

**Social Security Advisory Committee
Minutes of the meeting held on 13 May 2020**

Chair: Liz Sayce

Members: Bruce Calderwood
David Chrimes
Carl Emmerson
Chris Goulden
Philip Jones
Grainne McKeever
Dominic Morris
Seyi Obakin
Charlotte Pickles
Victoria Todd

Apologies: Jim McCormick

1. Private session

[PARTIALLY RESERVED]

Postal Regulations

1.5 The postal regulations sub-group had undertaken a pre-scrutiny of the following Covid-19 regulations that had been laid under the urgency provision:

- *The Social Security (Coronavirus) (Further Measures) Amendment Regulations 2020*
- *The Social Security (Coronavirus) (Further Measures) Amendment Regulations (Northern Ireland) 2020*
- *The Social Security (Coronavirus) (Prisoners) Regulations 2020*
- *The Social Security (Coronavirus) (Prisoners) Regulations (Northern Ireland) 2020*
- *The Employment and Support Allowance and Universal Credit (Coronavirus Disease) Regulations 2020*
- *The Employment and Support Allowance and Universal Credit (Coronavirus) Regulations (Northern Ireland) 2020*

- *The Statutory Sick Pay (General) (Coronavirus Amendment) (No.2) Regulations 2020*
- *The Statutory Sick Pay (General) (Coronavirus Amendment) (No. 3) Regulations 2020*
- *The State Pension Credit (Coronavirus) (Electronic Claims) (Amendment) Regulations 2020*

1.6 The sub-group recommended that the regulations be cleared ‘postally’ without the need for officials to present them at the meeting. In reaching that view, the sub-group had sought further clarification and/or information from the Department on some aspects of the proposals.¹

1.7 The Committee agreed that the regulations could be cleared by correspondence, without a requirement for officials to present them at the meeting and asked the Committee Secretary to confirm to officials that the regulations may proceed.

2. The Social Security (Coronavirus) (Further Measures) Regulations 2020; and The Social Security (Coronavirus) (Further Measures) Regulations (Northern Ireland) 2020

2.1 The Chair welcomed the following officials to the meeting: Dave Higlett (Grade 6, Universal Credit Policy), Kelly Flett (G7, Housing Policy Division), Sarah Turner (G6, Housing Policy Division), Simon Boniwell (G6, Labour Markets), Mark Knight (Grade 7, Devolution, Pensioner Benefits & Carer’s Allowance) and Joanne Hawkins (Grade 7, Policy Manager), and Paul Towers (Universal Credit Policy).

2.2 Introducing the proposals, Dave Higlett noted that the regulations were part of the Government’s responses to COVID-19 to provide additional financial support to claimants who were either making a new claim or had been awarded Universal Credit or Housing Benefit. Amendments had also been made to the entitlement condition for Universal Credit, old and new style Jobseeker’s Allowance and Carers Allowance so that claimants would not be penalised by following the Government’s guidelines regarding the Coronavirus.

2.3 The following main questions were raised by Committee Members in discussion:

- (a) Why was the treatment for legacy benefits inconsistent with Universal Credit (UC)? What was the rationale for the increase to the work**

¹ The Committee’s questions, and the responses provided by the Department, are held at annex A.

allowance in Universal Credit (£20 per week), and no increase for legacy benefits?

The Government made decisions that could be quickly and effectively implemented. The Universal Credit IT system was more flexible than the legacy benefits systems that had complex interdependencies and interactions. The Government's view was to have a balanced package across the board and made changes to the benefit system to allow it to prioritise and pay claimants quickly.

(b) Could you elaborate on the “people experiencing the most financial disruption”, for example in Universal Credit?

A significant number of people were claiming and were new to the system. New claimants appeared to be facing the most financial disruption at the current time. The Chancellor of the Exchequer also made the decision to increase Working Tax Credits (WTC) to help those still in work.

(c) Was the rationale because the previous level of benefits were not enough?

The current increases were to provide additional support for people who were facing the most financial disruption from the effects of Covid-19 outbreak.

(d) What was the justification for not increasing Jobseeker's Allowance (JSA) and Employment and Support Allowance (ESA)?

Ministers had made their decisions and their reasons had been given. Safeguarding the benefit system was their priority.

(e) How would it be differentiated to give people more money and/or support (Carers Allowance and other benefits)?

The Government's first priority for carers was to make sure that they did not inadvertently drop off Carers Allowance, so it had relaxed break in care rules and allowed “emotional support” to count towards the 35 hour a week care threshold. DWP continued to monitor the position. In terms of the rate of benefits paid to carers, the Government believed that most help should be provided to those carers in most need through Universal Credit which was means tested. Carers Allowance was not means tested (but was uprated by Consumer Prices Index (CPI)) and so recipients might have other financial resources to help support them. Carers on Universal Credit would benefit from the increase the Government had made.

The extent to which people would benefit was based on specific combinations of benefits people were entitled to. There was a complex interaction between benefit systems that needed to be considered. The Government was responding to a rapidly developing environment that could change.

(f) Large numbers of those losing jobs were young people. Why had the shared accommodation rate not been suspended for under 35s? What were the numbers of under 35s claiming Universal Credit?

No information was yet available regarding the number of under-35s claiming Universal Credit. As far as the Shared Accommodation Rate (SHA) was concerned, potential exemptions had not been considered yet. Local Housing Allowance (LHA) rates had been uplifted to 30% of market rents. That was the quickest way the Department could provide support to those in the rental sector. It would not have been possible to change Shared Housing Allowance rates in April.

DWP would keep things under review to identify the make-up of claimants, including by age. £40 million in additional discretionary funding had been made available to alleviate pressure on Discretionary Housing Payments (DHPs).

(g) Should the benefit cap be made more generous?

DHPs were available but there were no changes planned for the benefit cap. If there was a recent work history for claimants, there was a nine-month grace period before the benefit cap would be applied.

(h) Were officials aware that a certain number of Local Authority Housing options teams were presently not working due to the outbreak of Covid-19?

Officials were not aware of any such issues at local authorities. DWP worked with operational Local Authority groups and had discussed the impact of COVID-19 with them, but that issue had not been raised.

(i) How did the Minimum income floor (MIF) fit within the regulations? How was DWP attempting to communicate that (and end dates) to claimants?

MIF would not apply for the duration of the outbreak. Legislation did provide for plenty of flexibility. The Department was clearly operating in a developing situation and the position would be kept under review. Ministers and DWP would monitor if or how that changed and would issue new guidance as necessary.

(j) What about legacy benefit claimants moving to Universal Credit, and who do not qualify for Tax Credits?

