

Current Work

Introduction

1. Claimants and/or their partners can undertake some work while claiming Jobseekers Allowance.

How remunerative work affects JSA

2. Remunerative work is work in which a person is engaged for, on average, 16 hours or more a week and 24 hours for partners of people receiving income-based Jobseeker's Allowance, consideration is given to averaging the hours for part time work. Jobseeker's Allowance is intended to help people who are **not** in remunerative work.

Earnings

3. Earnings is money received by employed earners and self employed earners. Earnings affect the amount of Jobseekers Allowance a person receives, consideration is given to averaging the earnings received for part time work.

Disregards

4. Some of the earnings a claimant gets from part time work are disregarded. The amount of disregard depends on a claimant's circumstances. Earnings in excess of the appropriate disregard are taken into account against benefit entitlement.

Income

5. Payment of Income is part of a series of payments whether or not they are made regularly or are made over a given period of time.

Notional Income

6. A claimant may be treated as having income that is actually not received. This type of income is known as notional income. When a claimant or their partner works part time, then notional earnings may need to be considered.

Averaging Hours

7. Consideration is given to averaging the hours a person works for part time work or work where the hours fluctuate. All the hours a person works or anticipated, are included. If the hours vary, the average hours are calculated by looking at those worked over a specific period of time.

Special Occupations

8. Certain occupations are referred to as special occupations and a higher earnings disregard is awarded in recognition of the value of the services they undertake.

Remunerative work, how it affects JSA

9. Remunerative work is work for which payment is made, or which is done in expectation of payment and in which the claimant is engaged for not less than 16 hours a week on average where the hours of work fluctuate.

Councillors

10. Members of local councils and other Local Authority (LA) bodies are not treated as in remunerative work whilst carrying out their duties as a councillor. For further information please see the DMG Volume 5, Chapter 26. Employed Earners, Local Authority Councillors.
11. Councillors working 16 hours or more per week on council duties may still be able to receive JSA.
12. Whilst performing their duties they may receive attendance allowance and expenses to attend meetings and committees, these allowances can include:
- basic allowance;
 - special responsibilities allowance;
 - attendance allowance;
 - financial loss allowance;
 - travel and subsistence allowance.
13. Any allowances should be treated as earnings for JSA purposes. For the treatment of expenses, please see guidance on volunteer expenses

Disabled people (75% rule)

14. The remunerative work rule does not apply to certain disabled workers who have been receiving JSA since before 25 January 2010, that is:
- mentally or physically disabled claimants who earn, or work 75% or less than a person without that disability who is in comparable employment in that area, and
 - claimants living in a Care Home (CH) or residential accommodation
15. If there is any break in entitlement on or after 25 January 2010 the remunerative work rule will apply if the claimant makes a further claim for JSA. Linking is not possible.

NOTE: This condition of entitlement was removed for all new and repeat claims from disabled workers from 25 January 2010. There are no linking rules

Contribution based Jobseekers Allowance (JSA(C))

16. JSA(C) is a personal benefit payable only for the claimant, there is no additional payments for a partner. JSA(C) is unaffected by any work the partner does.

Jobseekers Allowance Income Based (JSA(IB))

17. Remunerative work is work for which payment is made, or which is done in expectation of payment and in which the claimant is engaged for not less than;
- 16 hours a week on average where the hours of work fluctuate; or
 - in which any partner of the claimant is engaged for not less than 24 hours a week on average where the hours of work fluctuate; or

- in which any non-dependant, or child or young person still included in the JSA award who is treated as receiving relevant education, is engaged for not less than;
 - 16 hours a week on average where the hours of work fluctuate, and responsibility for the child **has not** been transferred to Her Majesty's Revenue and Customs (HMRC), under Child Tax Credit regulations.

