



## *News in Brief*

Welcome to another edition of News in Brief. For those of you who were able to join us for our first online Forum last week, we enjoyed seeing you and hope you found it useful. If you weren't able to make it, or you need a refresher, the video will be available on our resources pages within the next few days.

### **Treatment of Self-Employed Income Support Scheme and Coronavirus Job Retention Scheme payments for self-employed Universal Credit claimants: new legislation**

New regulations, in force from 21 May 2020, have clarified several issues regarding how the Self-Employed Income Support Scheme and Coronavirus Job Retention Scheme payments will be treated for Universal Credit claims.

A payment made under the SEISS to self-employed claimants will be treated as income in the monthly assessment period in which it is received. As the SEISS will be three-months' worth of average profits paid as one lump sum, it is likely that for many claimants, receipt of the SEISS will take them off Universal Credit and bring the surplus earnings rules into play. To try and counter this, the regulations also provide that instead of claimants having to manually reclaim Universal Credit over the following months to erode the surplus earnings, they can be treated as reclaiming Universal Credit for up to five assessment periods after the one in which the SEISS payment took them off Universal Credit. As I'm sure you are all aware, the surplus earnings rules are complex, and we are all going to have to become far more familiar with them than I'm sure we all want!

The regulations also state that payments of the Coronavirus Job Retention Scheme, (eg. to pay their employees' wages) or any other loan or grant made due to the COVID-19 outbreak made to self-employed claimants will be disregarded in the calculation of the claimant's capital.

For more information, visit the open access Rightsnet article:  
[www.rightsnet.org.uk/welfare-rights/news/item/Treatment-of-SEISS-and-CJRS-payments-for-self-employed-universal-credit-claimants](http://www.rightsnet.org.uk/welfare-rights/news/item/Treatment-of-SEISS-and-CJRS-payments-for-self-employed-universal-credit-claimants)

## **Childcare costs and Universal Credit – update**

The Universal Credit guidance for the childcare costs element during the COVID-19 outbreak has been updated again. It had previously been changed to say that the childcare costs element would only be available to critical workers during the COVID-19 outbreak. Possibly to reflect the fact that workers who are unable to work at home are now being asked to consider returning, the guidance has been amended again. It now states:

'If you are getting Universal Credit, you will be repaid costs for childcare that has taken place and you have already paid for. You will continue to be repaid childcare costs with your Universal Credit if you are a critical worker or if you are a non-critical worker who has access to registered childcare.'

[www.gov.uk/government/publications/universal-credit-and-childcare/universal-credit-childcare-guide](http://www.gov.uk/government/publications/universal-credit-and-childcare/universal-credit-childcare-guide)

## **Shielding – Post Office card account arrangements**

As previously reported, the DWP have made arrangements with the Post Office to ensure that customers with a Post Office card account who are in the shielding group can still receive their money. More information has now been provided to explain the process and state that customers in this group should also receive contact from a DWP Visiting Officer.

'Individuals in England who are in the shielded cohort, and who hold Post Office card accounts, will have received a call from the National Shielding Service. If this identified a potential concern over access to payments, the individual was transferred to the DWP. In most cases that conversation could resolve concerns by use of processes such as changing method of payment. Where this did not happen the individual was called by a DWP Visiting Officer, who would ensure the concern was resolved, in exceptional cases arranging for delivery of cash to the customer.

Where the Post Office was in conversation with a customer who fell into the above categories they passed that customer's details to the DWP for a call. The Post Office can, and has, also arranged for the delivery of cash to individuals via the Royal Mail Special Delivery Service.

In addition to the process outlined above, the DWP is arranging for all customers in the above categories who are living alone to receive contact from a Visiting Officer or their local authority.'