Claimants in receipt of payment from Covid-related schemes, such as the furlough scheme, can still be entitled to Working Tax Credits. DWP are working closely with HMRC to ensure that people are aware of this and that claimants know that Tax Credits will cease once a UC claim is submitted. DWP has been communicating with LAs to make them aware of how Covid-related measures, including the furlough schemes, impact on Housing Benefit.

(k) What factors and conditions would need to be met for the labour market conditionality easements to be extended?

The Department would keep the measures under review.

(l) The wording of “Reg. 7” was odd given it was intended to remove “Work Search”?

The regulation refers to “treating” the claimant as being ‘available for employment’ and “actively seeking employment” to reflect the wording in the original JSA regulations. The practicality of this is that conditionality is treated as being met.

2.3 The Chair thanked officials for presenting the regulations and for answering the Committee’s questions. The Government’s response to the outbreak of the Coronavirus, and the extra support it was providing, was welcome. Given the nature of the regulations it is likely that, under normal circumstances, the Committee would have taken them on formal reference. However, in recognition of the extraordinary current situation, and the pace at which the Department was needing to respond to very significant challenges, this was not the time to take such action. Instead the Committee would write to the Secretary of State highlighting some of the issues it thought would merit further consideration.²

3. The Social Fund Funeral Expenses Payment (Coronavirus) (Amendment) Regulations 2020; and The Social Fund Funeral Expenses Payment (Coronavirus) (Amendment) Regulations (Northern Ireland) 2020

3.1 The Chair welcomed the following officials to the meeting: Ron Butler (HEO, Social Fund Policy), Rachel Race (Grade 6, Labour Market, Families & Disadvantage), Michelle De Cort (Grade 6, Labour Market, Families &

² The interim Chair wrote to the Secretary of State for Work and Pensions on 27 May: <https://www.gov.uk/government/publications/covid-19-letter-to-secretary-of-state-from-ssac>

Disadvantage), Matthew James (Legal Adviser, Social Fund) and Lucy Wood (Social Fund Policy)

3.2 Introducing the regulations, officials noted that the purpose of the regulations was to increase the amount available for funerals from £700 to £1,000. The regulations had been laid under urgency provisions on 7 April, and came into force the following day.

3.3 The following main questions were raised by Committee members in discussion:

- (a) **Why bring forward the change now when it was already planned for the change to happen? What was the rationale for raising the cost from £700 to £1,000 for funerals, when funerals left those on low income with an average debt of around £2,000?**

There had been no increase since 2003 and Ministers thought this was an appropriate amount. It was possible to have a respectful, dignified funeral for this amount.

- (b) **Changes had been made to Universal Credit and other benefits to simplify the process, and light touch verification processes introduced. The Social Fund had a very complex verification process, and evidence could be harder to obtain. Was the Department considering any changes to the verification process?**

Changes had been made, for example some declarations were allowed over the phone, and awards could be based on Universal Credit claims of the deceased. DWP were monitoring the situation because of the emerging situation.

- (c) **Why had not the £120 cut-off for some items and the pre-paid funeral plan increased? Was the increase from £700 to £1000 linked to Consumer Price Index (CPI)?**

There had been no stakeholder representation to change that figure. The department had prioritised the overall £1,000 cost. The increase was linked to CPI.

- (d) **Had the Department considered other measures?**

Funeral costs had increased during the past few years, and there were lots of price changes in the market. Emergence of low-cost and diverse options were more available now than they had been in the past. Ministers decided that CPI was the most appropriate option.

(e) Were funerals for Coronavirus cases more expensive?

No, in fact the reverse was true and the average costs were lower than normal. That was because fewer mourners were able to attend such funerals at the current time.

3.3 The Chair thanked officials for attending, and answering the Committee's questions. The Chair confirmed that the Committee would not be taking the regulations on formal reference.

4. The Maternity Allowance, Statutory Maternity Pay, Statutory Paternity Pay, Statutory Adoption Pay, Statutory Shared Parental Pay and Statutory Parental Bereavement Pay (Normal Weekly Earnings etc.) (Coronavirus) (Amendment) Regulations 2020

4.1 The Chair welcomed the following officials to the meeting: Clive Francis (SEO, Maternity Policy Pay), Lucy Birt (Family-Related Leave and Pay Policy, Labour Markets, BEIS) and Ruth McGuinness (DWP Legal).

4.2 Introducing the item, officials noted that the regulations enabled employees who were furloughed (under the Coronavirus Job Retention Scheme) to be treated as being on full pay for the purpose of calculating their entitlement. For family-related statutory payments, a person's Normal Weekly Earnings (NWE) were calculated during a relevant, eight-week "assessment period". For Maternity Allowance, entitlement was determined in part during the 13-week test period, and they did not have to be consecutive weeks, but the best part 13-weeks out of the 66-week period.

4.3 Without the regulations, an employee who was furloughed during the relevant assessment period (or 13-week test period for Maternity Allowance) could experience the following disadvantages:

- If the employee's NWE fell below the Lower Earnings Limit (LEL) (£120 per week for 2020/21), they may become ineligible for the family-related pay.
- If the employee's earnings were lower than usual, the earnings-related rate of Statutory Maternity Pay, Statutory Adoption Pay and Maternity Allowance would be recorded accordingly.

4.4 The aim of the regulations was to prevent those disadvantages and to ensure that people received the same family-related pay (Maternity Allowance, Statutory Maternity Pay, Statutory Paternity Pay, Statutory Adoption Pay, Statutory Shared Parental Pay and Statutory Parental Bereavement Pay) as if they were not furloughed. Employers would be responsible for calculating entitlement to all family-

related statutory payments. DWP was responsible for calculating entitlement to Maternity Allowance.

4.5 The legislative changes applied to people whose period of family-related pay started on or after 25 April 2020. Some employers could give employees full wage when furloughed, topping up the 80 per cent.

4.6 It was also noted that proposals for another set of regulations were to follow, which amend the above existing regulations. The policy intention behind these regulations was to ensure that an employee was not disadvantaged with respect to any subsequent claim to family-related pay as a result of having had reduced earnings whilst on Emergency Volunteering Leave (EVL). The EVL was for employees who could take 2-4 weeks leave from their job to volunteer in the health and social care services. Officials planned to present draft legislation to the Committee in the coming weeks.

4.7 The following main questions were raised by Committee Members in discussion:

(a) Could people potentially miss out if employers made claims in June for example rather than monthly? You would need to be furloughed in respect of the Coronavirus Job Retention Scheme (CJRS) to get the payment. Will the regulations still apply if the employer has decided to delay their claim under the CJRS?

The risk of that happening was quite limited. Employers could make claims later but would not be detrimental to people and it was possible that people could have been furloughed but not filed with HMRC.

HMRC had provided guidance about calculations but employers had to do that. Regulations should be interpreted purposively. Employers should then calculate the amount based on wages actually received.

