

Support for Student Workers – COVID-19

Student workers

We know that many students will be concerned about the cost of their living expenses during the coronavirus epidemic. The government has announced some financial support for workers who face financial difficulties at this time. This briefing outlines what support is available for different groups of student workers.

Introduction

Over half of students earn some form of income to top up the amount they receive through student finance. Many of these workers are on zero-hour contracts or in the gig economy and will be concerned about how the current epidemic will affect their hours and pay. The government have introduced certain measures to support workers financially, however we know that these will not cover everyone and certainly will not ensure that no one suffers as a result of the lockdown.

This briefing will outline the support that has been announced for different groups of workers, identify the gaps that still exist in this support network and other forms of support that students may turn to as a result of financial difficulties.

NUS has taken care to ensure this information is accurate and provides it in good faith, but the situation relating to COVID-19 is fast-moving and details may change. We would encourage students to check their own situation carefully and to seek support from the advice centre in their university, college or students' unions where necessary.

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Full-time workers

The Chancellor has announced a job retention scheme for all employers affected by the COVID-19 epidemic and the lockdown that it has resulted in. This scheme allows employers to claim 80% of employees' wages, up to a maximum of £2,500, which will be funded by HM Treasury and passed on to the employee. This is all to be claimed by your employer and therefore you do not need to do anything to receive this. Employers can choose to top up this to ensure that you receive 100% of your normal wage, however the support does not cover any commissions or bonuses you may normally receive.

To be eligible for the scheme you are not allowed to do any work for your employer and it is thought that this will extend to all informal work for them as well (e.g. you would not be able to answer any work emails as this could be classified as work and therefore make you ineligible).

As the responsibility is on your employer to claim this and distribute it we would recommend that you contact them to confirm that you will be receiving this payment if your employer no longer requires your work. The government has encouraged all employers to consider the benefits on offer, including this

scheme before laying off any employees so it might also be worth reminding employers of this.

Despite this some employers might still choose to make employees redundant to save costs or because their business fails.

If this occurs you might be eligible for a redundancy payment from your employer if they do end your contract of employment. To be eligible for a payment you must have worked for them for over two years and be on a permanent contract. The company may have its own policy that is more generous than the statutory minimum. If it does not have its own policy and you have worked for your current employer for at least two years, you should be entitled to:

- Half a week's pay for each full year you were under 22.
- One week's pay for each full year you were 22 or older, but under 41.
- One and half week's pay for each full year you were 41 or older.

Some employers have told workers they will pay them as usual, at least for the next few weeks. If you are in that position and you do not usually receive any benefits then you will not need to make a claim.

If you have not been made redundant and not stopped work fully but have been told to cut your working hours, the Job Retention Scheme will not apply to you. There is an entitlement to "guarantee pay" for those who have had their days cut, however this is only worth up to £29 a day and typically the payment is limited to only five days in any three-month period.

If you have lost your job the Government expects you to claim for support through the social security system. Principally, this means claiming Universal Credit, although for most students in full-time education this is not an option - for the rules and the exceptions to them, see below.

Part-time workers

For those in part-time employment, but with a fixed number of hours each week, much of the same support systems as outlined above apply. The Job Retention Scheme is aimed at anyone on the Pay As You Earn (PAYE) scheme and therefore you will also be eligible for this. Once again we would recommend that you speak to your employer, if you have stopped work completely, to ensure that they plan to claim this and pay you the amount they receive from the government.

Similarly, if you have been made redundant you will be eligible for the same support as outlined above, if you are eligible.

If none of these measures apply, the Government expects you to claim for support through the social security system. Principally, this means claiming Universal Credit, although for most students in full-time education this is not an option – for the rules and the exceptions to them, see below.

Zero-hour contract workers

As the Job Retention Scheme covers all workers on the PAYE system, that is those who are taxed before they are paid, it will also cover those on zero-hour contracts and agency workers.

If you have been working for your employer for longer than a year they can claim the higher amount of either the same month's earning from the previous year or average monthly earnings from the 2019-20 tax year on your behalf.

Once again if you are no longer able to work due to Coronavirus and its related effects we recommend you contact your employer to ensure that they will be claiming this on your behalf.

If you have had your normal number of hours reduced as a result of the lockdown, but are

still working, you will not be able to claim through the scheme.

If none of these measures apply, for instance if your employer has not retained you as an employee, but you are out of work the Government expects you to claim for support through the social security system. Principally, this means claiming Universal Credit, although for most students in full-time education this is not an option – for the rules and the exceptions to them, see below.

Self-employed workers

The chancellor has also announced similar support for self-employed workers. The government will pay self-employed people adversely affected by Covid-19, a taxable grant worth 80% of their average monthly profits over the last 3 years, up to £2,500 a month. The scheme is open to people across the UK for at least 3 months to all those with trading profits up to £50,000, with the possibility of extension. However to be eligible self-employed workers must have submitted a tax return for 2019. Anyone who missed the filing deadline in January will be given 4 weeks from today to fill in their tax return.

If you are eligible for this you do not have to do anything yet. HMRC will determine if you are eligible and will contact you with a form to fill out to receive your payment. However even if you are eligible this scheme will not be up and running until June and so not payments will be received before then.

If none of these measures apply, the Government expects you to claim for support through the social security system. Principally, this means claiming Universal Credit, although for most students in full-time education this is not an option – for the rules and the exceptions to them, see below.

Workers with multiple jobs

We know that many students will not be in a single form of employment but will be in many different jobs. In most cases this should not

disadvantage them when it comes to receiving support through current mechanisms. For instance, employers can claim through the Job Retention Scheme even if their employee works numerous jobs. In this case all employers of the employee can claim through the scheme. Therefore, if you work numerous jobs, but are no longer able to work, you should contact all your employers to ensure that they will be claiming on your behalf.

