off calculation done - especially if paying rent and not claiming HB
Lost job	Inform HMRC	Unless has partner working the required number of hours, WTC will end 4 weeks after lost job unless starts new job working required hours during this time		May need to claim UC. If also getting Child Tax Credit, this can continue in payment (as long as don't make claim for UC) and WTC can be reinstated if find another job.
<p>* Universal Credit: Be mindful -</p> <p>- of the deductions that can be made from UC (some have been temporarily suspended but best to assume they're still being taken – as DWP have said some suspensions may take a while) and The different savings rules ie UC has a £16,000 limit, whereas Tax Credits do not.</p>				

Self-Employed Workers, Coronavirus and Working Tax Credit				
Hours reduced but above those required by WTC rules	No need to inform HMRC at the moment	Remain entitled to WTC	WTC continues in payment as before unless wages due to drop more than £2,500# in current tax year then claimant can request re-assessment.	No need to claim UC, but worth getting a better off calculation done* especially if paying rent and not claiming HB
Hours reduced but dropped below those required by WTC rules but this is temporary due to Coronavirus	No need to inform HMRC	HMRC allowing Tax Credits to continue with no change until Self-employed Income Support Scheme closes	WTC continues in payment as before unless wages due to drop more than £2,500# in current tax year then claimant can request re-assessment.	No need to claim UC, but worth getting a better off calculation done* especially if paying rent and not claiming HB
Hours reduced but dropped below those required by WTC rules and this is expected to be a permanent change	Inform HMRC	Unless has partner working the required number of hours, WTC will end 4 weeks after lost job unless starts new job working required hours		May need to claim UC. If also getting Child Tax Credit, this can continue in payment (as long as don't make claim for UC) and WTC can be reinstated if find another job.
Closed business ie do not intend to trade again even after Coronavirus	Inform HMRC	Unless has partner working the required number of hours, WTC will end 4 weeks after lost job unless starts new job working required hours during this time		May need to claim UC. If also getting Child Tax Credit, this can continue in payment (as long as don't make claim for UC) and WTC can be reinstated if find another job.
<p>* Universal Credit: Be mindful -</p> <p>- of the deductions that can be made from UC (some have been temporarily suspended but best to assume they're still being taken – as DWP have said some suspensions may take a while)</p> <p>The different savings rules ie UC has a £16,000 limit, whereas Tax Credits do not.</p> <p>If not yet claimed UC and getting payment from SEISS then may be better delaying making the claim until after the SEISS payment has been received.</p> <p># When making this assessment they should take account of any grant they will be receiving under the new Self-Employment Income Support Scheme (payments expected to be between 13th and 25th May 2020)</p>				

Working Tax Credit – Required Hours

Lone Parents

Lone parents aged 16 or over with at least one dependent child, working 16 hours or more a week.

Couples with children:

Couples aged 16 or over with at least one dependent child, and

- One of a couple is working 24 hours or more a week, or
- Both are working a total of 24 hours or more a week as long as one of them is working 16 hours or more a week, or
- One of the couple is working 16 hours or more a week, and the other is 'incapacitated', in hospital or in prison, or
- At least one of the couple are working 16 hours or more a week, and either of them are entitled to Carer's Allowance.

Disabled Worker:

Couples aged 16 or over, where one (or both) is classed as a 'disabled worker' and that person works 16 hours or more a week, or

Single people aged 16 or over who are classed as a 'disabled worker', who work 16 hours or more a week.

To check whether a person counts as a 'disabled worker' use this [factsheet](#) from HMRC.

Age 60 plus:

Couples, where one is aged 60 or over working 16 hours or more a week, or

Single person aged 60 or over, working 16 hours or more a week.

Others:

Single people aged 25 or over, who are working 30 hours or more a week, or

Couples where at least one is aged 25 or over, and working 30 hours or more a week.