DWP had discussed with HMRC adopting a purposive interpretation of the regulations in the case of a dispute but anticipated that this would happen in a small number of cases. HMRC guidance stated that employers should look at the reference salary as a starting point, and HMRC consider that employers were likely to look at the guidance rather than legislation, further minimising the risk of employees missing out on the benefit of the regulations.³

³ A more detailed explanation of this response is held at annex B.

- (b) Legislation states 'if she were not furloughed'. Will this be covered in guidance? What about any discretionary bonus, would this be taken into account when calculating earnings?**

Yes. She should have her NWE calculated based on her usual earnings. Furlough pay does not take account of discretionary bonuses etc. Whereas the NWE calculation (for family-related pay) should include bonuses and/or any other payments regularly made to her. Guidance suggests that employers should use the 'reference salary' used for making a claim under the Coronavirus Job Retention Scheme if she is on variable earnings.

- (c) The regulations represented a positive change, but the landscape was not straightforward whether one was furloughed or not. The guidance was not clear. Were there any thoughts about positions of people that were not furloughed?**

The Department understands, and was aware that the guidance was not clear on those issues. DWP was working with cross-government colleagues to address that. There were regulations dealing with the COVID-19 job retention scheme and protections were in place. There were no plans to extend the regulations to people who were on unpaid leave or shielding but the Department had endeavoured to capture as many people as possible.

- (d) In terms of underpinning policy, Maternity Allowance (MA) is paid to those on low income, and Statutory Maternity Pay (SMP) is paid by an employer. The policy objective for Universal Credit was different for both of these. Maternity Allowance was disregarded and Statutory Maternity Pay was treated in the Work Allowance for Universal Credit. How were the two treated differently?**

There was a difference as to how Statutory Maternity Pay and Maternity Allowance are treated for Universal Credit. However, the regulations were drafted to address the specific issues thrown up by job retention scheme, SMP was not a benefit and was subject to National Insurance and Tax, Maternity Allowance was tax free. Due to there being two ongoing and unresolved Judicial Reviews in this area, it would not be right to include this in the regulations, but it may need to be looked at further down the line.

- (e) There was a judicial review (High Court judgement) outstanding. What consideration had been given to that?**

It was on the Department's radar and was an issue, although the Department did not consider this the appropriate vehicle in which to address it. Two judicial reviews remained outstanding so DWP could not go any further at the

current time. Officials were currently considering Equality Impact Assessments related to this.

(f) The Equality Analysis was not as thorough and comprehensive as might be expected.

The Department was reviewing the Equality Analysis and was aware of the issues.

(g) Were there Interactions between employer maternity schemes and SMP/MA? Were the schemes changing and was work being done with employer schemes that needed to be considered?

Employer schemes were separate and were contractual schemes between employers and employees, but the Department's understanding was that the employer schemes were more beneficial to employees. There was very little interaction between the two schemes.

4.3 The Chair thanked officials for answering the Committee's questions, and confirmed that the Committee did not intend to take the regulations on formal reference.

5. The Statutory Sick Pay (General) (Coronavirus Amendment) Regulations 2020; The Statutory Sick Pay (Coronavirus) (Suspension of Waiting Days and General Amendment) Regulations 2020; and The Statutory Sick Pay (Coronavirus) (Suspension of Waiting Days and General Amendment) Regulations (Northern Ireland) 2020

5.1 The Chair welcomed the following officials to the meeting: Rachel Nicholls (G6, Employers, Health and Inclusive Employment), Leah Pickup (Senior Lawyer, Disability, Jobseekers and Employment Support) and Rebecca Lawther (SEO, Employers, Health & Inclusive Employment).

5.2 Introducing the item, officials noted that there were four sets of regulations made and laid in very quick succession between 12 March to 16 April based on the advice and guidance from Public Health England (PHE) and that there was very little time to consider the policy intent. There was also an added layer of complexity with reference to guidance in regulations that had been made that had to be changed subsequently due to changes in PHE advice and guidance.

5.3 The following main questions were raised in by Committee Members in discussion:

(a) What was the rationale for the waiting days' suspension? Should that be made permanent?

Early on, it was very clear from Ministers and scientific advice that we should encourage individuals to self-isolate due to Coronavirus. The regulations were very much designed to be short-term measure in relation to the pandemic. Moving forward and emerging from the pandemic, in terms of policy development, the Department would need to consider and respond to the new landscape and Ministerial steers. It would also explore its consultation responses.

(b) There seemed to be a general confusion about SSP, furlough schemes and sick schemes. How was that addressed in guidance?

DWP recognised that guidance had continually been updated causing a degree of confusion, and had therefore brought about some clarity in its regulations as to which guidance was key. The Department had been working with the Department of Health and Social Care, NHS England and PHE colleagues to update the guidance that it was responsible for on gov.uk to try to add some clarity.

There was plenty of information on gov.uk from DWP, the Department for Health and Business, Energy and Industrial Strategy and officials were working to make information easier to understand and to provide more clarity. For the furlough scheme, DWP was working with HMRC and HMT on guidance to help employers decide who should be furloughed.

(c) Based on guidance about self-isolation and shielding, were people who were providing care and are self-isolating missing out on SSP as they had to carry on working?

DWP continued to review regulations and respond to scientific advice, and was working with PHE and other colleagues to get advice for people who were non-carers or living with people who were shielding. The Government was encouraging employers to support home working, but recognised that, in some occupations such as carers - this was not feasible. DWP would continue to work on the emerging advice and keep regulations under review.

5.3 The Chair thanked officials for answering the Committee's questions, and informed them that the Committee did not intend to take the regulations on formal reference.

6. The Universal Credit (Persons who have attained state pension credit qualifying age) Amendment Regulations 2020

6.1 The Chair welcomed the following officials to the meeting: Dave Higlett (UC Policy), Joe Cook (SEO, Universal Credit & Employment Policy), Rosemary Grigalis (G7, UC Policy), Richard Poureshagh (G7, Pension Credit Policy), Jason Westerman (SEO Policy Adviser, Pension Credit Policy), Charlie Bagnell (Legal Team)

6.2 Introducing the regulations, Dave Higlett noted that the regulations provided a run-on of entitlement to Universal Credit past State Pension Credit Qualifying Age (SPCQA) until the end of that assessment period (AP). That solution would prevent a possible gap in benefit provision and worked within pre-existing payment structures and the whole month assessment period approach to UC. There were no provisions for part payments in UC.

6.3 The following main questions were raised in by Committee Members in discussion:

- (a) **Universal Credit infrastructure did not allow for part month payment? Could you confirm that? Was that a major cause for the new measure?**

The basic problem was that UC did not deliver for part-month payments as that was contrary to the rest of UC design. Implementing the run-on affected different benefits, therefore there were interactions with mixed age couples when they might transition between benefits. The Department was ensuring all individual scenarios were covered by the run-on.

