

**Covid19- Coronavirus Briefing1**  
**Benefit Changes in the**  
**HM Treasury Spring Budget 2020/ ongoing announcements**  
**last update- 10/11/2020**  
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Area of Benefits Affected	Benefit Change	Reference- Spring Budget date 11 3 2020 - 105 page document
<b>Benefit changes</b>		
<b>Covid-19(Coronavirus) related</b>		
<b>Eligibility for Statutory Sick Pay (SSP) - COVID-19</b>	<p>Temporarily allow SSP to be paid from the first day of sickness absence, rather than the fourth day, for people who have</p> <ul style="list-style-type: none"> <li>• COVID-19 or</li> <li>• individuals who are unable to work because they have been advised to self-isolate or</li> <li>• people caring for those within the same household who display COVID-19 symptoms or</li> <li>• (from 16/4/2020 - 31/7/2020) gov. has advised them to shield-‘extremely vulnerable and at very high risk of severe illness from coronavirus because of an underlying health condition’</li> </ul> <p>These 4 categories also apply for new style ESA. From 26/8/2020, a new law<sup>1</sup> adds an extra category of client will get SSP for up to 14 days-</p> <ul style="list-style-type: none"> <li>• have been notified that they are to undergo a surgical or other hospital procedure;</li> <li>• have been advised to stay at home for a period of up to 14 days prior to being admitted to hospital for that procedure; and</li> <li>• stay at home pursuant to that advice.</li> </ul>	<p>1.93 1.94</p> <p>2020 No. 427 The Statutory Sick Pay (General) (Coronavirus Amendment ) (No. 3) Regulations 2020- adds shielding category</p> <p>2020 No. 892 The Statutory Sick Pay (General) (Coronavirus Amendment ) (No. 6) Regulations 2020</p>
<b>Medical Evidence for SSP-</b>	Employers- advising them to use their discretion not to require a GP fit note for COVID-19 related absences. NHS will bring forward a temporary alternative to the fit note enabling people who are advised to self-isolate to obtain a notification via NHS111.	1.95
<b>‘New style’ Employment and Support Allowance-</b>	If not entitled to SSP, payable for people directly affected by COVID-19 or self-isolating according to government advice for from the first day of sickness, rather than the eighth day. Extended until 12/5/2021.	1.96

**Universal Credit and 'New style' Employment and Support Allowance**

For 3 months and perhaps longer, providing that work search and work availability requirements must not be imposed on claimants receiving UC or new style JSA and treating those in receipt of old style JSA as being available for work and actively seeking work so that they do not lose entitlement to JSA.

The Social Security (Coronavirus) (Further Measures) Regulations 2020

**Universal Credit-**

Claim Universal Credit and access advance payments where they are directly affected by COVID-19 (or self-isolating), without the current requirement to attend a jobcentre .

1.96

**Universal Credit-**

For the duration of the outbreak, the requirements of the minimum income floor in Universal Credit will be temporarily relaxed for those directly affected by COVID-19 or self-isolating according to government advice for duration of the outbreak, ensuring self-employed claimants will be compensated for losses in income. Until 30/4/2021.

1.96

**Hardship Fund- Council Tax Support**

Provide Local Authorities in England with £500million of new grant funding to support economically vulnerable people and households in their local area. Most of this funding to be used to provide more council tax relief, either through existing Local Council Tax Support schemes, or through complementary reliefs.

1.97

**Statutory Sick Pay (SSP) – refunds for employers**

This refund will be limited to two weeks. It will apply per employee, for employers with fewer than 250 employees.

1.99

**Universal Credit/ Tax Credits - Standard Allowance increase**

The standard rate in Universal credit and Tax Credits will be increased by £20 a week meaning claimants will be up to £1040 better off. **For one year from 6/4/2020.** The WTC earnings Housing Benefit disregard has also been increased for 1 year from £17.10 to £37.10.

Chancellor News Story 20 3 2020

**Local Housing Allowance Increase for HB and UC Claimants-**

Local Housing Allowance rates will pay for at least 30% of market rents in each area **from April 2020.**

“ “

**Reviews and reassessments for disability benefits are being suspended -**

**From 24/3/2020 for at least 3 months-** there will be no new reviews or reassessments across all benefits for three months – this includes Universal Credit (UC), Employment and Support Allowance (ESA), Personal Independence Payment (PIP), Disability Living Allowance, Attendance Allowance and the Industrial Injuries Disablement Benefit.

DWP press release 23 3 2020

- face-to-face assessments for all sickness and disability benefits have been suspended for the next 3 months including for any new claims.
- PIP claimants, if an assessment has already taken place this will continue to be

23 4 2020  
<https://parliamentlive.tv/Event/Index/86ed5d4f-9daf-40b0-9b97-384ddc6cc897>- see quotes

processed. If an assessment has been scheduled, claimants will be contacted by the assessment provider to discuss how this will be taken forward.

