#### **Statistical bulletin**

# Self-Employment Income Support Scheme (SEISS) Official Statistics

Number and value of claims made to the Self-Employment Income Support Scheme (SEISS) administered by HM Revenue and Customs' (HMRC) up to 31 May 2020.

The release is classified as <u>Experimental Statistics</u> as the methodologies used to produce the statistics are still in their development phase. As a result, the data are subject to revision.

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Detailed statistical tables to accompany this commentary are available at:

https://www.gov.uk/government/statistics/self-employment-income-support-scheme-statistics-june-2020

#### About this release

The Self-Employment Income Support Scheme (SEISS) provides support for selfemployed individuals whose business has been adversely affected by Coronavirus (COVID-19). From 13 May eligible self-employed individuals could claim a grant worth 80% of their average monthly trading profits, paid out in a single instalment covering three months' worth of profits, and capped at £7,500 in total.

The data used in this release cover claims to the SEISS scheme up to 31 May 2020. This data has been matched with other HM Revenue and Customs (HMRC) data to present breakdowns of claims by:

- Age and gender,
- Sector of the economy, and
- Geography.

This is the first time this information has been released publicly and has been produced using data from both the SEISS and HMRC's Self-Assessment (SA) system.

#### **Main Findings**

- 3.4 million self-employed individuals were identified as potentially eligible for the SEISS scheme. This means that they met the income and trading activity criteria for the scheme based on Self-Assessment returns from 2018-19 and earlier years. However, some of these businesses will not have continued trading since 2018-19 or will not have been adversely affected by Coronavirus so will not be eligible.
- By 31<sup>st</sup> May, 2.4 million of the potentially eligible population (70%) had claimed a SEISS grant with the value of these claims totalling £7 billion. The average value per claim was £2,900.
- Around two-thirds of the potentially eligible population are male (2.3m)
  - A slightly lower proportion of potentially eligible females have claimed a SEISS grant (66%) compared to males (72%).
  - The average claim for females is also lower at £2,300 compared to the average claim for males of £3,200.
- Take-up of the SEISS grant is lowest for those aged over 65 (55%) and those aged 16 to 24 (62%).
- The sector with the highest number of potentially eligible individuals and the highest proportion of claims is the construction industry. By 31 May construction workers had made 800,000 claims for SEISS totalling £2.9bn.
- The two regions with the highest number of claims are London (433,000) and the South East (352,000), reflecting their relative sizes, although London has the lowest take-up rate amongst the UK countries and regions.

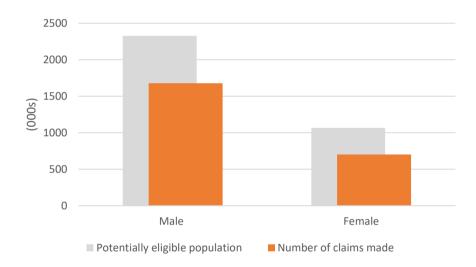
#### 1. SEISS claims by gender

Between 13 and 31 May 2020 HMRC received **2,380,000** claims for the Self-Employment Income Support Scheme (SEISS) from a total potentially eligible population of **3.4 million**. These claims totalled **£6.974bn** with an average award of **£2,900** per claimant.

**Figure 1** shows the number of SEISS claims and the potentially eligible population by gender. **Table 1** also shows claim values by gender.

Men make up two-thirds of the potentially eligible population. By 31 May HMRC had received **1,677,000** claims from men totalling **£5.358bn** compared to **701,000** claims from women for **£1.609bn**. Males have a higher take-up rate than females (72% compared to 66%) and their average grant value (£3,200) is 39% higher than the average for females (£2,300).

## Figure 1: The SEISS potentially eligible population and SEISS claims to 31 May 2020 by gender



Source: HM Revenue and Customs Self-Employment Income Support Scheme linked to Self-Assessment taxpayer information

### <u>Table 1</u> - SEISS potentially eligible population, number and amount of claims by 31<sup>st</sup> May by gender

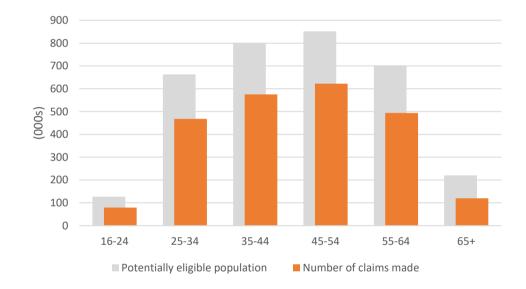
Gender	Total potentially eligible population	Total no. of claims made	Total value of claims made	Average value of claims
Male	2,327,000	1,677,000	£5,358m	£3,200
Female	1,067,000	701,000	£1,609m	£2,300
All	3,397,000	2,380,000	£6,974m	£2,900

#### 2. SEISS claims by age group

**Figure 2** shows the potentially eligible population and claims made by age group. **Table 2** also shows claim values by age.