- (b) **Were these long term or medium term fixes until a point at which UC could handle this?**

This legislative measure was the proposed long term position.

- (c) **When the change (SPCQA reached) happened, would it affect the amount of run-on received? For example, would someone reaching SPQCA at the start of the month have a bigger run-on than those who reached SPCQA at the end of the month?**

UC was based on assessment periods which were unrelated to birthdays. State Pension payment depended on national insurance number and date of birth. There were many factors to take into account and DWP wanted to ensure there was no gap in provision. Those varying amounts of run-on were a consequence of making a deliverable solution which worked for all scenarios. The varying amounts based on when SPCQA was reached would also occur in the part month payments the legislation currently provided for.

- (d) **Would the latest regulations amplify payment amounts?**

There would be potentially different amounts of payments depending on the individual's birthday but the overarching objective was that there were no gaps in provision and the payment cycle was continued. That was met.

- (e) What was the run-on in UC when somebody died (for example, a partner within a claim) or other member of the couple might terminate that run-on? What advice might you give to the partner in that circumstance? How would you let people know what the implications were on the various decisions?**

DWP did not advise people about their likely entitlement to benefit nor provide information as to where they might be 'better off' given that that would depend on specific individual circumstances. However, DWP could guide claimants to use online benefit calculators or consult with advisory agencies. UC and PC award amounts would depend on individual circumstances. DWP would ensure that, to the best of its ability, information available to people was accurate and would signpost people to what information and support was available.

DWP understood that this was likely to be a time when claimants would struggle to make a choice and that was why the UC bereavement run-on was in operation. A claimant did not have to make a choice and could remain on the bereavement run-on until it ended, or until they felt able to make decisions, and then claim Pension Credit/Housing Benefit for pensioners (pHB).

- (f) The basic rate of Pension Credit was vastly different, double the rate of UC standard allowance.**

Pension Credit was generally more generous than UC because Pension Credit was aimed at those who had permanently left the labour market. The UC bereavement run-on allowed the joint UC claim to continue for two subsequent APs after the AP in which the death occurred. The pensioner could claim PC at single rate at any time. Each claimant would have different award amounts based on their individual circumstances, although it was likely that Pension Credit would be more generous, unless there were earnings to take into account or the younger partner was entitled to additional support in UC that the older partner would not qualify for in Pension Credit. It would depend on individual circumstances.

- (g) Was the Department still consulting? What was the end date and what kind of feedback had the Department received from stakeholders?**

The consultation was still ongoing and the Department had not yet received any responses. If any were received, the Department would ensure they were shared with the Committee.

6.4 The Chair thanked DWP officials for answering the Committee's questions and noted that it had a number of questions to which it would like a response:⁴

- how much money would people lose if they did not make the right choice?
- what was the rationale for the scale of difference between the couple to single rates?
- Universal Credit was not a straightforward process, what was the Department going to do in terms of providing advice?

6.5 It would also be helpful if DWP could give illustrative examples of amounts of award an individual would receive when one member of a UC joint claim was bereaved and also as a single claim on PC. How would people receive that information and how was the advice going to reach them? Was it possible for DWP to give information to people about their benefit entitlements for UC/PC based on their circumstances?

7. Private session

[RESERVED ITEM]

8. Current issues and AOB

[RESERVED ITEM].

Date of next meeting

The Committee's next meeting was scheduled to take place on 10 June. The arrangements would be confirmed as soon as possible.

⁴ The Department's response is held at annex A. The Committee subsequently concluded that it would not take the regulations on formal reference.

Attendees

Guests and Officials

Item 2: Dave Higlett (Working Age Benefits UC)
Kelly Flett (Housing Policy Division)
Sarah Turner (Housing Policy Division)
Simon Boniwell (Labour Markets)
Mark Knight (Devolution, Pensioner Benefits & Carer's Allowance)
Joanne Hawkins (Policy Manager)
Paul Towers (Working Age Benefits UC)

Item 3: Ron Butler (Social Fund Policy Team)
Rachel Race (Labour Market, Families & Disadvantage)
Michelle De Cort (Labour Market, Families & Disadvantage)
Matthew James (Legal Adviser, Social Fund)
Lucy Wood (Social Fund Policy Team)

Item 4: Clive Francis (Maternity Policy Pay)
Lucy Birt (Family-Related Leave and Pay Policy, Labour Markets, BEIS)
Ruth McGuinness (DWP Legal)
Lucy Wood (Social Fund Policy Team)

Item 5: Rachel Nicholls (Employers, Health and Inclusive Employment)
Leah Pickup (Senior Lawyer, Disability, Jobseeker's and Employment Support)
Rebecca Lawther (Employers, Health & Inclusive Employment)

Item 6: Dave Higlett (UC Policy)
Joe Cook (Universal Credit & Employment Policy)
Rosemary Grigalis (UC Policy)
Richard Poureshagh (Pension Credit Policy)
Jason Westerman (Policy Adviser, Pension Credit Policy)
Charlie Bagnall (Legal Team)

Secretariat: Denise Whitehead (Committee Secretary)
Nishan Jeyasingam (Business Support)
Jaishree Patel (Assistant Secretary)
George Watley (Assistant Secretary)

The Social Security (Coronavirus) (Prisoners) Regulations 2020

The Social Security (Coronavirus) (Prisoners) Regulations (Northern Ireland) 2020

Is it possible for prisoners to make a claim pre-release if they know are going to be released? How will claims for other benefits, e.g. disability-related ones, be factored in?

It is not possible currently for prisoners to make an advance claim to Universal Credit.

There is a long-term policy objective to allow prisoners to make advance claims to UC before they leave prison, but this requires substantial new digital infrastructure, both in the UC system and within the prison estate. Regulation 32 of the UC, PIP, JSA and ESA (Claims and Payments) Regulations 2013 provides a power for the Secretary of State to accept advance claims to Universal Credit for a particular class of case, or in other cases in which the Secretary of State is willing to do so. Once is available Prison Leavers have been identified as a group for which this power will be exercised.

In the meantime, we would normally rely on the over 130 dedicated Prison Work Coaches, based in resettlement prisons across Great Britain, to provide support to prisoners prior to their release, so that they are able to claim UC on or as near as possible to their day of release. This includes ensuring the prison leaver has all the necessary documentation and a pre-booked appointment at the local Jobcentre.

At present, following the Covid-19 outbreak, DWP Prison Work Coaches have been withdrawn from the prison estate due to logistical/health and safety reasons and re-deployed to help deal with the unprecedented level of UC claims.