Further Help – summary, not an exhaustive list

Benefit/entitlement	Qualifying criteria	Notes	Info
Free Prescriptions and health care costs	<p>Receiving IS, IB-JSA, IR-ESA.</p> <p>CTC and household income less than £15,276, WTC with disability element and household income less than £15,726.</p> <p>UC with earned income less than £435 or £935 (if have child, LCW or LCWRA) in last MAP or as average of previous MAP's</p>	<p>Note – prescription forms do not always have a box for UC, advice is to tick IB-JSA.</p> <p>Note – Northern Ireland, Wales and Scotland all prescriptions are free, further health costs use similar qualifying criteria to England</p>	<p>Claimants can get free NHS prescriptions, dental treatment, wigs, fabric supports, eye tests, vouchers towards the cost of glasses or contact lenses and help with cost of travel for NHS treatment or referral by a doctor or dentist.</p>
Free School Meals	<p>England and Wales - Receiving IS, IB-JSA, IR-ESA or GPC.</p> <p>CTC only (no WTC unless it is paid in the four week run-on) and household income for Tax Credit purposes of £16,190pa or less.</p> <p>UC If in previous Monthly Assessment Period earned less than £616.67, can also consider previous 3 MAP's for an average</p>	<p>Scotland – Receiving IS, IB-JSA, IR-ESA GPC.</p> <p>CTC only (not WTC unless it is paid in the four week run-on) and household income for Tax Credit purposes of £16,105pa or less; OR CTC and WTC paid at the maximum rate with household income for Tax Credit purposes under £6,420pa</p> <p>Northern Ireland – same as England and Wales scheme but if on UC limit is £14,000 earnings per annum</p>	<p>Free school meals or equivalent voucher while school is closed</p> <p>Note - (except Scotland) If your child is eligible for free school meals, they'll remain eligible until they finish the level of education (ie. primary / secondary / further) which they are in at the time when Universal Credit is fully rolled out (now expected to be 31st December 2023).</p>
Healthy Start vouchers	<p>Eligible from 10 weeks pregnant or/and as parent of child under 4 on qualifying benefit.</p> <p>Receiving IS, IB-JSA, IR-ESA or GPC.</p>	<p>Note – in Scotland similar scheme is Best Start grant and best start foods, can apply if getting ..</p> <ul style="list-style-type: none"> • Universal Credit • Child Tax Credit • Working Tax Credit 	<p>Healthy start offers free milk, fresh fruit and vegetables, infant formula and vitamins to qualifying families.</p>

	<p>UC with earned income of £408 or less for family in both of the two Monthly Assessment Periods (MAP) prior to the current MAP.</p> <p>CTC only (no WTC unless received during the four week-run period only) and household income for tax credits purposes of £16,190pa or less.</p>	<ul style="list-style-type: none"> • Housing Benefit • Income Support • Pension Credit • Income-based Jobseekers Allowance (JSA) • Income-related Employment and Support Allowance (ESA) 	
Funeral Payment	<p>England and Wales Receiving UC, IS, IB-JSA, IR-ESA, HB, PC, CTC or WTC with a disability or severe disability element.</p> <p>Also rules about relationship to the deceased. Can be reclaimed from the estate.</p>	Scotland and NI have separate but similar schemes.	<ul style="list-style-type: none"> • Burial fees and exclusive rights to burial in a particular plot • Cremation fees • Funeral expenses, such as funeral director's fees, flowers or the coffin • Travel to arrange or go to the funeral • Certain other costs
Discretionary Housing Payment	Receiving Housing Benefit or UC with a Housing Costs Element and require financial assistance in order to meet housing costs	Claim from Local Authority	Can claim help with rent shortfall if suffering financial hardship
Council Tax Support / Rebate	Means-tested benefit so depends on income and personal circumstances	Claim from the Local Authority	Help is a reduction in council tax due, not a cash payment
Council Tax Exceptional Hardship Fund	Paying this years' council tax would cause exceptional hardship	Devolved differences to entitlement. No exceptional hardship scheme in Scotland. Not applicable in northern Ireland (rates not council tax)	Help is a reduction in council tax due, not a cash payment
Local welfare assistance	Assistance with one off help for those in crisis or emergency situation, or household goods to ease exceptional hardship	<p>Note – many local authorities no longer run a scheme</p> <p>Note –different devolved schemes with similar rules – NI = Discretionary Support</p>	Usually non cash payments, vouchers or individual necessary items.

		Scotland = Scottish Welfare Fund Wales = Discretionary Assistance Fund	
UC Flexible Support Fund	On UC and require assistance to get or maintain employment		Can get help with work related expenses, could consider asking for help with un-reimbursed childcare in order to keep a place
Budgeting Loan	For those on legacy passport benefit (IS, IB-JSA, IR-ESA, or PC) for 6 months or more		To pay for one off expenses e.g. household goods, clothing etc
Budgeting Advance	For those on UC (IS, IB-JSA, IR-ESA) for 6 months or more		To pay for one off expenses e.g. household goods, clothing etc
Short Term Benefit Advance	Not for UC Claimants For those claiming IS, IB-JSA, IR-ESA whose claim has not been decided yet, or whose entitlement is due to increase due to change, or if benefit payment is delayed – with a financial need.	Note – ‘Financial need’ is defined as the claimant, or a member of the claimant’s family, being at risk (of damage to their health or safety) due to not receiving their benefit.	Can pay up to 50% of expected payment. Generally deducted out of first payment due.
UC Change in Circumstances Advance	When a UC claimant has a change in their circumstances but cannot wait until they receive the increased payment.	Must have serious risk of damage to the health or safety to the claimant or their family if one is not paid	Up to 50% of expected award. Repaid over 6 months
UC Advance Payment	Making new claim for UC and either: Previously in receipt of a legacy passport benefit, or In financial need		Up to 100% of expected award as long as can repay in 12 months
2 week HB run on	HB ended due to claiming UC		HB pays max HB for 2 further weeks