- ESA and UC claimants whose cases have been referred to the provider will be contacted to take this forward.
- Extending benefit end dates if benefit is due to expire- 'for those that would be due for a reassessment in the next three months, we've automatically extended their benefit by six months. If their condition has deteriorated, and they feel they would be entitled to more money, they can still request a reassessment but otherwise they are automatically extended.'
- 'For those new claimants, the terminally ill, and for those who ask for it, we are seeking to do it by telephone, by paper based reviews'
- 'Claimants may have their claim disallowed if they fail to attend or participate in their telephony assessment'<sup>2</sup>

**No requirement to attend jobcentre appointments for three months-**

People receiving benefits do not have to attend jobcentre appointments for at least 3 months, starting from Thursday 19 March 2020. People will continue to receive their benefits as normal, but all requirements to attend the jobcentre in person are suspended.

Jobcentres remain open, and will continue to support people who are not able to use phones and online, including homeless people.

DWP press release 19 3 2020

**New Claims for Universal Credit-**

Those affected by coronavirus will be able to apply for Universal Credit and can receive up to a month's advance up front without physically attending a jobcentre.

" "

**Free School Meals replaced by vouchers-**

Children are eligible for free school meals will be offered vouchers, food or meals even if they are no longer attending school due to the coronavirus outbreak.

Govt guidance 20 3 2020

**Recovery of benefit overpayment suspended-**

To free up front line staff to work on UC, deductions for the recovery of Universal Credit and legacy benefit overpayments, Social Fund loans and Tax Credit debts will be paused. Also HB overpayments.

Govt press release 7 4 2020

The majority of deductions will be suspended automatically except where the client makes repayments through a Bank Standing Order, Bank

<sup>2</sup> 24 4 2020 <https://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2020-04-24/39636/>

	Giro Credit or through online banking(contact bank to cancel your arrangement). The transfer of Tax Credit debt from HMRC has already been suspended. The recovery of advances by deduction from Universal Credit payments will continue.	
<b>Carer's Allowance-</b>	Easements of rules- Unpaid carers will be able to continue to claim Carer's Allowance if they have a temporary break in caring, because they or the person they care for gets Coronavirus or if they have to isolate because of it. Or Providing emotional support rather than just more traditional forms of care to a disabled person will also now count towards the Carer's Allowance threshold of 35 hours of care a week.	Touchbase Coronavirus special
<b>More UC staff-</b>	As a result of over 1million UC claims in 2 weeks, the DWP has 'moved 10,000 existing staff to help on the front line and we're recruiting more.'	Touchbase Coronavirus special
<b>DWP Visiting Service has suspended-</b>	DWP Visiting Service has suspended routine face-to-face home visits with the exception of the following three criteria: <ul style="list-style-type: none"> <li>• Visits to vulnerable customers</li> <li>• Where a visit is needed to ensure benefit payments can be made</li> <li>• Visits to undertake safeguarding checks</li> </ul>	Touchbase Coronavirus special
<b>Temporary Release of Prisoners-</b>	<b>From 8/4/2020</b> , individuals on temporary release from prison to access means-tested benefits during the period of that release. This will last until the main temporary provisions around benefits and Covid-19 are ended.	<a href="#">SI.No.409/2020</a>
<b>Increase in the Maximum for Social Fund Funeral Grant-</b>	<b>From 8/4/2020</b> , the current £700 cap for the discretionary element will be increased to £1,000 for all cases e.g. for flowers, funeral directors costs, religious costs.	<a href="#">SI.No.405/2020</a>
<b>Register of birth-</b>	Child Benefit should still be claimed even if parents can not register the birth as offices are closed.	Govt press release 7 4 2020
<b>UC- Video Access for Deaf Clients</b>	DWP staff won't see the caller or the interpreter; but will receive a phone call from the interpreter who will translate into BSL. There is no need to book the service in advance which allows the conversation to take place in real time (service already available for disability benefits).	Govt press release 20 4 2020
<b>Winter Grants Package</b>	includes £170m Covid Winter Grant Scheme(run by councils) to support children, families and the most vulnerable over winter, Holiday Activities and Food programme to be expanded, covering Easter, Summer and Christmas in 2021 and Healthy Start payments set to rise from £3.10 to £4.25 a week from April 2021. At least 80% earmarked to support with food and bills, and will cover the period to the end of March 2021.	DWP press release 8 11 2020 New winter package to provide further support for children and families