This redeployment includes a discreet telephony team of around 14 Prison Work Coaches to support the minority of prison leavers – which may now include some of those on temporary release – who find themselves unable to make their claim online. This involves prison leavers using a dedicated 0800 telephone number and prison work coaches taking new claims, verifying ID and paying advances over the phone.

There are a further 45 Prison Work Coaches on standby should demand overtake this service and a contingency call-back process be invoked. This hasn't happened as yet and those on standby are supporting Jobcentre work in the interim.

Prison leavers over State Pension Age – potentially including a very few on temporary release – are able to claim both State Pension and State Pension Credit up to 4 months in advance. This can be done either over the phone or by post by printing off a claim form from gov.uk. For prisoners this generally involves help from a Prison Work Coach or other prison staff member.

As you know, Universal Credit is replacing most claims to legacy income-related benefits. However, UC is not available if a claimant gets or was entitled to the severe disability premium in the last month, and is still eligible for it. Likewise, some prison leavers may be able to claim New Style Jobseeker's Allowance (JSA) or Employment and Support Allowance (ESA) with, or instead of, Universal Credit, depending on their National Insurance record. This can be claimed online, over the phone or by post by printing off a claim form from gov.uk. These benefits can be claimed up to 3 months in advance, but only by completing a clerical claim as the online functionality is not yet able to do this. Here again, prisoners can seek help from staff within the prison, where needed.

Normally, our Prison Work Coaches offer wider benefit advice prior to release, including where disability benefits may be more appropriate. Disability benefits cannot be claimed in advance, but should be claimed on release via a freephone number where a basic data-gather will precede a more detailed gather being issued by post. We have recently extended the time allowed to return this form to 90 days due to the impact of Covid-19.

The Employment and Support Allowance and Universal Credit (Coronavirus Disease) Regulations 2020

The Employment and Support Allowance and Universal Credit (Coronavirus) Regulations (Northern Ireland) 2020

These regulations are a helpful step in the right direction, both in GB and Northern Ireland. Would it be possible to see some guidance as to when discretion should be applied?

We included discretion in the provisions relating to waiting days and treating someone as having Limited Capability for Work so that we could exclude people who we considered did not fall under the government guidance that existed at the time. We wanted to ensure that any decisions reflect *current* government guidance, which is subject to change.

We wanted to include those people who were advised to self-isolate but not those who were isolating because they were worried about going outside. So we would exercise discretion where someone was following government guidance but would exclude those who were self-isolating just because they thought they should, rather than following the government guidance on what to do if you have symptoms or have been in contact with someone with symptoms. We are accepting an individual's word that they are self-isolating in line with government guidance.

For information: The Committee may find it helpful to see the guidance that has been put in place for decision makers –

The ESA DMG Memo: <https://intranet.dwp.gov.uk/page/dmg-memo-0420-esa-coronavirus>

The UC ADM Memo: <https://intranet.dwp.gov.uk/manual/advice-decision-making-adm/0220-esa-and-uc-coronavirus>

You will also be aware that these provisions, as far as they relate to Universal Credit, no longer apply and instead there are wider-ranging policy concessions within UC for all claimants. These are contained in The Social Security (Coronavirus) (Further Measures) Regulations 2020 (SI 2020/371) which have also been referred to the Committee for consideration

The Statutory Sick Pay (General) (Coronavirus Amendment) (No.2) Regulations 2020

The Statutory Sick Pay (General) (Coronavirus Amendment) (No. 3) Regulations 2020

- (a) **The provisions achieve purpose, but could you provide an explanation on why the regulations were set at 8 months limit? It appears, this has now been removed by SI 2020/374? Why would this be put in and then removed?**

It was initially included because the provision made by the regulations is not intended to be permanent, and we took the view that 8 months should be long enough to cover the period of the pandemic. It was consistent with provision in coronavirus regulations made at the same time on Universal Credit and ESA. When the Coronavirus Act 2020 was made, which has its own review and sunset provisions, we made subsequent sets of regulations in part under that Act. To avoid having different review and expiry provisions running in parallel in relation to the regulations, we removed the expiry and review provisions from these regulations, and we will rely on the process under the Act. The Act and measures are subject to regular Parliamentary scrutiny through the pandemic emergency, and our regulations will be reviewed as the Government continues to consider and develop its response.

- (b) **Is there Northern Ireland equivalent regulations? There appears to be (SR 2020/32) laid by DfC rather than SSWP, but have they come to SSAC?**

Yes, there are equivalent NI regulations. These were made by Department for Communities(DfC). DfC made two sets of regulations replicating ours (SR 2020/32 and SR 2020/37). The Secretary of State then made two more sets on behalf of DfC, again exactly replicating ours (SR 2020/54 and SR 2020/56). We have referred only the GB regulations to SSAC.

- (c) **There has been (and still is) a huge amount of confusion about SSP entitlement for employers, employees and advisers. Although it is now clearer in respect of those shielding, there is still confusion about the initial guidance on 'social distancing' which advised those in certain groups to be particularly stringent when following social distancing measures. The GOV.UK guidance currently includes: <https://www.gov.uk/government/publications/covid-19-guidance-on-social-distancing-and-for-vulnerable-people/guidance-on-social-distancing-for-everyone-in-the-uk-and-protecting-older-people-and-vulnerable-adults>. There has been widespread confusion and use of the term 'self-isolating' for these groups. Could it be clarified that those in the groups above who are social distancing are not entitled to SSP (if that is the case)?**

We identified that due to rapidly changing guidance and advice published by Public Health England and the devolved Public Health services, there was a risk

that some employers and employees may be confused about who is eligible for SSP. We therefore made later amendments to the regulations (The Statutory Sick Pay (Coronavirus) (Suspension of Waiting Days and General Amendment) Regulations 2020 – SI 2020/374), inserting a schedule which sets out exactly who is covered by the regulations. The schedule set out that those who are deemed as incapable for work are those that are self-isolating because they have symptoms; or they are in a household that is self-isolating because a member of the household has symptoms. We subsequently updated the schedule to include those shielding and unable to work.

Those social distancing, who are not otherwise eligible (e.g. because they are sick), are not entitled to SSP. We recognise that some people may incorrectly use the term “self-isolating” when referring to social distancing. We believe that this can be addressed through ensuring the guidance is clear on social distancing. DHSC and Public Health officials continue to consider comments and feedback on the guidance and will provide appropriate clarification if necessary.

We are also working to ensure that SSP guidance on Gov.UK is clear on who is entitled to SSP.

(d) There still is a lot of confusion about the interaction of SSP and furloughing/job retention scheme for those in the shielding group, could clearer guidance help?