Over 90% of claimants are aged between 25 and 64 and take-up of the grant in these age-groups is at or above 70%. No one age group dominates and claims are evenly spread.

The take up rate is noticeably lower for those who are aged 65 and over (**55%** have claimed), although they have the highest average claim value at **£3,300**. The youngest age group have the second lowest take up rate (**62%**) and the lowest average claim value at **£2,100**.



## **Figure 2**: The total potentially eligible population and number of SEISS claims to 31 May 2020 by age group

### Source: HM Revenue and Customs Self-Employment Income Support Scheme linked to Self-Assessment taxpayer information

#### Notes:

1. There is missing age information for 34,000 in the potentially eligible population (including 4,000 also missing gender).

<u>Table 2</u> - SEISS potentially eligible population, number and amount of claims by 31<sup>st</sup> May 2020 by age band (excludes those with missing gender)

Age band (as at 13 <sup>th</sup> May 2020)	Total potentially eligible population	Total no. of claims made	Total value of claims made	Average value of claims
16-24	127,000	79,000	£167m	£2,100
25-34	663,000	468,000	£1,348m	£2,900
35-44	799,000	575,000	£1,685m	£2,900
45-54	852,000	622,000	£1,847m	£3,000
55-64	702,000	494,000	£1,462m	£3,000
65+	220,000	120,000	£398m	£3,300
Missing	30,000	21,000	£60m	£2,900
All	3,397,000	2,380,000	£6,974m	£2,900

#### 3. SEISS claims by industry sector (see <u>Table 3</u> in the accompanying tables for further details)

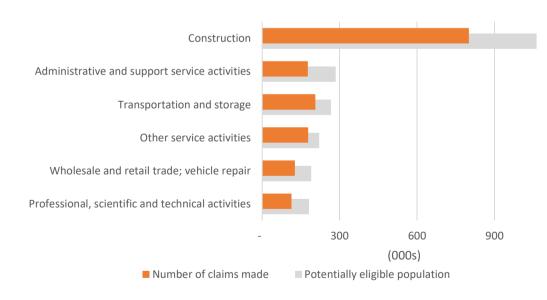
Self-employed individuals are asked to provide a description of their business activity on their self-assessment returns. These activities have been mapped across to the Standard Industrial Classification (SIC) 2007 to enable analysis to be carried out by industry sector. Where an individual has multiple sources of self-employed income the activity with the highest income has been used for the SEISS analysis.

Figures 3 and 4 show the potentially eligible population and number of claims made by industry sector.

The construction industry has the largest potentially eligible population with over 1 million self-employed individuals potentially eligible to apply. By 31 May construction workers had made **801,000** claims for SEISS totalling **£2.864bn**; an average of **£3,600** per claimant.

Of other large sectors affected and making SEISS claims, transportation and storage has **8%** of the potentially eligible population and made **206k** claims totalling **£451m**. Administrative and support services also make up **8%** of the potentially eligible population and have made **177k** claims totalling **£371m**.

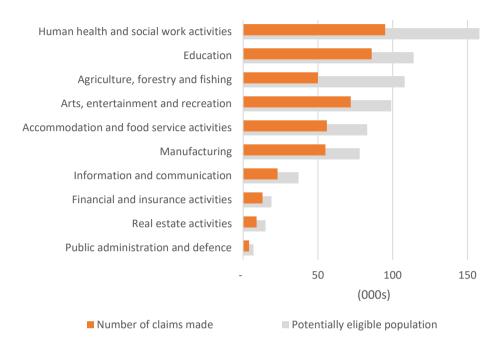
## <u>Figure 3</u>: The total potentially eligible population and number of SEISS claims made to 31 May by sector for the 6 largest SIC industries<sup>1</sup> potentially eligible for the scheme



## Source: HM Revenue and Customs Self-Employment Income Support Scheme linked to Self-Assessment taxpayer information

1. 472,000 cases of the potentially eligible population could not be allocated to a SIC code

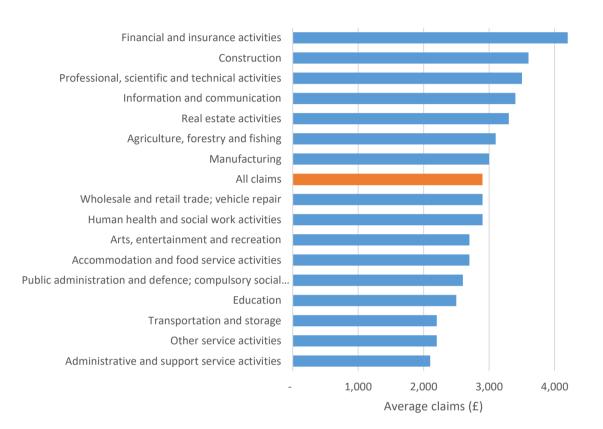
## **Figure 4**: The total potentially eligible population and number of SEISS claims made to 31 May by sector<sup>1</sup>; smaller sectors not shown in figure 3



## Source: HM Revenue and Customs Self-Employment Income Support Scheme linked to Self-Assessment taxpayer information

1. 472,000 cases of the potentially eligible population could not be allocated to a SIC code

Figure 5 shows the average value of claims by sector which range from £4,200 per claimant in the finance and insurance sector to £2,100 per claimant in administrative and support services.