Workers who are off-sick or self-isolating

If you are currently self-isolating or off work due to coronavirus or suspected symptoms of the virus in the first instance we would recommend that you contact your employer to see what the organisational policy is. Many employers will have policies in place to allow for periods of illness and we expect there to be greater flexibility in the current context.

If your employer is unwilling to give you a period of paid absence or does not have an organisational policy you may be eligible for Statutory Sick Pay (SSP). This is open to all workers who are not self-employed and earn at least £118 a week and is worth £95.85 for up to 28 weeks. The government have also announced that this will now be paid from Day 1 rather than Day 4.

In order to apply for this, or to receive a self-isolation note that some employers will require to pay sick leave, fill in the application process [here](#).

This should also apply for those who are not displaying symptoms but have been told to self-isolate due to be immunocompromised. If this is the case we would recommend you fill in the above form and talk to your GP as well as employer to receive the support you are entitled to.

Childcare

Now that schools have closed many student workers will be experiencing increased problems with childcare. Employees are entitled

to time off to look after dependants in an emergency – this includes a partner or parent as well as children. However, your employer is not required to pay you for this time off and it is really intended for emergencies lasting between a few hours and a couple of days. We would recommend that you speak to your employer to try to work out an agreement that allows you to care for any dependants without suffering financially, which might include asking your employer to put you on furlough for the forthcoming period.

Rent costs

There is some help for renters in the form of increases to the local housing allowance – it has been increased so that it covers up to 30% of the market rent in your area. This will help anyone who already claims universal credit or separate housing benefit.

If you do not already claim a benefit and you are losing your job, you will be able to claim for support for housing as part of a universal credit application.

If you are suffering financially as a result of the current pandemic we would recommend that you contact your landlord to try to work out a lower rent price for the coming months. Even if your landlord has a mortgage they are entitled to a mortgage holiday for three months and so will not be at risk of losing their property.

NUS is currently lobbying government and landlords to call for all renters who are financially impacted by the Coronavirus to have their rents subsidised, and to significantly reduced or waived entirely for 6 months.

Universal credit

The main social security benefit available to those out of work is Universal Credit. However, if you are in full-time education you are generally unable to claim Universal Credit. There are certain exceptions to this rule, primarily:

- you are responsible for a child

- a disabled student receiving disability living allowance or personal independence payments, or
- you are under 22 on a 'non-advanced' (that is, further education courses up to A-Level or equivalent) and without parental support (you are an orphan, or estranged, or you are living away from your parents and they cannot support you financially – for example, they are in prison)
- you have had to suspend your course because of illness or caring responsibilities, the illness or caring responsibility has ceased, and you are waiting to return to the course.

If you are in one of these categories, you may be able to claim. If you cannot claim, a non-student spouse, civil partner or partner may be able to make a claim for your household. Part-time students can claim support if they meet the other criteria.

Note that student income (including student loans) is considered when you make a claim so what you are entitled to receive will likely be reduced during term-time when you receive this support. However, you may be able to receive more during the summer vacation.

The Child Poverty Action Group has created a factsheet on students and universal credit with more details of the rules here. Note benefit rules are complicated, especially where students are concerned, and you should consider seeking advice from your university, college or students' union advice centre. Many are offering email or telephone support.

Other sources of support

Local councils have been granted a £500m hardship fund, however this is mainly being targeted at reducing council tax for those who receive council tax. As students are already exempt from paying council tax it is unlikely that they will receive much of this support, but if you are struggling financially we would recommend that you contact your council

making them aware of your situation and asking for any support they may offer.

Most institutions also have a hardship fund aimed at students who are in times of financial difficulty so we would recommend applying for this if necessary. Ask your university, college or students' union advice centre for details.

If there is a union rep in your workplace we would recommend that you speak to them if you have any concerns about your future employment or pay. They will often be able to assist you with this and can advocate on your behalf to your employer.

Concerns with these measures

We have numerous concerns with the measures that have been introduced and know that this will not provide adequate support for a number of students who desperately need it. One of the major issues with the Job Retention Scheme is that it places the emphasis on employers to apply for this, leaving open the possibility for them to decide not to and to fire staff instead. We would like to see a requirement for employers to keep on all staff eligible for the scheme during this time.

There will also be further problems for agency workers through the scheme as the agency that they work for often has no obligation to find them work and so would have little incentive to furlough workers. We would like to see a requirement for agencies to furlough workers where they are no longer able to find them work too.

Plus for some of the support on offer the waiting times involved to receive payment will present impossible situations for many workers. Many organisations have already spoken out against the five-week wait to receive Universal Credit as many people do not have enough capital to survive five-weeks without payment. Similarly, many self-employed workers rely on regular payments to be able to afford rent and bills. They will not be able to cope without any payment until June.

Furthermore, the current measures do not offer support for those who are still in work but have had their hours significantly reduced as a result of COVID-19. The current systems in place to compensate workers for this are inadequate and need addressing.

It is also unfair for those who have to self-isolate or unable to work due to contracting coronavirus to be reliant on SSP which is inadequate to compensate most people for their regular expenses.

Social security may have to be extended to full-time students for the duration of the crisis.

We would like to see the government address all of these measures and ensure that student workers receive the support they need to not be financially disadvantaged as a result of this epidemic.

Further resources

We have worked with the Trade Union Congress (TUC) to provide this briefing and they have a range of other resources that can help to provide more information about support that you might be eligible to –

- A [blog](#) outlining your rights if you are temporarily furloughed.
- A series of [webinars](#) covering all topics relevant to COVID-19.

More information

If you need any further information or support on any of these areas please get in touch at policy@nus.org.uk