Employees who are shielding or on long-term sick leave can be furloughed under the HMT Coronavirus Job Retention Scheme (CJRS). They cannot however receive Statutory Sick Pay whilst they are on furlough. We have been working closely with HMT and HMRC to ensure that the guidance and communications are clear on this. <https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme#employees-you-can-claim-for>

(e) What is the position of non-paid carers who don't live with the person who's self-isolating, continue but to provide care, and stop working to limit the risk of transmission?

Paid and non-paid carers who do not live in the household of a person who is self-isolating because they have symptoms of coronavirus are not eligible for SSP under these regulations (unless they are otherwise eligible). The published guidance for people who live with someone who has been advised to shield is clear that other members of the household do not need to start shielding and that they should carefully follow guidance on social distancing. Since someone can follow guidance on social distancing and still work, it would not be appropriate to extend SSP to them.

(f) What are the interactions with the Furlough scheme? For example, if someone self-isolates and gets SSP, and is then furloughed or someone is

furloughed and then falls sick? Do they have to tell their employer and get SSP? What if SSP is worth more than Furlough wages?

It is a matter for the employer whether they furlough staff or not. The HMT CJRS provides that a person cannot be furloughed and on SSP in relation to the same period. If they are on SSP, they can agree, with their employer, to bring the SSP entitlement to an end and they can then be furloughed. They do not have to tell their employer if they fall sick when furloughed. If the SSP rate is more than furloughed wages, then a person who, for example, has received a notification and is shielding in accordance with public health guidance is entitled to SSP. The guidance states:

“Furloughed employees retain their statutory rights, including their right to Statutory Sick Pay. This means that furloughed employees who become ill must be paid at least Statutory Sick Pay. It is up to employers to decide whether to move these employees onto Statutory Sick Pay or to keep them on furlough, at their furloughed rate”.

- (g) The Statutory Sick Pay (General) (Coronavirus Amendment) Regulations 2020 (S.I 2020/287) amend regulation 2(1) to provide that a person who is isolating himself from others in accordance with advice on coronavirus disease effective on 12th March 2020 is deemed to be incapable of work. These Regulations amend that date to 16th March 2020. Why is the move the date from 12th March to 16th March?**

We made regulations under social security powers on 12th March. At the time, we had no power to refer in our regulations to guidance as it is amended from time to time (thereby taking in subsequent versions of the guidance); the regulations could only refer to the guidance in place when they were made. In order for the regulations to be clear as to their effect, they had to identify the version of the guidance they were referring to. A few days after the first set of Regulations were made, the Public Health Guidance was further updated to extend advice on self-isolation to households. We therefore had to make new regulations to refer to that version of the guidance, in order to ensure that the new categories were entitled to SSP. The Coronavirus Act 2020 gave us a power to refer to guidance in place and subsequently amended.

- (h) “By reason of coronavirus”, could we have an explanation of what this could cover or exclude? (e.g. bereavement from CV?)**

The term “by reason of coronavirus” in the explanatory note is referring to where someone is incapacitated by reason of infection or contamination with Coronavirus or may be deemed to be incapable – i.e. self-isolating with symptoms or living with someone with symptoms, or shielding as set out in the *Statutory Sick Pay (General) (Coronavirus Amendment) Regulations (including No. 2 and No. 3)*.

It therefore does not include others e.g. those bereaved from coronavirus. Of course individuals who are sick and unable to work for other reasons may still be eligible for SSP.

- (i) Presumably Regulation 4 - 'Omit regulation 3 (expiry) of the Statutory Sick Pay (General) (Coronavirus Amendment) Regulations 2020(SI 287) and SI 2020/204 means the 8-month expiry is removed?**

Yes, please see response to above response to question (a) above for an explanation of this point.

- (j) The new Schedule is confusing, paragraph 3 is not immediately clear if 'that person' refers to the claimant or the person self-isolating. The variance between isolation for 7 or 14 days, reverting back from 14 to 7 where paragraph 3 applies presumably reflects Public Health England policy intent but is still very confusing?**

You are right that the Schedule is intended to reflect the position as set out in the public health guidance. The guidance also explains the advice in a diagram https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/874011/Stay_at_home_guidance_diagram.pdf It covers a person who has symptoms and is self-isolating for 7 days, "A". It also covers a person "B" who is self-isolating for 14 days because they live with someone with symptoms. "That person" in paragraph 3 is "B". Finally, it also covers the situation where B, who is self-isolating for 14 days, develops symptoms. B then has to stay at home for 7 days from when the symptoms started.

- (k) An observation, that the NI regulations were laid SSWP?**

Yes, please see response to question (b). They replicate the GB regulations.

- (l) What happens if you started shielding before the notification arrived?**

Where someone began shielding before they received a notification they are not entitled to SSP. However, employers may have other policies in place (e.g. the ability to work from home, or the provision of special leave). Employees who are shielding or on long-term sick leave can also be furloughed under the HMT CJRS.

- (m) The 'notification'. People qualify for SSP if they are shielding and have 'been advised by notification sent to [them] to follow rigorously shielding measures'. So what happens if:**

a) You didn't receive a written notification, but had a phone call with a doctor?

When we were drafting the regulations, DHSC officials advised that individuals who are in the extremely clinically vulnerable group and should shield will be notified via a letter issued centrally or by their local clinician. Therefore, if an individual has

b) You haven't had either, but you've been shielding because it was obvious that the shielding guidance covers you?

An individual is not covered by these SSP regulations if they have not been sent a notification. It is not policy intent to include people who are shielding but have not been sent a notification. The Public Health guidance advises people to contact their local clinician if they think that they should have received a letter.

<https://www.gov.uk/government/publications/guidance-on-shielding-and-protecting-extremely-vulnerable-persons-from-covid-19/guidance-on-shielding-and-protecting-extremely-vulnerable-persons-from-covid-19>

(n) Can people living with you and unpaid carers get SSP if they take time off work because they're worried about the risks to you if they don't isolate?

No. Unless an individual in a household is displaying symptoms they are not eligible for SSP in these circumstances. The published guidance for people who live with someone who has been advised to shield is clear that other members of the household do not need to start shielding and that they should carefully follow guidance on social distancing.

(o) No deadline has been set when the regulations will expire?

Please see above response to question (a)

The State Pension Credit (Coronavirus) (Electronic Claims) (Amendment) Regulations 2020

(a) Will there will be NI equivalent regs?

Yes.

(b) What was the original timetable for introduction?

The original plans to have an online claims system for claimants by 2023. The envisaged service which is known as “Manage Your Pension Credit” was to be far more sophisticated than the one we will plan to deploy this week. We were going to amend the Claims & Payments regulations later this year as part of a set of similar amendments in conjunction with the Social Fund and Maternity Allowance. This would then have allowed Visiting Officers to make use of the system which was been developed to take claims in claimant’s homes via a DWP laptop. We thought that this would have been around October 2020

(c) How will people access the online system/where will it sit? UC claimants had problems with the verify service and there was a recent announcement that people who apply for UC would now be able to use their existing Government Gateway account to confirm their identity without the need to go through verify, this applies to those who have used Government Gateway in the last 12 months to access their Personal Tax Account. What will this new service use?

