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Housing

What you need to know about Coronavirus and welfare benefits

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Coronavirus (Covid-19) is causing significant disruption across the country and this is likely to continue for some months. To recognise the impact of some of the measures they have introduced, the government has made several changes to the welfare benefits system to assist people to cope with a reduced or a loss of income.

CIH has prepared this briefing for members to give you the information you need to support your tenants and service users to maximise their income in these challenging times.

Coronavirus and welfare benefits

As part of the 2020 budget the Government announced a series of measures to ease and speed up access to some benefits for those affected by Coronavirus and provided additional funds to local authorities. [Temporary benefit regulations](#) have been introduced to ease the work capability conditions for employment and support allowance and universal credit during the eight-month period beginning on 13th March 2020. In Northern Ireland the Department for Communities (DfC) has passed [equivalent regulations](#).

Statutory Sick Pay (SSP)

SSP is paid by your employer if your earnings are at least £118.00 per week (£120.00 per week from 6 April 2020). It is paid at a flat rate of £94.25 per week (£95.85 from 6 April 2020). You might also be entitled to additional sick according to the terms of your employment contract. If this isn't enough to meet your living expenses you can claim universal credit (UC) to top your income (if you already receive housing benefit (HB) you can ask for your award to be revised).

SSP has three waiting days, so payment only starts from the fourth day absence. The Government has said that SSP will payable from the first day for people affected by the coronavirus. However, this will require primary legislation and the time of writing (17th March) none has been passed.

After seven days absence your employer will normally expect you to provide a medical certificate. For SSP purposes you are treated as incapable of work if you have been excluded or prevented from working by your employer because you have an infection, disease or contamination detailed under public health legislation or you are under medical care and a doctor has stated you should not work as a precaution. This has been extended to cover people who are not ill but have been advised to self-isolate in line with government guidance (outlined above)

People advised to self-isolate will be able to obtain an alternative 'fit note' by contacting 111 rather than visiting a doctor.

'New style' employment and support allowance and jobseeker's allowance

'New style' employment and support allowance (ESA) and jobseeker's allowance (JSA) are the new names for contributory ESA and JSA (or just simply ESA and JSA). In each case you will only be entitled if you have paid enough national insurance payments in the previous two or three years. Normally you aren't entitled to ESA or JSA during the first seven days of your claim, but this has been lifted for ESA claims if you are infected, in isolation or caring for a child.

If you are self-employed you can [claim ESA](#) (instead of SSP) if you have a disability or are unable to work due to a health condition (e.g. coronavirus). Normally you aren't entitled to ESA during your first seven days of sickness but

the new regulations say that you are entitled from the first day if you are infected, self-isolating or caring for a child in your household who is. During the 'assessment phase' of your claim (the first 13 weeks) you only need to show you are unable to do your normal job (rather than having limited capability for work).

If you are already receiving JSA the existing rules say you don't have to meet the work-related requirements for up to two periods of up to 14 days if the DWP accepts you are unfit for work, in some cases this can be extended for up to 13 weeks, but only if you don't claim ESA or Universal Credit (UC). (This rule hasn't been changed by the new regulations).

Universal credit

If your ESA or JSA (and other income) is low enough you can claim UC top it up to help pay your rent and other living expenses. Prior to the crisis, to be entitled to UC you (or both of you if you are a couple) would have to either:

- meet the full work-related requirements (work search etc)
- be accepted by the DWP as having limited capability for work; or
- be accepted as being unfit work for up to 14 days (as for JSA).

However, under the temporary regulations you are treated as limited capability for work if you are infected, in isolation or caring for a child in your household who is infected or in isolation.

Backdating UC

UC can be backdated for up to one month - if you could not reasonably have been expected to claim earlier because you had an illness that prevented you from claiming and you provide medical evidence of this - in the case of a joint claim this must apply to both claimants. So, the advice is to register your claim immediately. If you are already getting UC (or housing benefit) you will get your full arrears if you report your change of circumstances within one month.