Employed – stopped work? What are the options?

The information below is a quick guide – we recommend that claimants seek specialist advice about their specific circumstances before claiming UC.

Consider Council Tax Support in all the situations below.

Current benefits	Sick with Coronavirus / self-isolating	No hours or finished from work due to Coronavirus
Not claiming any benefits	<p>SSP*- if qualifies and still under contract, for up to 28 weeks, or</p> <p>New Style ESA* – (if satisfy the NI contribution conditions) if not entitled to SSP, or no longer employed, or after SSP exhausted.</p> <p>Universal Credit* (on its own or to top up SSP/NS-ESA) May be worth delaying claim if due some wages from period in work - seek advice.</p> <p>* Claimant treated as incapacitated / having LCW for the period of sickness / self-isolation. For UC will need to provide DWP with isolation note.</p>	<p>New Style JSA (If satisfy the NI contribution conditions).</p> <p>Universal Credit (on its own or to top up NS-JSA) May be expected to do some work preparation. May be worth delaying claim if due some wages from period in work - seek advice.</p>
Claiming Working Tax Credit only	<p>SSP*- if qualifies and still under contract, for up to 28 weeks, or</p> <p>New Style ESA* – (if satisfy the NI contribution conditions) if not entitled to SSP, or no longer employed, or after SSP exhausted.</p> <p>WTC can continue during a 28 week period of sickness. So, if back to work within 28 weeks, WTC is unaffected.</p> <p>If the claimant is struggling to pay rent, they might think about Universal Credit* – but once on UC, WTC will end. So they should speak to a benefits adviser, to get a better off calculation.</p> <p>* Claimant treated as incapacitated / having LCW for the period of sickness / self-isolation. For UC will need to provide DWP with isolation note.</p>	<p>New Style JSA (If satisfy the NI contribution conditions)</p> <p>WTC can currently continue when hours of work drop temporarily due to Coronavirus. But may be better off on UC.</p> <p>If finished from work, WTC can continue for 4 weeks.</p> <p>But may be better off claiming Universal Credit (may be worth delaying claim if due some wages from period in work - seek advice).</p>

<p>Claiming Working Tax Credit and Child Tax Credit only</p>	<p>SSP*- if qualifies and still under contract, for up to 28 weeks, or New Style ESA* – (if satisfy the NI contribution conditions) if not entitled to SSP, or no longer employed, or after SSP exhausted.</p> <p>WTC can continue during a 28 week period of sickness. So, if back to work within 28 weeks, WTC is unaffected. CTC can continue unaffected</p> <p>If the claimant is struggling, they might think about Universal Credit* – but once on UC, WTC & CTC will end. So they should speak to a benefits adviser to get a better off calculation.</p> <p>If they don't claim UC and WTC ends after 28 weeks, CTC and any NS-ESA can continue whilst still self-isolating. When they are able to go back to work they can have WTC added to the existing TC award again.</p> <p>* Claimant treated as incapacitated / having LCW for the period of sickness / self-isolation. For UC will need to provide DWP with isolation note.</p>	<p>New Style JSA (If satisfy the NI contribution conditions)</p> <p>WTC can currently continue when hours of work drop temporarily due to Coronavirus. But may be better off on UC.</p> <p>If finished from work, WTC can continue for 4 weeks.</p> <p>CTC can continue, so the claimant can go back onto WTC when back in work.</p> <p>But may be better off claiming Universal Credit (may be worth delaying claim if due some wages from period in work - seek advice).</p>
<p>Claiming Working Tax Credit and Housing Benefit only</p>	<p>SSP*- if qualifies and still under contract, for up to 28 weeks, or New Style ESA* – (if satisfy the NI contribution conditions) if not entitled to SSP, or no longer employed, or after SSP exhausted.</p> <p>WTC can continue during a 28 week period of sickness. So, if back to work within 28 weeks, WTC is unaffected. HB can continue – should increase due to drop in income.</p> <p>If the claimant has a partner, or they are a carer, they could get a 'better off' calculation to check if Universal Credit*# would be a better option.</p> <p>* Claimant treated as incapacitated / having LCW for the period of sickness / self-isolation. For UC will need to provide DWP with isolation note.</p>	<p>New Style JSA (If satisfy the NI contribution conditions)</p> <p>HB can continue – should increase due to drop in income.</p> <p>WTC can currently continue when hours of work drop temporarily due to Coronavirus. But may be better off on UC.</p> <p>If finished from work, WTC can continue for 4 weeks.</p> <p>But may be better off claiming Universal Credit^ (may be worth delaying claim if due some wages from period in work - seek advice).</p>