The new service will be located on the Pension Credit pages of www.gov.uk . It will only be available to those claimants who have already claimed State Pension and had provided their bank account details. The verification which was done for State Pension will passport the claimant to enable them to use this service.

(d) Is the end to end process automated? What happens after the claim is made online, can it go into payment without DWP staff involvement?

The end to end service is not automated. Once the claim has been made online the information is transferred to a Pension Centre and arrives very much like a paper claim form. The processor selects the claim and processes it in the same way as a paper claim. The new service is just another route into the Pension Service.

(e) Has the system been adequately tested with claimants?

Due to the speed of implementing this service, it has not been tested with claimants. Although, Manage Your Pension Credit which is under development is being tested on claimants in a “private beta” phase. This is not yet an online service but is used on claimants claiming by telephone and some of the lessons learned there, for example, on how questions are worded have been incorporated into the service. We will aim to gather feedback from users of the new service, through use of analytical performance tools, in-service feedback and through research carried out by the Department’s user researchers

- (f) How many claims are currently made for pension credit each month? What percentage do they expect will be made digitally?**

Based on the 19/20 financial year, we estimate just under 9,000 claims are made each month. We don’t know how many will be made digitally.

Annex B

The Maternity Allowance, Statutory Maternity Pay, Statutory Paternity Pay, Statutory Adoption Pay, Statutory Shared Parental Pay and Statutory Parental Bereavement Pay (Normal Weekly Earnings etc.) (Coronavirus) (Amendment) Regulations 2020

This note seeks to address the questions of the Committee posed during its meeting on 13th May 2020 in relation to the Maternity Allowance, Statutory Maternity Pay, Statutory Paternity Pay, Statutory Adoption Pay, Statutory Shared Parental Pay and Statutory Parental Bereavement Pay (Normal Weekly Earnings etc.) (Coronavirus) (Amendment) (Regulations) 2020 (“the Furlough and Normal Weekly Earnings Regulations” or “the Regulations”).

Members of the Committee raised a question regarding the conditions that must be met before the Regulations would apply, specifically: that an employer has claimed and is in receipt of financial support in respect of a person’s earnings under the Coronavirus Job Retention Scheme.

It was put forward by the Committee that the Regulations may not apply where an employer has chosen to delay their claim under the Coronavirus Job Retention Scheme.

The following points are made in response to the Committee’s questions:

- If an employer has continued to pay wages in full with the intention of making a claim under the scheme later, the employer will be required by the pre-existing Regulations to calculate family-related payments on the basis of what they were paid, in other words their wages in full. In that scenario, a delay by the employer would not be detrimental.
- In a scenario where an employer has furloughed an employee on less than 100% of the employee’s normal pay and not yet made a claim, it is possible that, as at the time when Normal Weekly Earnings (NWE) are to be calculated, the employer may not have claimed and be in receipt of support under the Coronavirus Job Retention Scheme. On a literal interpretation of the Furlough and Normal Weekly Earnings Regulations, there is an argument that such a case would fall afoul of the requirement to have claimed and be in receipt of financial support under the Coronavirus Job Retention Scheme such that our Regulations would not apply. Following this argument, that would mean that a person’s NWE would be calculated on the basis of their reduced furloughed wages. It is accepted that, if this literal interpretation were adopted, some people who have been furloughed but whose employers have not yet claimed under the Coronavirus Job Retention Scheme would not receive the benefit of the Furlough and Normal Weekly Earnings Regulations.

- This was not the intention of the Regulations. These Regulations were prepared and drafted with a view to being in force very shortly after the Coronavirus Job Retention Scheme opened on 20th April 2020. The Furlough and Normal Weekly Earnings Regulations entered into force on 25th April 2020 with a view to ensuring as many people as possible were captured by the Regulations. At the time of drafting, it was not anticipated that some employers would delay making a claim to the Coronavirus Job Retention Scheme.
- It is also the case that that we needed to ensure the measure was targeting people who have been furloughed specifically under the Government's Coronavirus Job Retention Scheme, i.e. it acts a safeguard to prevent employers who have reduced their employees' wages by some other means from artificially inflating their employees' Normal Weekly Earnings.
- It is also our view that the SI should be interpreted purposively and that it is clear what we are trying to achieve with the SI and, given the current climate, decision-makers would adopt a purposive interpretation so as to achieve that.
- Guidance has been published to assist employers in calculating Normal Weekly Earnings in light of the changes brought in by the Regulations which states that the reference salary might a helpful starting point. If an employee has been furloughed on less than 100%, the employer will have already had to work out the reference salary.
- It is accepted that it is possible that there may be cases where an employer: (a) has furloughed someone on 80% of full pay, (b) has not yet made a claim to the Coronavirus Job Retention Scheme, and (c) calculates the employee's family-related pay using the 80% figure.
- We have consulted with HMRC who have confirmed that they are happy to adopt the purposive interpretation of the Regulations.
- In considering this HMRC concluded that whilst strictly speaking, if an employer has not claimed, they should use the amount that has actually been paid to the employee (i.e. the 80%). However, if they do, and there is a dispute, then by the time the dispute reaches HMRC the employer will most likely have made the claim. That being the case, HMRC can then tell the employer in response to the dispute that they must now use the full amount because they have made a claim and the Regulations will now apply. If the employer still has not claimed, but is going to, then HMRC can point out that the Regulations will apply as soon as they do, and they will have to revisit. In the unlikely event an employer does not make a claim, the 80% figure will be the correct amount to use and any opinion/decision HMRC makes will reflect that.

- In terms of taking a purposive approach, HMRC consider that this will only be required in the unlikely scenario where an employer has used 100% of the normal pay before receiving a grant from CJRS. It will be highly unlikely that this scenario will result in a dispute because the employee will have benefitted from the higher normal weekly earnings calculation.
- HMRC are also of the opinion that employers will more often refer to the guidance rather than the legislation which has been drafted using the purposive approach which further minimises any risk.
- A number of Government Departments have worked at pace to develop and put in place measures to support businesses and employees, including the Coronavirus Job Retention Scheme. Whilst these measures have been put in place to support employers and employees and the measures have been widely publicised, it is ultimately a matter for the employer to avail of these measures in a timely fashion. Whilst it is accepted that some employees may be disadvantaged by an employer's decision to delay making a claim under the Coronavirus Job Retention Scheme, we have endeavoured to ensure our Regulations cover as many people as possible. It is also the case that employers are reimbursed 92% of family-related statutory payments (103% for Small Employers – those who have paid £45,000 or less in gross NI in the previous tax year). We therefore consider that employers would have little to gain from trying to exclude their employees from the scope of the Regulations.