Other Benefit changes-		
<b>Increase the National Insurance contributions (NICs)-</b>	Primary Threshold and Lower Profits Limit, for employees and the self-employed respectively, increased to £9,500 <b>from April 2020.</b>	1.169
<b>Personal Independence Payments(PIP)-</b>	Minimum award of 18 months.	1.181
<b>Shared Accommodation Rate (SAR)(under 35s) for Universal Credit and Housing Benefit claimants-</b>	Additional exemptions for <ul style="list-style-type: none"> <li>• rough sleepers aged 16-24</li> <li>• care leavers up to the age of 25</li> <li>• victims of domestic abuse and human trafficking.</li> </ul>	1.190
<b>National Living Wage-</b>	the NLW will apply to workers aged 23 and over <b>in April 2021</b> , with a target for it to apply to workers aged 21 and over <b>by 2024.</b>	2.5
<b>Repayment period for Universal Credit advances-</b>	The period over which Universal Credit advances will be recovered will increase to 24 months <b>from October 2021.</b>	2.9
<b>Maximum debt deduction cap on the Universal Credit standard allowance-</b>	Reduce from 30% to 25% of the standard allowance <b>from October 2021.</b>	2.9
<b>HB Fraud-</b>	£12 million per year in local authority resource to maximise their capacity to tackle Housing Benefit fraud and error.	2.10
<b>Universal Credit: transitional protection for former Severe Disability Premium (SDP) claimants-</b>	Increasing the rate of transitional payments for claimants in receipt of Severe Disability Premium when they move to Universal Credit.	2.12
<b>Universal Credit rollout-</b>	The government expects rollout to complete <b>by September 2024.</b>	2.13
<b>Universal Credit: surplus earnings-</b>	Delay to the reduction of the Universal Credit surplus earnings threshold from £2,500 to £300 <b>in April 2021.</b>	2.14
<b>EEA migrants arriving in the UK under the new immigration system-</b>	Aligning EEA migrants' access to non-contributory benefits with non-EEA nationals. This will apply to EEA migrants arriving in the UK under the new immigration system, <b>from January 2021</b>	2.17
<b>Stop export of Child Benefit-</b>	Stopping the export of Child Benefit payments made in respect of children living overseas. This will apply to EEA migrants arriving in the UK under the new immigration system, <b>from January 2021.</b>	2.18

**Porting of Support for Mortgage Interest (SMI) loans-** Amend the SMI loan regulations to allow recipients moving home to transfer their existing loan to their new property. 2.19

**Devolution of welfare benefits to the Scottish Government-** Devolving a number of disability benefits to the Scottish government, including Personal Independence Payment, Disability Living Allowance, Attendance Allowance, Industrial Injuries Disablement Allowance and Severe Disablement Allowance. 2.22

**Welfare Cap Forecast-margin of error of 3%**

£ billions	2020 / 21	2021 / 22	2022/ 23	2023 / 24	2024 / 25
Welfare Cap	125.7	127.5	130.5	133.8	137.2

Table 1.13

JSA/ESA/IS 2 week run on From 22<sup>nd</sup> July 2020, similar to HB 2 week run on , for those coming off legacy benefits.

**Non Benefit changes Covid-19(Coronavirus) related**

**Coronavirus Job Retention Scheme- (CJRS)** The government paying up to 80% of a worker’s wages, up to a total of £2,500 per worker each month. These will be backdated to 1st March and will be initially open for 3-4 months, to be extended to October end of March 2021. Need to become classified as a furloughed worker. This would mean that you are kept on your employer’s payroll, rather than being laid off and not undertaking any work. Chancellor News Story 20 3 2020

**Self Employed Income Support Scheme (SEISS)** To be paid for March- March 2021- a taxable grant worth 80% of their average monthly profits over the last three years, up to £2,500 a month. Further payments from June- August at 70% of average monthly profits. Paid in 4 instalments. Open to anyone with income up to £50,000, have majority of their income from self-employment and a tax return for 2019. Anyone who missed the filing deadline in January, **four weeks from 26 3 2020** to submit their tax return. Can continue to work. Chancellor News Speech 26 3 2020

**Business loan guarantees-** £330 billion available- **from 23/3/2020**

- larger firms- a new lending facility with the Governor of the Bank of England
- small and medium sized businesses- extension of the Business Interruption Loan Scheme - from £1.2 million to £5 million, with no interest due for the first six 12 months.

Chancellor , Rishi Sunak on COVID19 response Speech 17 3 2020

**Business rates-** For businesses in the retail, hospitality and leisure sectors, with a rateable value of less than £51,000, they will pay no business rates this year. Plus provide those businesses with an additional cash grant of up to £25,000 per business. “ “

<b>Cash Grants-</b>	£10,000 cash grants to the 700,000 of our smallest businesses eligible for Small Business Rate Relief.	“ “
<b>Mortgage Holiday-</b>	For those in difficulty due to coronavirus, mortgage lenders will offer at least a three month mortgage holiday.	“ “
<b>Cash Grants-</b>	£25,000 grants to retail, hospitality and leisure businesses operating from smaller premises, with a rateable value over £15,000 and below £51,000.	“ “
<b>VAT payments/ Income Tax deferred-</b>	No VAT registered business will have to make a VAT payment normally due with their VAT return to HMRC from March – June 2020. Income tax payments due in July 2020 under the Self Assessment system will be deferred to January 2021.	Chancellor News Story 20 3 2020
<b>Ban on evictions for commercial tenants who miss rent payments-</b>	No business will be forced out of their premises if they miss a payment <b>in the next 3 months(to June 2020)</b> .	Chancellor News Story 23 3 2020
<b>Charities will receive a £750 million package</b>	£360 million direct from government departments and £370 million for smaller charities, including through a grant to the National Lottery Community Fund. Government will match donations to the National Emergencies Trust as part of the BBC’s Big Night In fundraiser later this month – pledging a minimum of £20 million.	Chancellor News Story 8 4 2020
<b>Suspending Evictions</b>	In the rental sector, suspending evictions for 3 months.	

## Spring Budget date 11 3 2020 and Subsequent government announcements

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