	# If the claimant's HB award includes the Severe Disability Premium – they cannot claim UC, but can claim Income Based JSA instead and remain on HB.	^ If the claimant's HB award includes the Severe Disability Premium – they cannot claim UC, but can claim Income Based JSA instead and remain on HB.
Claiming Working Tax Credit, Child Tax Credit and Housing Benefit	<p>SSP- if qualifies and still under contract, for up to 28 weeks, or New Style ESA – (if satisfy the NI contribution conditions) if not entitled to SSP, or no longer employed, or after SSP exhausted.</p> <p>WTC can continue during a 28 week period of sickness. So, if back to work within 28 weeks, TCs are unaffected. HB can continue – should increase due to drop in income.</p> <p>So probably no need to claim Universal Credit.</p>	<p>New Style JSA (If satisfy the NI contribution conditions)</p> <p>HB can continue – should increase due to drop in income. There are options here, so care needs to be taken and consider 'the long run'.</p> <p>WTC can currently continue when hours of work drop temporarily due to Coronavirus. But may be better off on UC.</p> <p>If finished from work, WTC can continue for 4 weeks.</p> <p>CTC can continue, so the claimant can go back onto WTC when back in work.</p> <p>So need to compare if WTC + CTC + HB (calculated on new earnings) is worth more than the potential UC award ie for the first 4 weeks, and also then compare CTC + HB (and New Style JSA) with UC from that point forward.</p> <p>The claimant may need to claim Universal Credit[^] If WTC run on pays more than UC wait until WTC ends and may be worth delaying claim until last wages received. May be expected to do some work preparation.</p> <p>[^] If the claimant's HB award includes the Severe Disability Premium – they cannot claim UC, but can claim Income Based JSA instead and remain on HB.</p>

Self-employed – stopped work? What are the options?

The information below is a quick guide – we recommend that claimants seek specialist advice about their specific circumstances before claiming UC.
Consider Council Tax Support in all the situations below.

Current benefits	Sick with Coronavirus / self-isolating	Work dried up due to Coronavirus/Closed business
Not claiming any benefits	<p>New Style ESA* – (if satisfy the NI contribution conditions).</p> <p>Universal Credit* (on its own or to top up NS-ESA) Once back to work, the Minimum Income Floor will not be applied in UC until the MAP after the MAP in which claimant returned to work – or even later if DWP use their discretion.</p> <p>* Claimant treated as incapacitated / having LCW for the period of sickness / self-isolation. For UC will need to provide DWP with isolation note.</p>	<p>Universal Credit Minimum Income Floor should not apply - may be expected to do some work preparation.</p>
Claiming Working Tax Credit only	<p>New Style ESA* – (if satisfy the NI contribution conditions).</p> <p>WTC can continue during a 28 week period of sickness. So, if back to work within 28 weeks, WTC is unaffected. If the claimant is struggling to pay rent, they might think about Universal Credit* – but once on UC, WTC will end. So they should speak to a benefits adviser, to get a better off calculation – thinking about the longer term.</p> <p>* Claimant treated as incapacitated / having LCW for the period of sickness / self-isolation. For UC will need to provide DWP with isolation note.</p>	<p>WTC can currently continue when hours of work drop temporarily due to Coronavirus. But may be better off on UC</p> <p>If closes business WTC can continue for 4 weeks. But may be better off claiming Universal Credit.</p> <p>If no large payments from customers / payment from SEISS Scheme due – they should claim UC asap, otherwise maybe better waiting until after payment received.</p> <p>Minimum Income Floor should not apply - may be expected to do some work preparation.</p>