[www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2020-05-06/43871](http://www.parliament.uk/business/publications/written-questions-answers-statements/written-question/Commons/2020-05-06/43871)

For more information, visit the open access Rightsnet article:

[www.rightsnet.org.uk/welfare-rights/news/item/minister-confirms-that-dwp-is-arranging-for-all-claimants-who-are-shielding-and-hold-post-office-card-accounts-to-receive-contact-from-a-visiting-officer-or-their-local-authority](http://www.rightsnet.org.uk/welfare-rights/news/item/minister-confirms-that-dwp-is-arranging-for-all-claimants-who-are-shielding-and-hold-post-office-card-accounts-to-receive-contact-from-a-visiting-officer-or-their-local-authority)

## **Challenge to the benefit cap and advance deductions during COVID-19**

As we have discussed with quite a few of you on the advice line in recent weeks, the increase to the Universal Credit standard allowance has brought with it problems regarding the benefit cap. As the level at which your benefit has capped has not been changed in line with the UC increase, more claimants are finding that their awards have been capped. Leigh Day solicitors, on behalf of a single mother affected by this issue, have issued a pre-action letter to the DWP, demanding an explanation of the justification for this. They are also challenging the continuation of deductions for advance payments during this period.

'The increase to the universal credit standard allowance was intended to help the most vulnerable in society meet the extra costs they would face because of the COVID-19 pandemic. In fact, our client has been left worse off because the Secretary of State for Work and Pensions has applied the benefit cap and advance payment deductions'.

We will keep you informed of how this case develops.

For more information, visit [www.leighday.co.uk/News/Press-releases-2020/May-2020/Mother-launches-legal-case-after-benefit-cap-wipes](http://www.leighday.co.uk/News/Press-releases-2020/May-2020/Mother-launches-legal-case-after-benefit-cap-wipes)

[www.rightsnet.org.uk/welfare-rights/news/item/legal-action-launched-challenging-dwps-continued-application-of-benefit-cap-and-deductions-for-advances-during-coronavirus-pandemic](http://www.rightsnet.org.uk/welfare-rights/news/item/legal-action-launched-challenging-dwps-continued-application-of-benefit-cap-and-deductions-for-advances-during-coronavirus-pandemic)

## **Working Tax Credit – miscellaneous amendments**

The Tax Credits (Coronavirus, Miscellaneous Amendments) Regulations 2020 came into force on 23 May 2020 and include the following amendments:

- where a claimant is absent from work in order to undertake emergency volunteering leave this will not change the number of hours included in their Working Tax Credit assessment;
- at the end of the Coronavirus Job Retention Scheme, a claimant who returns to work for a reduced number of hours will be treated working their normal hours for an eight-week period. If by the end of that period their hours have not returned to normal or if during that period their work stops or the hours of work are permanently reduced, Working Tax Credit will stop after a further four-week run-on period;

- the definition of “taxable profits” is extended to include any grant received under any of the coronavirus support schemes;
- for the remainder of the Coronavirus Job Retention Scheme, the time within which a claimant must notify a change of circumstances is extended to three months if the claimant is a critical worker.

The legislation can be found here: [www.legislation.gov.uk/ukxi/2020/534/made](http://www.legislation.gov.uk/ukxi/2020/534/made)

## **Incapable of work for Statutory Sick Pay**

With the introduction of NHS Test and Trace, many people will wonder what happens to their pay if they are instructed to stay at home for 14 days. If you are eligible for Statutory Sick Pay, you will be covered by new legislation.

The Statutory Sick Pay (General) (Coronavirus Amendment) (No. 4) Regulations 2020 (SI.No.539/2020) comes into force on 28 May and adds a new category to the definition of incapable of work for Statutory Sick Pay purposes:

- somebody who has been notified that they have had contact with a person with coronavirus, and who is self-isolating for 14 days from the latest date on which that contact occurred, or a date specified in the latest notification.

[www.rightsnet.org.uk/welfare-rights/news/item/people-deemed-to-be-incapable-of-work-for-purposes-of-statutory-sick-pay](http://www.rightsnet.org.uk/welfare-rights/news/item/people-deemed-to-be-incapable-of-work-for-purposes-of-statutory-sick-pay)

