**Welfare Rights & COVID 19 – Common problems and solutions**

In a press release yesterday the DWP have stated that they have processed 93% of claims made at the start of the coronavirus pandemic which are due to go into payment tomorrow[[1]](#footnote-1). To ensure that we are prepared for a wave of new case enquiries; I have created a short list of the most common problems that we have already been seeing at IAC and a summary of problems to look out for with UC which were already occurring before the pandemic (and now may be exacerbated by this unprecedented situation):

1. **Surge in financial need from working families who have now fallen ill**

COVID – 19 has resulted in a wave of enquires from working families who have recently been made unemployed, furloughed or are self-isolating. Obviously the suitable advice for each of these situations would need to be considered on a case by case basis however the following seems to be a good approach to start with:
* ***What is the client’s current employment status?***
* ***Is the client already receiving any legacy benefits such as HB, WTC or CTC?***
* ***Is the client entitled or already receiving SSP (if applicable?)***
* ***Is the client private renting, a home owner or residing in social housing?***

In cases where the household already has entitlement to legacy benefits and has recently been employed and either fallen ill/ been made unemployed it’s always worth considering a claim to NS ESA OR NS JSA (provided that there employment history meets the NI contribution requirements and they are either already receiving Housing Benefit or have no eligible housing costs).

If eligible, and circumstances permit, this route would stop any financial upheaval caused by the UC waiting period and the client being saddled with any advance repayments in the future. If the client is receiving SSP through their employer, they will not be entitled to NSESA until they have received their maximum amount (28 weeks) but could consider a fresh claim to UC.

It’s worth bearing in mind that SSP is counted as income for UC, however if the client is not receiving HB and needs assistance with their housing costs this will be the only avenue open to them and standard advice regarding making a fresh UC claim and advance request will be needed.

In addition, some circumstances may require a ‘better off’ calculation to ensure that giving up legacy entitlement is the most appropriate option before claiming Universal Credit. This should be done swiftly, as there has been no mention of relaxing the backdating conditionality for Universal Credit as part of the new covid-19 welfare changes and therefore claims for UC should still be made as soon as possible.

1. **The client has been told that their employer is refusing to taking part in the 80% furlough scheme or isn’t sure if they are going to receive any pay during the pandemic**A number of clients have approached our centre and stated that their employer has not been clear about whether they will be furloughed or have refused to take part in the government scheme, leaving them in financial limbo. While some cases may clearly need a referral for employment law advice it’s worth noting the following[[2]](#footnote-2):
* Only employees who were included on their employers payroll before 18 March 2020 are eligible under the furlough scheme
* Employees can be on any type of employment contract. This includes agency, flexible or zero-hour contracts. Foreign nationals are also eligible to be furloughed and payments under the scheme are not counted as ‘access to public funds’
* Anyone put on furlough cannot undertake any work for their employer whilst they are being paid under the government scheme

While the overriding objective of the scheme is to ensure that few employees are subject to redundancies as possible, it is still the employer’s final decision to take part. If your client is unsure if they will be receiving any pay, it’s advisable to suggest a UC claim to safeguard any entitlement that they may be entitled to during the period. Further advice would include ensuring that they are aware that any payment received from work will affect their Universal Credit amount and that they can withdraw their claim at a later date if they no longer need to claim.

1. **What support is available for anyone who is self-employed?**

The chancellor has announced a self-employment grant scheme which will allow individuals to claim up to 80% of their trading profits up to a maximum of £2,500 a month.[[3]](#footnote-3) However the application service is not yet online, with HMRC aiming to have the scheme operational by mid May 2020.

Clients can make claims for Universal Credit in the interim, and it should be noted that the minimum income floor has been temporarily lifted for anyone self-employed who already has an active claim. Again, they should be advised that if they are awarded any money through the self-employed grant scheme in the future, this will be taken into account by universal credit and will affect their award accordingly.

1. **A client who is receiving LCW or PIP is due for a healthcare assessment. How will this be carried out?**All face to face reassessments have been suspended since March 2020 and benefit awards which are due to end have been automatically extended. It’s also been announced that (23/04/20) disability benefit awards will now be automatically extended by six months if they are due for reassessment in the next three months [[4]](#footnote-4).

The DWP have also been clear that any reviews carried out will be paper based and only if they have been requested by the claimant. At IAC we have seen an instance where somebody was due to have their PIP claim end in March 2020 which unfortunately co-in sided with the new review rules. They have now made a fresh claim and are awaiting the assessment process however they are now missing a substantial amount of their regular income. Has anyone else experienced this issue?

**Existing issues with Universal Credit**
Whilst the number of cases concerning healthcare assessments, claimant conditionality and sanctions will inevitably fall during the pandemic; the record rise in UC claims will surely still cause a surge in demand for advice regarding issues such as: incorrect calculation queries, making a claim, or benefit entitlement checks.

It’s predicted that many of the cases coming forward may be regarding issues such as: the benefit cap (which is still in operation), the local housing allowance, ‘untidy’ tenancies, and RTI/income disputes (to name a few). It would interesting to see if anyone has experienced any recent cases with these on-ongoing problem areas or have anything else that they feel may become a problem in the near future.

**Extra resources:**

CPAG online tool for workers during covid 19:

[https://askcpag.org.uk/link/201533/support-for-workers-during-covid-19?utm\_source=twitter&utm\_medium=tweet&utm\_campaign=zing-tree%E2%80%8B#](https://askcpag.org.uk/link/201533/support-for-workers-during-covid-19?utm_source=twitter&utm_medium=tweet&utm_campaign=zing-tree%E2%80%8B)

‘better off’ online benefit calculators:

<https://www.betteroffcalculator.co.uk/free>

<https://benefits-calculator.turn2us.org.uk/AboutYou>

1. <https://www.rightsnet.org.uk/welfare-rights/news/item/as-first-universal-credit-claims-since-lockdown-go-into-payment-dwp-forecasts-that-at-least-93-per-cent-will-be-paid-in-full-and-on-time> [↑](#footnote-ref-1)
2. https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme [↑](#footnote-ref-2)
3. https://www.gov.uk/guidance/claim-a-grant-through-the-coronavirus-covid-19-self-employment-income-support-scheme [↑](#footnote-ref-3)
4. https://www.rightsnet.org.uk/welfare-rights/news/item/automatic-extension-of-disability-benefits-by-six-months-if-they-are-due-for-reassessment-in-the-next-three-months [↑](#footnote-ref-4)