<p>Claiming Working Tax Credit and Child Tax Credit only</p>	<p>New Style ESA* – (if satisfy the NI contribution conditions).</p> <p>WTC can continue during a 28 week period of sickness. So, if back to work within 28 weeks, WTC is unaffected.</p> <p>If the claimant is struggling to pay rent, they might think about Universal Credit* – but once on UC, WTC will end. So they should speak to a benefits adviser to get a better off calculation – thinking about the longer term.</p> <p>If they don't claim UC and WTC ends after 28 weeks, CTC and ESA can continue whilst still self-isolating. When they are able to go back to work they can have WTC added to the existing TC award again. (UC could be a better option for some claimants though).</p> <p>* Claimant treated as incapacitated / having LCW for the period of sickness / self-isolation. For UC will need to provide DWP with isolation note.</p>	<p>WTC can currently continue when hours of work drop temporarily due to Coronavirus. But may be better off on UC.</p> <p>If closes business WTC can continue for 4 weeks.</p> <p>CTC can continue, but may be better off claiming Universal Credit.</p> <p>If no large payments from customers /payment from SEISS Scheme due – they should claim UC asap, otherwise maybe better waiting until after payment received.</p> <p>Minimum Income Floor should not apply - may be expected to do some work preparation.</p>
<p>Claiming Working Tax Credit and Housing Benefit only</p>	<p>New Style ESA* – (if satisfy the NI contribution conditions).</p> <p>WTC can continue during a 28 week period of sickness. So, if back to work within 28 weeks, WTC is unaffected.</p> <p>HB can continue – should increase due to drop in income.</p> <p>If the claimant has a partner, they could get a 'better off' calculation to check if UC* would be a better option in the longer term.</p> <p>* Claimant treated as incapacitated / having LCW for the period of sickness / self-isolation. For UC will need to provide DWP with isolation note.</p>	<p>HB Can continue and may increase.</p> <p>WTC can currently continue when hours of work drop temporarily due to Coronavirus. But may be better off on UC.</p> <p>If closes business WTC can continue for 4 weeks.</p> <p>But may be better off claiming Universal Credit.^</p> <p>If no large payments from customers /payment from SEISS Scheme due – compare WTC + HB with potential UC award – and if they are going to be better off on UC, it might be worth claiming UC asap, otherwise maybe better waiting until after payment received.</p> <p>Minimum Income Floor should not apply - may be expected to do some work preparation.</p> <p>^ If the claimant's HB award includes the Severe Disability Premium – they cannot</p>

		claim UC, but can claim Income Based JSA instead and remain on HB.
Claiming Working Tax Credit, Child Tax Credit and Housing Benefit	<p>New Style ESA* – (if satisfy the NI contribution conditions).</p> <p>WTC can continue during a 28 week period of sickness. So, if back to work within 28 weeks, TCs are unaffected.</p> <p>HB can continue – should increase due to drop in income.</p> <p>* Claimant treated as incapacitated / having LCW for the period of sickness / self-isolation. For UC will need to provide DWP with isolation note.</p>	<p>HB can continue – should increase due to drop in income. There are options here, so care needs to be taken and consider ‘the long run’.</p> <p>WTC can currently continue when hours of work drop temporarily due to Coronavirus. But may be better off on UC If closes business WTC can continue for 4 weeks.</p> <p>CTC can continue, so the claimant can go back onto WTC when back in work.</p> <p>So need to compare if WTC + CTC + HB (calculated on new earnings) is worth more than the potential UC award. If more – wait until WTC ends before claiming UC. If work is unlikely to pick up in the next week or two, the claimant is likely to need to claim Universal Credit ^</p> <p>If no large payments from customers /payment from SEISS Scheme due – compare WTC + HB with potential UC award – and if they are going to be better off on UC, it might be worth claiming UC asap, otherwise maybe better waiting until after payment received.</p> <p>Minimum Income Floor should not apply - may be expected to do some work preparation.</p> <p>^ If the claimant’s HB award includes the Severe Disability Premium – they cannot claim UC, but can claim Income Based JSA instead and remain on HB.</p>

How much can someone earn and still be entitled to UC?

Universal Credit is a means tested benefit – so it's all down to the claimant's personal circumstances and income.

Note: when it's a couple claim – 'claimant' refers to both members of the couple.

NOTE: Figures based on 2020/21 rates

The Calculation

As UC is a means tested benefit, the first stage of the calculation is to work out the 'Maximum UC' the claimant could be entitled to: this represents the minimum level of income the government feels they need given their personal circumstances.

The 'Maximum UC' amount includes: amounts for household members (themselves and any dependent children); Elements for specific situations (e.g. carer, disabled child, limited capability for work/work related activity, child care costs); and a Housing Costs Element if the claimant is liable to pay rent. Check the Housing Systems website for more info on the various Elements.

