

2020 No. 85

SOCIAL SECURITY

The Universal Credit (Coronavirus) (Self-employed Claimants and Reclaims) (Amendment) Regulations (Northern Ireland) 2020

<i>Made</i> - - - -	<i>19th May 2020</i>
<i>Laid before Parliament</i>	<i>20th May 2020</i>
<i>Coming into operation</i> -	<i>21st May 2020</i>

The Secretary of State makes the following Regulations in exercise of the powers conferred by sections 1(1) and 165(1), (4) and (6) of the Social Security Administration (Northern Ireland) Act 1992(a) and Article 48(1) and (2) of, and paragraph 4(1) and (6) of Schedule 1 to, the Welfare Reform (Northern Ireland) Order 2015(b).

Those powers are exercisable by the Secretary of State by virtue of Article 4(1) of the Welfare Reform (Northern Ireland) Order 2015(c).

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Universal Credit (Coronavirus) (Self-employed Claimants and Reclaims) (Amendment) Regulations (Northern Ireland) 2020 and come into operation on 21st May 2020.

(2) The Interpretation Act (Northern Ireland) 1954(d) shall apply to these Regulations as it applies to an Act of the Assembly.

Treatment of payments to self-employed universal credit claimants

2.—(1) For the purposes of regulation 57 (self-employed earnings – treatment of losses) of the Universal Credit Regulations (Northern Ireland) 2016(e)—

- (a) a payment under the Self-employment Income Support Scheme is to be treated as a receipt at step 1 of the calculation of self-employed earnings in the assessment period in which the claimant receives that payment; and

(a) 1992.c.8. Section 165 was amended by paragraph 49(2) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 (S.I. 1999/671), Schedule 7 to the Social Security (Northern Ireland) Order 1998 (S.I. 1998/1506 (N.I. 10)) and section 18(5) of the National Insurance Contributions Act 2014 (c. 7) and is amended by Article 108(1) of the Welfare Reform (Northern Ireland) Order 2015 (S.I. 2015/2006 (N.I. 1)).

(b) S.I. 2015/2006 (N.I. 1).

(c) Article 4 was amended by Article 4 of the Welfare Reform and Work (Northern Ireland) Order 2016 (S.I. 2016/999 (N.I. 1)). Functions under or for the purposes of the Social Security Administration (Northern Ireland) Act 1992 is vested in the Department for Communities by virtue of Article 8(b) of S.R. 1999 No. 481 and section 1(7) of the Departments Act (Northern Ireland) 2016 (c. 5 (N.I.)).

(d) 1954 c.33 (N.I.).

(e) S.R.2016 No. 216. Regulation 57 was amended by regulation 6(10) of S.R. 2018 No. 92.

- (b) no deduction may be made at step 1 of that calculation in respect of expenses comprising the salary or wages paid to an employee in so far as those expenses are covered by a payment under the Coronavirus Job Retention Scheme.

(2) For the purposes of Article 10 (financial conditions) and Article 13 (calculation of awards) of the Welfare Reform (Northern Ireland) Order 2015, any payment made to a claimant carrying on a trade, profession or vocation—

- (a) in relation to a furloughed employee under the Coronavirus Job Retention Scheme; or
- (b) by way of a grant or loan to meet the expenses or losses of the trade, profession or vocation in relation to the outbreak of coronavirus disease,

is to be disregarded in the calculation of the claimant’s capital for a period of 12 months from the date on which it is received.

(3) In this regulation—

“the Coronavirus Job Retention Scheme” means the scheme (as it has effect from time to time) that is the subject of the direction given by the Treasury on 15th April 2020 under section 76 of the Coronavirus Act 2020(a);

“the Self-employment Income Support Scheme” means the scheme (as it has effect from time to time) that is the subject of the direction given by the Treasury on 30th April 2020 under that section of that Act.

“coronavirus disease” has the meaning given in section 1 of the Coronavirus Act 2020.

Amendment of the UC etc. Claims and Payments Regulations

3. After regulation 31 (advance claim for and award of universal credit) of the Universal Credit, Personal Independence Payment, Jobseeker’s Allowance and Employment and Support Allowance (Claims and Payments) Regulations (Northern Ireland) 2016(b) insert—

“Reclaims of universal credit after nil award due to earnings

31A.—(1) This regulation applies where—

- (a) a claim is made for universal credit, but no award is made because the condition in Article 10(1)(b) or 10(2)(b) of the 2015 Order (condition that the claimant’s income, or joint claimants’ combined income is such that the amount payable would not be less than the prescribed minimum) is not met; or
- (b) entitlement to an award of universal credit ceases because that condition is not met.

(2) The Department may, subject to any conditions the Department considers appropriate, treat the claimant (or joint claimants) as making a claim on the first day of each subsequent month, up to a maximum of 5, that would have been an assessment period if an award had been made or, as the case may be, if the award had continued.”.

Signed by authority of the Secretary of State for Work and Pensions

19th May 2020

Mims Davies
Parliamentary Under Secretary of State
Department for Work and Pensions

(a) 2020 c. 7.
(b) S.R. 2016 No. 220.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make further provision for universal credit in relation to the outbreak of coronavirus disease.

Regulation 2 provides for the treatment of certain payments made to self-employed claimants. A payment under the Self-employment Income Support Scheme announced by the Chancellor of the Exchequer on 26th March 2020 is to be treated as a receipt for the purposes of calculating the claimant's self-employed earnings in the assessment period in which it is received. No deduction may be made in the calculation of those earnings in respect of the salary or wages paid to a claimant's employee which are covered by a payment under the Coronavirus Job Retention Scheme (CJRS) announced by the Chancellor of the Exchequer on 20th March 2020. A payment under CJRS, or any loan or grant to meet the losses or expenses of the claimant's business in relation to the outbreak of coronavirus disease is to be disregarded in the calculation of the claimant's capital.

Hard copies of the Self-employment Income Support Scheme and the Coronavirus Job Retention Scheme can be obtained from CJRS Policy, 3C/15 100 Parliament Street, Westminster, London SW1A 2BQ.

Regulation 3 inserts a new regulation 31A in the Universal Credit, Personal Independence Payment, Jobseeker's Allowance and Employment and Support Allowance (Claims and Payments) Regulations (Northern Ireland) 2016 (S.R. 2016 No. 220). The new regulation makes provision for awarding or re-awarding universal credit where no award is made on a person's initial claim, or where a person ceases to be entitled to an award. It allows the Department to treat the person as re-claiming universal credit for up to 5 assessment periods after an assessment period in which they were found not to be entitled on account of their income.

A full impact assessment has not been produced for this instrument as no impact, or no significant impact on the private, public or voluntary sectors is foreseen.

© Crown copyright 2020

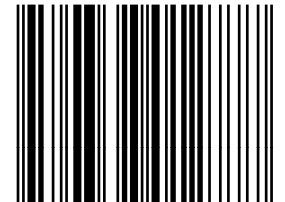
Printed and published in the UK by The Stationery Office Limited under the authority and superintendence of Jeff James, Controller of Her Majesty's Stationery Office being the Government Printer for Northern Ireland and the Officer appointed to print Acts of the Northern Ireland Assembly.

£4.90

NI202005201003 05/2020 19585

<http://www.legislation.gov.uk/id/nisr/2020/85>

ISBN 978-0-33-801277-7



9 780338 012777