Joint Claims

18. If either member starts work consideration must be given to averaging their hours before ending the joint claim.
19. If the person who starts work is working over 16 hours on average but less than 24 hours, the joint claim ends and the working partner is treated as a dependant.
20. If the person working works over 24 hours on average then they are in remunerative work and the claim would be terminated. See circular JSA Circular 01/01 for action on Joint claims. The other member can claim JSA(C) and/or a National Insurance credit in their own right

Exceptions to Remunerative work

21. A person is not treated as being in remunerative work if they are engaged in voluntary work for someone who is not a relative or they work for a charity. See DMG Volume 5, Chapter 26.
22. People carrying out their duties in one of the special occupations are treated as not being in remunerative work.

Earnings and disregards

23. Earnings for JSA purposes are any pay or profit earned whilst in employment. A claimant who works 16 hours or more on average per week, or whose partner works 24 hours on average or more per week, normally has no entitlement to benefit or a National Insurance (NI) credit.
24. Part-time earnings are taken into account, less any tax, NI deductions and half of any occupational or personal pension deductions and subject to the appropriate disregard which is:
 - £5 for a single claimant
 - £10 for a claimant with partner/s
 - £20 for lone parents, disabled people, carers and certain special occupations. See DMG Volume 5 Chapter 26 for disregards on special occupations.
25. Part-time earnings are taken into account from the first day of the relevant benefit week in which they are paid, or from the first day it is practicable to do so.

Notional earnings

26. Notional earnings are earnings that a claimant or their partner does not have, but that a Decision Maker may treat them as having. The earnings of a claimant or other member of the family are treated as notional earnings where
 - they perform a service for another person **and**
 - that person;
 - makes no payment of earnings **or**

- pays less than the rate paid for a comparable employment in the area.
27. The rate for comparable employment in the area is a question of fact and is based on evidence. Do not assume that the national minimum wage applies in all cases. If the notional income rules are satisfied, see DMG Volume 5 Chapter 26 for details of how much income to take into account.
28. Where it is not possible to find out what the claimant's earnings are at the time the Decision Maker is making the decision, the claimant is treated as having such earnings as is reasonable in the circumstances taking into account the number of hours worked and the earnings paid for comparable employment in the area.
- See DMG Chapter 26, Notional Earnings for further information.

Payments in kind

26. Payments in kind are disregarded for both elements of JSA. Where wages are paid at a reduced rate because of a payment in kind, consider notional earnings.

Income that affects JSA

JSA (C) claims

27. In a claim for JSA (C), only the income of the claimant is considered. The only income except for earnings that affects JSA (C) is the claimant's occupational or personal pension.

JSA (IB) claims

28. All income is treated as income belonging to the claimant, consider the income of:
- the claimant;
 - the partner;
 - all members of the household if the claimant or partner is married polygamously;
 - any child or young person who is part of the claimant's family and included in the JSA award, **until responsibility for the child has been transferred to Her Majesty's Revenue and Customs (HMRC)**, under Child Tax Credit regulations.
 - where a partner works between 16 and 24 hours per week, only Working Tax Credit (WTC) paid to the partner is taken fully into account as income.

JSA Joint claims

29. Income affects joint claims in the same way as JSA (IB) claims.

Notional Income

30. A person may be treated as having income that is actually not received. This type of income is known as notional income and it may take a number of different forms:
- income the claimant or partner has deprived themselves of;

- income the claimant or partner deprived themselves of for a previous claim to:
 - Income Support; or
 - Employment and Support Allowance;
 where the claimant or their partner is moving directly from that benefit on to JSA;
 - income available on application;
 - income due but not yet paid;
 - income for a member of the family paid to a third party;
 - income for a third party made to a member of the family;
 - income for a child or young person attending a boarding school.
31. Calculate notional income in the same way as actual income, including applying any appropriate disregard. See DMG Volume 5 Chapter 28 - Income other than earnings, 'Notional income' and 'Income available on application'

When Part Time work is declared

32. Part time hours and earnings are declared on form B7, supported by payslips, Form A15 can be issued to employers for confirmation of hours and earnings if the payslips haven't been produced.
33. Claimants whose hours and earnings have been averaged declare any changes to their hours or earnings on form B7AVE and provide their payslips.