All of the Elements to which the claimant is entitled are added together to work out what their 'Maximum UC' will be. This is then reduced by any earnings and/or unearned income the claimant has, until the income is high enough to mean there is no entitlement left.

This means that the higher a claimant's Maximum UC amount, the more they can earn and still have an entitlement.

This assessment is made every month, based on the claimant's circumstances at the end of the monthly assessment period (MAP).

Do earnings reduce the award £1 for £1?

No. The DWP will take account of the net wages received during the claimant's MAP. These will reduce the claimant's 'Maximum UC' by 63p for each £1 above the claimant's applicable 'work allowance' (earnings disregard).

A claimant is eligible for a 'work allowance' if they are responsible for children who live with them, or if they have been found to have, or are treated as having, a limited capability for work or work related activity. A claimant who is self-isolating on the last day of their monthly assessment period should be treated as having a limited capability for work.

There are two levels of 'work allowance': the lower level is for those claimants who qualify and whose 'Maximum UC' includes a Housing Costs Element (£292); the higher level is for claimants whose 'Maximum UC' doesn't include a Housing Costs Element (£512): this takes into account the fact that they may have a mortgage to pay.

See the Housing Systems website for more on the work allowance.

So how much can someone earn?

That all depends on their 'Maximum UC' and whether or not they qualify for a 'work allowance'.

A couple aged over 25, with 2 children born before April 2017, and £500 eligible housing costs, would stop being entitled to UC when they earned £2849.00 net a month or around £45,000 gross pa (assuming just one of them is working).

Whereas a single 24 year old with no rent to pay would stop being entitled to UC once he earned £550 net a month!

NOTE: For those claimants who are 'furloughed', they will receive the lower of 80% of their wages or £2,500 gross – ie £2000 net a month. Many of these workers will be able to claim UC for the period they are furloughed.

Illustrative Examples:

The following table assumes that the claimant has no unearned income and that their Maximum UC includes a Housing Costs Element.

The maximum salary that someone could receive before UC ends would be higher with a higher housing costs element.

Household	Max net monthly earnings before entitlement to UC is nil	Estimated max gross annual salary before entitlement to UC is nil*
Single, under 25 year old, £300 eligible housing costs, no extra elements	£1020.19 net	£12,600 gross
Single, over 25 year old, £300 eligible housing costs, no extra elements	£1126.81 net	£14,700 gross
Single, over 25, Limited Capability for Work (pre April 17) and £300 housing costs	£1622.38 net	£23,500 gross
Couple, over 25, no children, no extra elements, £500 eligible housing costs	£1736.57 net	£25,500 gross
Single parent, over 25, with one child born before April 2017, no other elements and £500 eligible housing costs.	£2182.70 net	£32,850 gross
Couple aged over 25, with 2 children born before April 2017, no other elements and £500 eligible housing costs.	£2849.33 net	£45,000 gross
Couple aged over 25, with 3 children born before April 2017, one lower disabled child premium, one carer addition, and £600 eligible housing costs.	£3844.57 net	£64,250 gross
Couple, over 25, 4 children born before April 2017, one higher disabled child premium, one carer addition, one LCWRA element, £500 eligible housing costs	£5034.71 net	£89,000 gross
* Assumes one earner per family with basic tax code ie no deductions		

The Techie Stuff!

Universal Credit – Limited Capability for Work

The Employment and Support Allowance and Universal Credit (Coronavirus Disease) Regulations 2020

Treating a person as having limited capability for work

3.—(1) This regulation applies to a person who makes a claim for universal credit or employment and support allowance or who has an existing award of universal credit or employment and support allowance.

(2) Where this regulation applies the person is to be treated as having limited capability for work if the person is—

(a) infected or contaminated with Coronavirus disease;

(b) in isolation; or

(c) caring for a child or qualifying young person who is a member of the person's household and who falls within sub-paragraph (a) or (b), where the Secretary of State is satisfied that the person should be treated as having limited capability for work.

(3) Regulations 26 and 35(6) to (9) of the Universal Credit, Personal Independence Payment, Jobseeker's Allowance and Employment and Support Allowance (Decisions and Appeals) Regulations 2013 apply to a determination that the person is to be treated as having limited capability for work in accordance with this regulation as if such a determination had been made under regulation 16 of the Employment and Support Allowance Regulations 2013 or Part 5 of the Universal Credit Regulations 2013.