#### <u>Figure 5</u>: Average value of claims to 31 May by primary industry<sup>1,2</sup> of selfemployment, ranked by average claim

## Source: HM Revenue and Customs Self-Employment Income Support Scheme linked to Self-Assessment taxpayer information

#### Notes:

- 1. The allocation to industry represents an individual's highest earning selfemployment
- 2. 472,000 cases of the potentially eligible population could not be allocated to a SIC code

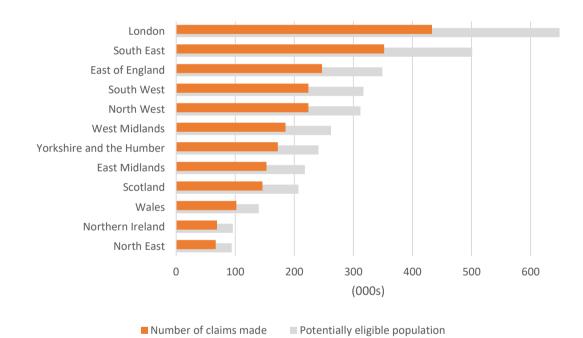
## **4. SEISS claims by geography** (see <u>Tables 2, 4 and 5</u> in the accompanying tables for further details)

Using the claimant's Self-Assessment address, SEISS claims can be mapped to countries of the UK, English regions and lower geographies.

**Figure 6** shows the potentially eligible population and number of claims made by country and region. London has the largest potentially eligible population and number of claims (**433,000**) but the lowest take up rate (**67%**). This compares to other regions where between **70%** and **73%** of the potentially eligible population are claiming.

Self-employed individuals in Scotland have made **146,000** claims totalling **£425m**; in Wales **102,000** claims for **£273m** have been made and in Northern Ireland **69,000** claims for **£198m** have been submitted.

## <u>Figure 6</u>: The total potentially eligible population and number of claims made to 31 May by country and NUTS1 region, ranked by size of potentially eligible population



## Source: HM Revenue and Customs Self-Employment Income Support Scheme linked to Self-Assessment taxpayer information

#### Notes:

- 1. The allocation to location represents an individual's address that they claimed from
- 2. 12,000 of the potentially eligible population could not be allocated to a NUTS1 region

Figure 7 shows the average value of claims by country and region

The regions and countries with the lowest average claim values are the North West ( $\pounds$ 2,700), the North East ( $\pounds$ 2,600), Yorkshire and the Humber ( $\pounds$ 2,700) and Wales ( $\pounds$ 2,700).

The East of England (£3,200), South East (£3,200), South West (£3,000) and London (£3,000) all have average claim values above the UK average.

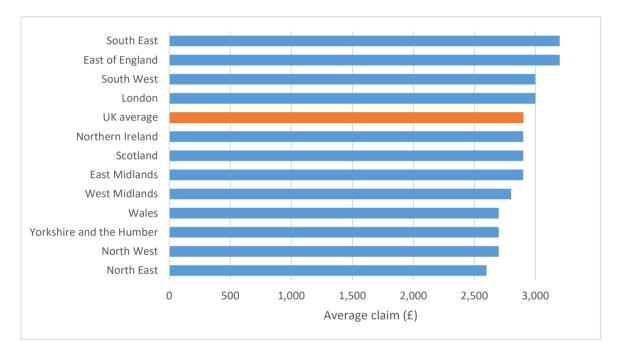


Figure 7: The average value of claims by NUTS1 region <sup>1,2</sup>, ranked by value

## Source: HM Revenue and Customs Self-Employment Income Support Scheme linked to Self-Assessment taxpayer information

#### Notes:

- 1. The allocation to location represents an individual's address that they claimed from
- 2. 12,000 of the potentially eligible population could not be allocated to a NUTS1 region

#### Sub-regional breakdowns

Tables 4 and 5 in the accompanying tables provide a breakdown of SEISS claimants by Parliamentary Constituency and Local Authority.