Averaging hours

34. The preferred method of managing the assessment of part time work is to average the hours over a suitable period of time. Averaging must be applied as soon as possible after part time work has started whenever practicable.
35. At the end of an assessment period send form A15 to the employer to obtain verification of the employment details **if** the claimant has not provided payslips. .

Note: Only send A15 to the Employer if payslips are not provided

36. Where a claim is already in payment and new part time work is declared, a decision must be made as to when a review date is set for averaging of hours and earnings.
37. Use the A15, A15c or B7 to determine if:
- a work cycle can be established; or
 - the work is one-off; or
 - the work is likely to continue for a period of time.

National Insurance credits for part-time work

38. If a claimant receives JSA for any week in which part-time work has been undertaken, a National Insurance credit is awarded regardless of the number of hours worked.
39. Part-time work declared by a partner does not affect the award of a National Insurance credit to a claimant.
40. Both members of a joint claim are awarded a National Insurance credit.

People treated as not in remunerative work

41. People who work for a charity or volunteer are not treated as being in remunerative work although it may seem they are. See DMG Volume 5, Chapter 26.
42. People carrying out their duties in one of the special occupations are treated as not being in remunerative work. Claimants are treated as available for employment while they are carrying out these duties.

Special Occupations

43. The special occupations are:
 - a part-time fire-fighter;
 - an auxiliary coastguard;
 - a person engaged part-time in the launching or crewing of a lifeboat;
 - a member of the Territorial or Reserve Forces.
44. Special occupations attract a higher weekly earnings disregard of £20 in recognition of the value of the services they undertake. The disregard is for both JSA(IB) and/or JSA(C) and is applied to any regular earnings from the special occupation.
45. In addition to their regular earnings, people employed in special occupations may receive a bounty payment for their services. If a bounty is paid in a single annual payment, it is treated as capital. If it is paid more often than once a year, for example quarterly, it is treated as earnings. The period for which the bounty is payable is not relevant. See DMG Volume 5, Chapter 26
46. People working as Share Fisherman also have a higher disregard and special rules apply. See DMG Volume 5, chapter 27 Share fishermen.

Reserve Forces

47. Territorial Army (TA) members and other reservists may be required to:
 - attend regular drill nights;
 - attend an annual camp;
 - take part in other training activities; or
 - be called up to active duty.
48. Claimants engaged in their activities as reservists are treated as not in remunerative work regardless of the number of hours undertaken. They are also entitled to a weekly £20 earnings disregard,
49. In JSA(IB) cases, if the claimant or their partner has other employment, £20 is the maximum disregard allowable for each week work is declared, except where the claimant is attending annual camp. See DMG Volume 5, chapter 26 for further information

Drill nights

50. Reservists, who attend drill nights, receive pay for each night they attend. Drill night pay must be declared and taken into account as part-time earnings,(including any expenses incurred) subject to the £20 earnings disregard per week

Annual Training Camp

51. Territorial Army members and other reservists are required to attend a period of up to 15 days at training camp each year. They can be treated

How to treat earnings

52. Payments received for attendance at camp are treated and attributed as earnings. All of the earnings are disregarded except for an amount equal to the claimant's JSA less 10p. 10p has to remain in payment in order to ensure that access to passported benefits, such as Housing Benefit is maintained. See JSA Payment Procedural Bulletin 2012/05 for further details.
53. Earnings from Annual Camp are taken into account for a period
- equal to the length of the camp; or
 - for 14 days, if the camp is longer than this.
54. When the earnings are received, they are attributed from the first day of the benefit week in which they are paid.

Jobcentre Action

55. When a reservist is due to attend their annual camp, the Jobcentre ask the claimant to complete form RES1. The Jobcentre record the Labour Market decision on the form and forward it to the Benefit Centre for action.
56. On receipt of the RES1, refer to JSA Payment Procedural Bulletin 2012/05 for details of the action to take.