The Universal Credit (Persons who have attained state pension credit qualifying age) Amendment Regulations 2020

Following a meeting with The Committee to discuss the above draft Regulations, the following provides a response to some additional questions The Committee put to the Department.

In Universal Credit (UC), when a member of a joint claim dies, the surviving partner is entitled to the UC bereavement run-on. The UC bereavement run-on means that the joint claim continues at the same rate for the surviving partner for the assessment period (AP) in which the death occurs and the two subsequent APs.

Acknowledging that this is a potentially stressful and emotional time for surviving partners, the UC bereavement run-on is designed to give people time to adjust without having to move to their new single award immediately. This is why the UC

bereavement run-on provides an award of UC as if no death occurred for up to three months.

In the same way, if the younger member of a mixed age couple (MAC) (one in which one partner is over and the other under State Pension age) dies, the older partner is entitled to this UC bereavement run-on, regardless of the fact that they would usually have no further entitlement to UC by virtue of being over State Pension age (SPA).

At the end of the run-on period the surviving older partner in a MAC will be ineligible for UC (now being single and over SPA) and can make a claim to Pension Credit (PC) and/or Housing Benefit for pensioners (pHB).

If the older partner feels ready before the end of the bereavement run-on period, should they wish to, they can relinquish the run on (and therefore their UC award) at any time and claim PC and/or pHB.

In this case, these regulations provide a route for this transition to happen which is in line with the whole month AP approach of UC and is therefore operationally deliverable.

To enable this, the regulations allow for PC and/or pHB to be backdated and start from the beginning of the AP in which UC (and therefore the bereavement run-on) is relinquished.

This approach protects against a gap in benefit provision for those claimants who are ready and want to move off UC immediately and therefore provides the most flexibility to claimants to decide, once they are able to, when to make the transition from UC to PC and/or pHB.

Due to the different circumstances of individual claimants, each award for UC and PC/pHB will be different.

For example, if the older partner is not the individual to which a disability element or carers amount of UC is attached, they will be entitled to these amounts in the continuation of the UC joint award, but not the related premiums in the single PC/pHB award.

There are many factors that may impact when a claimant might want to relinquish the bereavement run-on, ranging from the emotional and practical to the financial (which factor will itself vary greatly).

If the claimant does want to explore on which benefit/s they may be financially better off, then we can direct claimants to online benefit calculators or advice agencies.

As has always been the case, DWP is not able to provide 'better off' advice. To do so would, in effect, require full benefit entitlement assessment in respect of all relevant benefits a person may be entitled to and, for both legal and practical reasons, this is not feasible.

We will make it clear in our guidance to staff that they must ensure claimants are made aware of their choices at this time, but we cannot provide individual financial advice.

The Committee has requested to see some illustrative examples of the relative awards in UC vs PC during the bereavement run-on period. These are provided below.

The following are illustrative examples based on hypothetical circumstances. They reflect a range of potential scenarios, although personal circumstances vary considerably and may be more complex than these examples. All amounts shown are at 2020/21 rates.

As a general rule, the standard rate of Pension Credit (PC) will be more generous than the standard allowance in Universal Credit (UC). On current (2020/21) rates, the standard rate for a single claimant on PC (£173.75) is £36.66 p/w higher than the standard rate for a couple on UC (£594.04 p/m). (Without the temporary increase in the UC standard allowance due to covid-19, PC would be around £56.66 p/w higher).

In all the following examples:

- Older partner has State Pension income of £130 p/w
- Housing costs (social rented sector) £100 p/w

Abbreviations:

EASD: Extra amount for severe disability

HB: Housing Benefit

LCW: Limited capability for work

LCWRA: Limited capability for work and work related activity

PC: Pension Credit

PIP: Personal Independence Payment

RSRS: Removal of the Spare Room Subsidy

UC: Universal Credit

Example 1

Standard award (no additional elements, no spare bedroom so RSRS does not apply):

Couple rate UC award: £464.04 pm / **£107.09** p/w

Single rate PC/HB award: PC £43.75 HB £100 total **£143.75** p/w

Better off on PC by c. £36.66 p/w

Claimant would also qualify for maximum Council Tax Support once they ceased to claim UC.

Example 2

No additional elements; 1 spare bedroom – RSRS applies to UC housing costs

Couple rate UC award: £403.37 pm / **£93.09** p/w

Single rate PC/HB award as under (1): total **£143.75** p/w

Better off on PC by c. £50.66 p/w

Claimant would also qualify for maximum Council Tax Support once they ceased to claim UC.

Example 3

Older partner is disabled, receiving middle-rate PIP care component; younger partner was their carer. Carer element applies in UC but not LCWRA element; EASD applies in PC. No spare bedroom so RSRS does not apply.

Couple rate UC award: £626.96 pm / **£144.69** p/w

Single rate PC/HB award: PC £110.70 HB £100 total **£210.70** p/w

Better off on PC by c. £66 p/w

Claimant would also qualify for maximum Council Tax Support once they ceased to claim UC.

Example 4

Older partner is disabled, receiving higher-rate PIP care component; younger partner was their carer. LCWRA and carer elements apply in UC; EASD applies in PC. No spare bedroom so RSRS does not apply.

Couple rate UC award: £968.88 pm / **£223.59** p/w

Single rate PC/HB award: PC £110.70 HB £100 total **£210.70** p/w

Better off on UC by £12.89 p/w

This may be partially offset by increased Council Tax Support which would apply once they ceased to claim UC.

Example 5

Younger partner was disabled and had LCWRA; older partner was their carer. Carer's Allowance was not payable as it is overlapped by State Pension but carer's element in UC applies. Carer premium would be payable in PC for 8 weeks following the partner's death.

Couple rate UC award: £968.88 pm / **£223.99** p/w

Single rate PC/HB award: PC £81.25 for first 8 weeks, then £43.75; HB £100 total **£183.75** (then £143.75) p/w

Better off on UC by £40.24 p/w for first 8 weeks, then £80.24

This may be partially offset by increased Council Tax Support which would apply once they ceased to claim UC.

Example 6

Older partner has part-time earnings of £120 p/w (in addition to State Pension as above). Younger partner had LCW so lower work allowance applies in addition to standard 63% taper in UC.

Couple rate UC award: £320.40 pm / **£73.94** p/w

Single rate PC/HB award: PC £0 HB £62.79 total **£62.79** p/w

Better off on UC by £11.15 p/w

This may be partially offset by increased Council Tax Support which would apply once they ceased to claim UC.