(4) Regulation 6(2)(r) of the Social Security and Child Support (Decisions and Appeals) Regulations 1999 applies to a determination that the person is to be treated as having limited capability for work in accordance with this regulation as if such a determination had been made under regulation 20 of the Employment and Support Allowance Regulations 2008.

NOTE: The Social Security (Coronavirus) (Further Measures) Regulations 2020 which took effect from 30th March 2020 stopped UC claimants being treated as having a Limited Capability for Work under these amending Regulations

Expiry

10.—(1) The Secretary of State must keep the operation of these Regulations under review.

(2) Regulations 2, 6, 7, 8 and 9 cease to have effect at the end of the period of eight months beginning on 13th March 2020.

(3) Regulation 3 (treating a person as having limited capability for work) and regulation 4 (suspension of the minimum income floor) of the Employment and Support Allowance and Universal Credit (Coronavirus Disease) Regulations 2020 no longer have effect in so far as they apply to universal credit.

UC Work Allowance – Regulation 22 of the Universal Credit Regulations

NOTE: Figures based on 2020/21 rates

Higher work allowance		
Single claimant–		
	responsible for one or more children or qualifying young persons and/or has limited capability for work	£512
Joint claimants–		
	responsible for one or more children or qualifying young persons and/or where one or both have limited capability for work	£512
Lower work allowance		
Single claimant–		
	responsible for one or more children or qualifying young persons and/or has limited capability for work	£292
Joint claimants–		
	responsible for one or more children or qualifying young persons and/or where one or both have limited capability for work	£292

Getting the work allowance when being treated as having a Limited Capability for Work before the claimant has served the ‘relevant period’

Reg 35(9)(b) of the UC etc Decisions and Appeals Regs:

(9) In the case of universal credit, a superseding decision made in accordance with regulation 26(1) that embodies a determination that the claimant has limited capability for work or limited capability for work and work-related activity takes effect–

- (a) in a case to which regulation 28(1) (period for which the LCW or LCWRA element is not to be included) of the Universal Credit Regulations applies, from the beginning of the assessment period specified in that paragraph; or
- (b) in any other case, from the beginning of the assessment period in which the decision (if made on the Secretary of State’s own initiative) or the application for a supersession was made.

We believe that the Work Allowance would apply to the claimant’s earnings from the Monthly Assessment period in which they are treated as having a Limited Capability for Work.

If the DWP refuse, the argument would be that....

Reg 22 of the UC Regs 2013 says the Work Allowance applies where the claimant/joint claimant has a Limited Capability for Work.

ie. to get the Work Allowance, there is no requirement for the claimant to have a LCW/LCWRA Element included in their UC assessment - just that they have a Limited Capability for Work.

The DWP might argue that Reg 35(9)(a) of the UC etc D&A Regs means that the Work Allowance cannot be applied until the start of the Monthly Assessment Period after the 'relevant period' has ended.

But we would argue that Reg 35(9)(a) does not apply when looking at when the Work Allowance should apply from, because Reg 28(1) of the UC Regs 2013 (to which Reg 35(9)(a) refers) is about the period for which the LCWRA Element is not to be included - it is nothing to do with the Work Allowance.

Therefore, by default, Reg 35(9)(b) applies - ie the Work Allowance should be included from the Monthly Assessment Period in which the claimant was treated as having a Limited Capability for Work started.

New-Style Employment and Support Allowance Amending Regulations

The Employment and Support Allowance and Universal Credit (Coronavirus Disease) Regulations 2020

Waiting days

2.—(1) Paragraph 2 of Schedule 2 to the 2007 Act does not apply to a person to whom paragraph (2) applies.

(2) This paragraph applies to a person who is—

(a) infected or contaminated with Coronavirus disease;

(b) in isolation; or

(c) caring for a child or qualifying young person who is a member of the person's household and who falls within sub-paragraph (a) or (b), where the Secretary of State is satisfied that paragraph 2 of Schedule 2 to the 2007 Act should not apply to the person.

Treating a person as having limited capability for work

3.—(1) This regulation applies to a person who makes a claim for universal credit or employment and support allowance or who has an existing award of universal credit or employment and support allowance.

(2) Where this regulation applies the person is to be treated as having limited capability for work if the person is—

(a) infected or contaminated with Coronavirus disease;

(b) in isolation; or

(c) caring for a child or qualifying young person who is a member of the person's household and who falls within sub-paragraph (a) or (b), where the Secretary of State is satisfied that the person should be treated as having limited capability for work.