Claimant/partner declares work for an employer

New Claim Action

57. For claimants making a claim to JSA by telephone, the claim information (including details of any part time work) is gathered by the CS agent.
58. A claim can also be made 'online' or a clerical claim form can be requested and part time work details are captured as part of that process.
59. Averaging of hours and earnings must be considered as soon as possible when assessing a new claim from a claimant and/or partner whose part time work started prior to the start of the claim.
60. This needs to be carried out when a suitable period for averaging has been established. Ensure any payslips provided prior to their claim date are less than 16 hours for the claimant and under 24 hours for the partner and under 16 hours for joint claim claimants.
61. Until a period of averaging has been determined the claimant must complete form B7 and provide wage slips at their Jobsearch Review.
62. JSAPS will calculate any periods of attribution once the processor has input the correct dates.

Recording current part time work on JSAPS:

Step	Action
1	Access dialogue JA060: Register Event, input relevant date, press F1 and;

2	access dialogue JA091: Maintain claim details, screen JA091006 CURRENT WORK; complete relevant field(s);
3	access dialogue JA091: Maintain claim details, screen JA091107 CURRENT WORK-EARNINGS; input: the dates worked the weekly net income figure
4	JSAPS prompts for a decision to be made when dialogue JA200: Award and Decision is accessed, the processor makes the decision in D200;

Recording current part time work clerically

63. Form JA14A is used to record the details for clerical cases. The weekly average earnings should be recorded at Section 10 for JSA(C), or Section 11 for JSA(IB).

Step	Action
1	assess the claim using the part-time work details on forms B7 or A15C until a recognised cycle or assessment period is established;
2	If the employer will not provide payslips or pay information to the claimant send form A15 to the employer, when a recognised cycle or assessment period is established;
3	when the completed A15 is received, calculate and record on form A6 the average hours worked and net earnings figure;
4	determine upper and lower net earnings figures and record them on form A6;
5	assess the claim on form JSA14A using the averaged earnings figure;
6	BF the claim for 2 weeks before the review date to start the Review Action.

Notifying the claimant

64. Complete draft letter DLJA941 and email that and a summary of the upper/lower earnings limits to the Jobcentre. The Jobcentre issue the letter to the claimant at their jobsearch review informing them their earnings have been averaged. See JRFND Guidance.

Part time work declared during the life of a claim

65. Part time work can be declared via different routes, it may come though:

- the Jobcentre
- direct to the BDC
- via a 'hand off' from the contact centre telephony teams.

66. Once the information is received, assess the part time earnings on JSAPS as follows:

Step	Action
1	Access dialogue JA060: Register Event, input relevant date, press F1 and;
2	access dialogue JA091: Maintain Claim Details Current Work: screen JA091006 and input the part time work details, date paid, and the correct occupation code, if applicable;
3	enter '3' in the 'Review Type' field and the number of weeks/months of the average earnings period. Case Control P108 will appear on the JA72539 Work Available Report to prompt clerical issue DLJA942 or; enter 'Review Type 2' if averaging cannot yet be established. JSAPS will issue the A15C to the Claimant at the end of every review period. Note: Do NOT input '1' in the 'Review Type' field unless the claimant has given consent for the employer to be contacted AND payslips have not been provided
4	Press [F5] to select Current Work - Earnings screen: JA091107 and Complete relevant fields
5	JSAPS will calculate 'Average earnings' if more than 1 line, at the top of the screen, is completed and the earnings/hours are different
6	Case Control S223 will appear on the JA72539 Work Available Report 14 days after the A15C/DLJA942 has been issued, to prompt re assessment of the PTE average

67. The claimant's JSA entitlement is reduced by the amount of net earnings left after the appropriate disregard is applied.

