



# The Self-Employment Income Support Scheme (SEISS) final evaluation July 2023



HM Revenue  
& Customs



HM Treasury

## The policy and key statistics:

- The SEISS was a central part of the government's response to the COVID-19 pandemic.
- SEISS aimed to support self-employed individuals whose businesses were adversely affected by COVID-19 restrictions.
- It aimed to:
  - Quickly support individuals reliant on self-employed income;
  - Enable self-employed people to remain in business; and
  - Provide support broadly equivalent to the Coronavirus Job Retention Scheme
- Delivered as a series of 5 grants between May 2020 and September 2021, with policy adjustments based on changes in COVID-19 restrictions.
- A total of **2.9 million eligible self-employed individuals** claimed SEISS grants, **totalling £28.1 billion**.



## Methodology



### The evaluation includes:

**A process evaluation** which assessed how effectively the scheme was designed and delivered.

**An impact evaluation** which covers the impacts across all SEISS grants and assesses the scheme's VFM. A **quasi-experimental approach** was taken, using a Fuzzy Regression Discontinuity Design (RDD). The cut-off point was at £50,000 average trading points.



A **Value for Money (VFM)** approach was used, which followed the '4 Es': economy, efficiency, effectiveness and equity.

It considered:

- **Social value:** considering the scheme's value to society (e.g. effect on public welfare)
- **Exchequer value:** considering direct effects on public finances



## Findings



**Good VFM was found** with a net benefit to society of £14.2bn and a social benefit to cost ratio 3.8:1.

Helped **support trading profits and incomes** for many self-employed people who were most affected by COVID-19.



The SEISS was **designed and implemented swiftly**. The scheme was **easy to understand**, and the claim process was simple.

Within **12 days** of the scheme opening, **88%** of claims for the first grant were paid.

Total benefits are estimated to be worth **£19.3bn**.



Error and fraud were **effectively managed** throughout the lifetime of the SEISS. Final estimate of overall error and fraud estimated to be 5.2% which compares favourably with overall UK tax gap for Self Assessment which is estimated to be 11.2% in 2021 to 2022.

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## Findings



Helped businesses **continue trading in the short term**. However, long term impacts less clear due to lag in self assessment data.

Eligible claimants were **2.8 percentage points** more likely to remain trading in 2020-21 than those assessed as ineligible at the scheme's £50,000 average trading profits eligibility threshold

The SEISS supported demand in the wider economy, providing some macroeconomic benefit.

A lesson learned from the SEISS is that improved data and more timely reporting of self-employed profits could have led to improved targeting of the scheme, a reduction in deadweight and the inclusion of some groups who were not able to access the scheme.



## Impacts



This programme succeeded in ensuring **most self-employed people were protected from a significant drop in income** that they may otherwise have experienced.

The analysis also shows that the SEISS helped **support businesses to continue trading**.



## Links



[The Self Employment Income Support Scheme final evaluation](#)

Churn of full self-employed population