The minimum income floor (self-employed UC claimants)

If you are self-employed and have been claiming UC for a certain period (usually 12 months) your award is calculated as if you were earning the national minimum wage for the number of hours they are supposed to work - even if your actual annual income is lower than this. This is known as the 'minimum income floor'. If you have been treated as having limited capability as described above, under the temporary regulations the minimum income floor isn't applied in first assessment when you start back to work or, if the DWP considers it appropriate, for one or more assessment periods after that.

Surplus earnings rule (employed earners on UC)

If you lose your entitlement to UC because your earnings are too high your UC claim is held open for the next six months. If you reclaim within the next six months (because your earnings fall) your assessment periods start on the same day as your previous claim. But in these cases, the surplus earnings rule can apply.

Your surplus earnings are the excess earnings above the minimum monthly earnings required to lift you off UC plus the 'threshold'. The threshold is currently £2,500 but is due fall to £300 from on 1 April 2019.

If you have surplus earnings and reclaim UC within six months (because your income has fallen) your surplus earnings are added to your actual earnings in the month that you reclaim (so your award is reduced or is nil). Even if you aren't entitled it is important that you claim because if you don't the surplus is carried forward to next month (and so on until the six months have passed).

The surplus earnings rule is unaffected by the temporary regulations, and as things stand the new threshold of £300 will apply from 1 April 2020. This particularly affects people who are paid four weekly and receive two payments within assessment period who are paid on a cycle that is longer than one month.

Face to face meeting for benefit claims

Before most UC claimants can receive their first payment (even where this is an advanced payment) they must attend a face-to-face meeting. The purpose of this is to check identification and to discuss any relevant conditions on the claim with a work coach. The government has promised to allow people who have been advised to self-isolate to access UC and advanced payments without the requirement to attend a job centre.

ESA claimants also are required to book a 'new claim appointment' at their jobcentre to complete a claim. There have been no announcements to date.

Sanctions

Many claimants, particularly those with work-related requirements, have regular meetings with a work coach. Attending these is often a condition of the claim and non-attendance can result in sanctions. The government has asked DWP to use discretion so that people affected by coronavirus will not be sanctioned.

Claimants advised to self-isolate will not be sanctioned if they let DWP know before the appointment that they are unable to attend. They can do this by contacting their work coach either by phone or their online journal.

Other help

If your tenants or service users have to self-isolate or stop work and claim benefits, there is other help that they can get in addition to the main benefits discussed above. Discretionary Housing Payments (DHPs) and/or a council tax reduction (sometimes called 'council tax support' can be claimed from the local council you pay your council tax to. In England and Wales if you don't qualify under your local scheme rules or if you only get partial help you can claim a discretionary council tax reduction.

Some councils in England also provide 'local welfare assistance' - grants and loans to help cope with emergencies (in some council areas the social services department administer these). In Scotland and Wales, this support is provided nationally through the [Scottish welfare fund](#) or in Wales, the [discretionary assistance fund](#).

If you are on UC with no earnings or earnings no greater than £435 per month (£935 if you have limited capability for work or get a child element) you are entitled to free prescriptions. You also qualify if you get tax credits and your total income doesn't exceed £15,276 per year.

The Budget also included a £500 million 'hardship fund' available to local authorities to help them support vulnerable people during the outbreak. The additional support will boost local council tax relief schemes as well as "complimentary reliefs". The Ministry of Housing, Communities and Local Government will be providing further detail on this funding, including allocations in due course.

Other resources

[Support for those affected by Covid-19](#) (from HM Treasury)

[Understanding Universal Credit Coronavirus page](#), (from Department for Work and Pensions)

[Coronavirus: Employment rights and sick pay](#) (House of Commons Library)

[What you need to know about the Budget 2020](#) (CIH)

CIH will be producing further guidance for members and their organisations as the situation develops and advice from the government changes.