(3) Regulations 26 and 35(6) to (9) of the Universal Credit, Personal Independence Payment, Jobseeker's Allowance and Employment and Support Allowance (Decisions and Appeals) Regulations 2013 apply to a determination that the person is to be treated as having limited capability for work in accordance with this regulation as if such a determination had been made under regulation 16 of the Employment and Support Allowance Regulations 2013 or Part 5 of the Universal Credit Regulations 2013.

(4) Regulation 6(2)(r) of the Social Security and Child Support (Decisions and Appeals) Regulations 1999 applies to a determination that the person is to be treated as having limited capability for work in accordance with this regulation as if such a determination had been made under regulation 20 of the Employment and Support Allowance Regulations 2008.

Statutory Sick Pay Amending Regulations

The Statutory Sick Pay (General) (Coronavirus Amendment) Regulations 2020

Amendment of the Statutory Sick Pay (General) Regulations 1982 2. —

(1) The Statutory Sick Pay (General) Regulations 1982(c) are amended as follows.

(2) In regulation 2 (persons deemed incapable of work)—

(a) in paragraph (1), in the introductory words, omit “either”;

(b) at the end of paragraph (1)(a), omit “or”;

(c) after paragraph (1)(b), insert—

“; or

(c) he is—

(i) isolating himself from other people in such a manner as to prevent infection or contamination with coronavirus disease, in accordance with guidance published by Public Health England, NHS National Services Scotland(d) or Public Health Wales(e) and effective on 12th March 2020;

and

(ii) by reason of that isolation is unable to work.”

(3) After paragraph (3) insert—

“(4) For the purposes of paragraph (1)(c)—

“Public Health England” means the executive agency of that name of the Department of Health and Social Care; and

“coronavirus disease” means COVID-19.”

Amendment of the Statutory Sick Pay (General) Regulations 1982

2.—(1) The Schedule (isolation due to coronavirus) to the Statutory Sick Pay (General) Regulations 1982 is amended as follows.

(2) In paragraph 1 for “5” substitute “5A”.

(3) After paragraph 5 insert—

“5A. The person—

(a) is defined in public health guidance as extremely vulnerable and at very high risk of severe illness from coronavirus because of an underlying health condition; and

(b) has been advised, by notification sent to, or in respect of, that person in accordance with that guidance, to follow rigorously shielding measures for the period specified in the notification.”

Universal Credit Minimum Income Floor

The Social Security (Coronavirus) (Further Measures) Regulations 2020 take effect from 30th March and replace the previous measures announced.

Universal credit – minimum income floor

2.—(1) The Secretary of State may, where it appears expedient as a consequence of the outbreak of coronavirus disease, and in such cases or class of case, or for such period, as the Secretary of State determines—

- (a) treat the amount of the individual threshold or the couple threshold in regulation 62 (minimum income floor) of the Universal Credit Regulations(1) as if it were a lesser amount (including zero);
- (b) where it falls to be determined whether a claimant is in gainful self-employment, delay that determination;
- (c) where it has been determined that a claimant is in gainful self-employment, treat that claimant as not being in gainful self-employment;
- (d) where a claimant is in a start-up period, extend that period for as long as the Secretary of State considers appropriate; or
- (e) in relation to any claimant who would otherwise fall within section 22 of the Welfare Reform Act 2012 (all work-related requirements) as a result of this regulation, except that claimant from a work search requirement or a work availability requirement.

(2) In this regulation “start-up period” and “gainful self-employment” have the meanings given in regulations 63 and 64 respectively of the Universal Credit Regulations.

UC and JSA Conditionality

The Social Security (Coronavirus) (Further Measures) Regulations 2020 take effect from 30th March

Universal credit and new style JSA – work-related requirements

6.—(1) As a consequence of the outbreak of coronavirus disease, where a person has an award of new style JSA or an award of universal credit—

- (a) the Secretary of State must not impose a work search requirement(1) on that person;
- (b) a work search requirement previously applying to such a person ceases to have effect from the date on which these Regulations come into force; and
- (c) “able and willing immediately to take up paid work” under a work availability requirement(2) imposed on such a person means able and willing to take up paid work, or attend an interview, immediately once this regulation ceases to apply.

(2) This regulation applies for a period of 3 months beginning with the date that these Regulations come into force and the Secretary of State may extend that period for all cases or any class of case where it appears expedient as a consequence of the continuation of the outbreak of coronavirus disease.

(3) In this regulation, “new style JSA” means an allowance under the Jobseekers Act 1995 as amended by the amendments made by Part 1 of Schedule 14 to the Welfare Reform Act 2012 that remove references to an income-based allowance.