For clerically maintained claims:

Step	Action
1	assess the claim using the part-time work details on forms B7 or A15C until a recognised cycle or assessment period is established;
2	If no payslips available send form A15 to the employer, when a recognised cycle or assessment period is established;
3	when the completed A15 is received, calculate and record on form A6 the average hours worked and net earnings figure;
4	determine upper and lower net earnings figures and record them on form A6;
5	assess the claim on form JSA14A using the averaged earnings figure;
6	BF the claim for 2 weeks before the review date to start the Review Action.

Notifying the claimant

68. Complete draft letter DLJA941 and email that and a summary of the upper/lower earnings limits to the Jobcentre. The Jobcentre issue the letter to the claimant at their jobsearch review informing them their earnings have been averaged. See JRFND Guidance.

Averaging hours

69. If a claimant has a job with fluctuating hours you must average the number of hours they work. When calculating the claimant's average hours, always round them in the claimant's favour. Record in Dialogue JA110 Notepad that this is an 'averaged earnings' case and input the upper/lower earning limits.

No recognisable cycle to the claimants hours if work

70. If there is no recognisable cycle to the claimant's hours of work:

Step	Action
1	Average the weekly hours over the five week period immediately before the claim, unless this does not give a fair average.
2	Do not use the five week average if that period does not show the claimant's normal pattern of working, for example if they were off work sick or on holiday.
3	Calculate the average over a longer or shorter period if the five week period includes an exception to the normal working pattern, for example the claimant worked overtime for one week.

71. Example 1

The partner works:

Week 1 9 hours
Week 2 8 hours
Week 3 6 hours
Week 4 7 hours
Week 5 5 hours

In this example there is no recognisable cycle, so to establish a weekly average of hours add the total number of hours worked and divide by the number of weeks, that is $9 + 8 + 6 + 7 + 5 \div 5 =$ weekly average 7 hours. The partner is deemed to be working 7 hours a week. If the hours added together were over 6 weeks, divide by 6 and so on. Regularly look at the decision to see if:

- a pattern has established
- the average is still a fair reflection of the claimant's/partner's hours
- the claimant's/partner's hours have changed.

72. If hours are averaged over five weeks, check them every five weeks by requesting the claimant's/partner's payslips

Recognisable cycle

73. If there is a set pattern to the hours the claimant works, this is classed as a recognisable cycle.

74. To establish whether there is a recognisable cycle:

Step	Action
1	Ask the claimant to provide their last five payslips, which is usually enough to identify a recognisable cycle. This can be done at either: the new claims stage or when an earnings check is appropriate/review date..
2	If the payslips do not provide an accurate picture of a claimant's normal work pattern, obtain further information from them. The claimant must have worked one complete cycle before you can establish a cycle.

Example 1

The claimant works:

Week 1 12 hours

Week 2 10 hours

Week 3 12 hours

Week 4 10 hours

In this example:

- four payslips are sufficient to identify a cycle
- the cycle is two weeks
- calculate the average hours as $12 \text{ hours} + 10 \text{ hours} \div 2 \text{ weeks} = 11 \text{ hours average a week}$
- the claimant is deemed to be working 11 hours a week.

75. Some claimants may work for more than 16 hours, or their partner work for more than 24 hours a week, during the cycle. This does not necessarily mean that they are excluded from JSA for that particular week as the fluctuating hours form part of a cycle and the average may be less than 16/24 hours.

Example 2

The claimant works:

Week 1 10 hours

Week 2 20 hours

Week 3 10 hours

Week 4 20 hours

In this example:

- four wage slips are sufficient to identify a cycle
- the cycle is two weeks
- calculate the average hours as $10 + 20 \div 2 \text{ weeks} = 15 \text{ hours a week}$.

76. In joint claim cases if a member starts remunerative work for 16 to 24 hours, they revert to being a claimant and dependant partner claim, with the working member being the dependant partner. The same averaging procedures apply.

