



HOUSE OF COMMONS

LONDON SW1A 0AA

May 2020

CORONAVIRUS: Campaign for the Extension of Statutory Sick Pay to the Self-Employed

A raft of measures has been announced to help self-employed people, many of whom are especially vulnerable during this time.

These measures take the form of the Self-Employed Income Support Scheme (SEISS), which seeks to match the support already afforded through the Coronavirus Job Retention Scheme (CJRS) by providing a taxable grant worth 80 per cent of a self-employed person's average monthly profits over the last three years, up to £2,500 a month. The SEISS will be open for at least three months and will be extended if necessary.

It is important that this scheme is fair and that it benefits those whose livelihoods are genuinely at risk due to the COVID-19 pandemic. To achieve this goal, the SEISS has been limited to those who have trading profits of less than £50,000, as determined by the year 2018-19, or an average of trading profits in 2016-17, 2017-18, and 2018-19. These profits must make up over half of income in 2018-19, or by an average of the past three years. This threshold ensures that 95 per cent of those who are majority self-employed are covered by the scheme, and also balances against widespread fraud. Income tax self-assessment payments for July for self-employed people have been deferred until the end of January 2021.

Specifically on Statutory Sick Pay (SSP), the minimum income floor for Universal Credit has been suspended for 12 months, meaning self-employed people can now access UC at a rate that is equivalent to SSP for employees.

I hope that these measures come as a welcome relief to those in self-employment who have been put in a difficult position during this crisis.

A handwritten signature in blue ink, appearing to read 'Conor Burns', with a horizontal line underneath.