#### 5. Background to the SEISS

The Self-Employment Income Support Scheme (SEISS) was announced on 26<sup>th</sup> March 2020 as part of the UK government's support package for businesses and self-employed people during the coronavirus outbreak in early 2020. The scheme was open to self-employed individuals and members of a partnership who met the following criteria:

- Traded in the tax year 2018 to 2019 and submitted their Self Assessment tax return on or before 23 April 2020 for that year
- Traded in the tax year 2019 to 2020
- Intended to continue to trade in the tax year 2020 to 2021
- Carried on a trade which had been adversely affected by coronavirus

A business could be adversely affected by coronavirus if, for example:

- They were unable to work because they:
  - Were shielding
  - Were self-isolating
  - Were on sick leave because of coronavirus
  - had caring responsibilities because of coronavirus
- They have had to scale down or temporarily stop trading because:
  - Their supply chain has been interrupted
  - They have fewer or no customers or clients
  - Their staff are unable to come in to work

The grant is not open to limited companies or those operating a trade through a trust.

To work out eligibility, HMRC first look at the 2018 to 2019 Self Assessment tax return. Trading profits must be no more than £50,000 and at least equal to your non-trading income. If an individual is not eligible based on the 2018 to 2019 Self Assessment tax return, HMRC will then look at the tax years 2016 to 2017, 2017 to 2018, and 2018 to 2019.

The scheme allows an eligible individual to claim a taxable grant worth 80% of their average monthly trading profits, paid out in a single instalment covering 3 months' worth of profits, and capped at £7,500 in total.

This first SEISS grant has been announced to close for claims on 13<sup>th</sup> July 2020.

On 29th May 2020 SEISS was extended to allow a second and final grant when the scheme reopens for applications in August. This will be a taxable grant worth 70 per cent of their average monthly trading profits, paid out in a single instalment covering three months' worth of profits, and capped at £6,570 in total.

The statistics presented in this release only covers claims from the initial SEISS scheme up to 31 May.

#### 6. Glossary

The SEISS **potentially eligible population** are those who HMRC identified as being potentially eligible for a SEISS grant based on the information held from their self assessment returns relating to the tax years; 2016 to 2017, 2017 to 2018 and 2018 to 2019. This is the group who have been invited to claim for a SEISS grant. This does not attempt to assess if a business was affected by coronavirus or whether they continued trading after 2018-19. So it is the potentially eligible population based only on the information in the self assessment forms and not all will apply for the grant.

The **number of claims** is defined as the total number of individuals who had submitted a claim for a SEISS grant by 3.00am on 1<sup>st</sup> June 2020 that had been either paid, sent for payment or had been received and were awaiting various checks. Only non-rejected claims are included with the majority of these having been paid or sent for payment. However, a small number of claims were still being processed and could be rejected.

#### 7. Methodology and data sources

#### <u>Coverage</u>

This publication covers all self-employed individuals potentially eligible for the SEISS scheme. The claim information covers individuals who had submitted a claim for the SEISS grant by 03.00am on 1<sup>st</sup> June 2020 which had not rejected or failed certain compliance checks.

#### Data sources used in this release

The data for this release come from HM Revenue and Customs' (HMRC's) system for administering SEISS claims. It covers the whole population rather than a sample of people or companies.

Additional data from HM Revenue and Customs' (HMRC's) self assessment system and other HMRC administrative systems has been matched with SEISS data to produce the data released here.

The age, gender and postcode of residential address was collected from the self assessment account for each individual. The industry information was collected from the self assessment return for the tax year ending 5<sup>th</sup> April 2019, and relates to the self-employment business description provided on that return.

To produce the geographic breakdowns, the claimants' residential postcode has been matched to Office for National Statistics (ONS) data that links UK Post Codes to geographic areas. The geographic areas that have been presented in this release are Country and English Region, Local Authority and Parliamentary Constituency.

#### 8. Strengths and limitations

#### Experimental Statistics status

This release is classed as Experimental Statistics as the methodologies used to produce the statistics are still in their development phase. This does not mean that the statistics are of low quality, but it does signify that the statistics are new and still being developed. As the methodologies are refined and improved, there may be revisions to these statistics.

#### Differences compared with the HMRC SEISS Management Information

Management information (MI) on the number and value of SEISS claims received has been published by HMRC at various dates since the scheme was launched on 13<sup>th</sup> May 2020.

The published MI report for 31<sup>st</sup> May 2020 showed 2.5m claims totalling £7.2bn.

The data in this statistical release, also dated as 31<sup>st</sup> May 2020, shows slightly different figures of 2.38m claims totalling £6.97bn.

The difference in these figures is mainly due to the management information including all claims received and their associated value even though some of these are eventually rejected after compliance checks. The statistics in this release exclude claims which have been rejected.

There is also likely to be a smaller difference caused by the timing of claims flowing through the SEISS system. The MI measures claims at the "front end" of the system and the statistical publication is based on data made available from the "back end" of the SEISS system once claims have been checked.