Yearly cycle with school holidays or similar vacations

77. Where a person has a contract of employment which continues throughout the year, there is a recognisable cycle of one year. Where a person with such a contract works at a school, educational establishment or any other place of employment where there are school holidays or similar vacations, you should divide the total number of hours worked during the year by 52 weeks less any weeks of "other absence" See DMG Volume 4 chapter 20

When calculating the net average earnings worked

78. When averaging the weekly amount of a person's income, average over:

- A complete cycle if there is a recognisable cycle of work or
- Five weeks or
- Three months or
- Longer or shorter periods of time when hours fluctuate each week or periodically, when over a period of time where a pattern is established that means a more accurate weekly amount can be calculated.

79. See DMG Volume 3 chapter 15 for calculation of net earnings.

80. The net earnings of employed earners are their gross earnings, minus:

- National Insurance contributions (NICs);
- any tax paid; and
- half of any personal or occupational pension contributions.

If the net earnings of the claimant or their partner do not vary:

Step	Action
1	Access dialogue JA060: Register Event, input relevant date, press F1 and;
2	access dialogue JA091: Maintain Claim Details and on the CURRENT WORK screen JA091006, input the earnings in the 'Net Pay' field;
3	do not complete the 'Highest Amount Earned' or 'Lowest Amount Earned' fields.

Action if the net earnings vary

81. If the net earning of the claimant or partner vary, average the weekly hours over the five week period immediately before the claim, unless this does not give a fair average:

82. For system claims:

Step	Action
1	Access dialogue JA060: Register Event, input relevant date, press F1 and;
2	access dialogue JA091: Maintain Claim Details and on the CURRENT WORK screen JA091006 input the new average net earnings in the 'Net Pay' field and set the highest and lowest amount earned;
3	access dialogue JA530: Case Controls and set a case control

	for the end of the new assessment period;
4	record the upper/lower limits in dialogue JA110 Maintain notepad
5	when the case control/BF matures for the end of the assessment period, do the review action.

83. For clerical claims:

Step	Action
1	assess the claim on form JSA14A using the new average net earnings figure and determine an upper and lower earnings limit and record this on form A6;
2	BF the claim for the duration of the new assessment period;
3	when the case control/BF matures for the end of the assessment period, do the review action.

Setting highest and lowest amount earned

84. Highest and lowest amount earned are set to monitor variance in the claimant's net earnings.

Step	Action
1	Access dialogue JA060: Register Event, input relevant date, press F1 and;
2	access dialogue JA091: Maintain Claim Details and on Current Work: screen JA091006, set the highest and lowest amount earned by inputting:
3	the highest net earnings in the assessment period in the 'Highest Amount Earned' field and:
4	the lowest net earnings in the assessment period in the 'Lowest Amount Earned' fields.
5	record the upper/lower limits in dialogue JA110 Maintain notepad

If the net earnings fall outside of the highest and lowest earnings limit

85. When the claimant declares earnings outside of the highest/lowest earnings limit and the increase is not permanent, check to see:

- if the new earnings are significant enough to make a difference; and whether
 - they can be disregarded until the current average is due for review; or
 - the averaging ends and the current earnings are input as declared.

Earnings cannot be disregarded

86. If the earnings cannot be disregarded then a new recognisable cycle must be established and the claimant needs to complete form B7 and provide pay slips at their Jobseeker Review.

87. If the increase is to be permanent re-calculate the new average ensuring that the new amounts/hours do not extinguish entitlement to JSA.

Step	Action
1	Access dialogue JA060: Register Event, input the date of the change of circumstances date, press F1;
2	access dialogue JA091: Maintain Claim Details and on the CURRENT WORK screen JA091006 input the new average net earnings based on the new information.
3	record the new upper/lower limits in dialogue JA110 Maintain notepad.

Notifying the claimant

88. Complete draft letter DLJA941 and email that and a summary of the upper/lower earnings limits to the Jobcentre. The Jobcentre issue the letter to the claimant at their jobsearch review informing them their earnings have been averaged. See JRFND Guidance.

Advising the Jobcentre when a claimant and/or partners part time work has been averaged

89. Once a claim has been averaged, email draft letter DLJA941 to the Jobcentre inbox The jobcentre note their paperwork to ensure no further B7's or payslips are completed at the jobsearch review.
90. The jobcentre issue draft letter DLJA941 to the claimant at the jobsearch review and explain that they no longer need to complete the form B7 when they attend the Jobcentre if their earnings remain within the limits.
91. Claimants must tell the Jobsearch Reviewer if their **earnings fall outside these limits**.

Claimants earnings are outside of the limits set

92. If the claimant's earnings fall outside the average limits, the Jobcentre email form B7AVE to the inbox (name of the email box to be confirmed) with details of the earnings. A copy of the B7AVE is given to the claimant for their records.
93. When the B7AVE is received review the information to decide if the earnings can be disregarded until the current average is due for review or whether the averaging ends and the current earnings are input as declared.

Notifying the claimant

94. Complete draft letter DLJA941 and email that and a summary of the upper/lower earnings limits to the Jobcentre. The Jobcentre issue the letter to the claimant at their jobsearch review informing them their earnings have been averaged. See JRFND Guidance.

Postal Claimants

95. Postal claimants only attend the Jobcentre every 12 weeks. A JSAPS issued B7 is sent to these claimants when they declare part time work. See JRFND Guidance for further guidance on postal claimants.

Note: It has not been possible to stop the issue of this automated B7, so it will continue to be issued from JSAPS.

96. Telephone the claimant to explain the situation regarding declaring earnings. Issue letter DLJA941 by post after speaking to the claimant. Email the Jobcentre to confirm the details and action taken.

Postal claimant notifies that their net earnings fall outside of the highest and lowest earnings limit

97. When a postal claimant declares earnings outside of the highest/lowest earnings limit and the increase is not permanent, review the information to see if their new earnings can be disregarded until the current average is due for review or whether the averaging ends and the current earnings are input as declared.
98. If the earnings cannot be disregarded then a new recognisable cycle needs to be established, the claimant must send in completed B7's and provide pay slips.
99. If the increase is permanent re-calculate the new average.

Step	Action
1	Access dialogue JA060: Register Event, input the date of the change of circumstances date, press F1;
2	assess dialogue JA091: Maintain Claim Details and on the CURRENT WORK screen JA091006 input the new average net earnings based on the new information.
3	record the new upper/lower limits in dialogue JA110 Maintain notepad.
4	ring the claimant to explain what action has been taken as well as posting DLJA943 to notify them of their new upper/lower earnings limit.
5	email the Jobcentre to record all details and action taken

Claimant Enquires

100. If a claimant makes contact to ask why their earnings have been averaged or if they disagree with the decision to do so, explain that they are not at a disadvantage by having their earnings averaged. Averaging helps claimants to manage their money efficiently and removes the uncertainty around when and how much they will be paid if their earnings fluctuate.

Review Action

101. A review of the earnings must be carried out periodically to ensure there has been no change to the earnings and that we hold the correct information. A review date is a period of a complete cycle of recognised work.
102. If the earnings keep within the limits set, no action is needed until the review date.
103. Where a claimant's earnings and hours do not change there is no need to be re-average. .
104. An eight week review is recommended to check the payslips, however this can be a longer period if required, for example the claimant works the same hours and days every week. When setting a review period ensure that excessive amounts of payslips are not requested.

105. Two weeks before the review date issue DLJA942 to the claimant requesting the payslips for the past period. These are used to check the upper and lower limits and re-calculate a new average, if applicable for the next period. Enclose a prepaid envelope for the claimants use.

Payslips not provided

106. If the claimant does not send in their payslips after 7 days, send a reminder. If no contact is made by the claimant after 14 days, refer to the Decision Maker to consider claim termination action.

107. If the claimant makes contact to say their employer is unhelpful with providing payslips or pay details then send form A15 to the employer.

108. When re-averaging, do not use any payslips used to establish a previous average.

109. Complete DLJA943 and issue to the claimant. This advises them of their new earnings limits or informs them that the limits remain the same.

110. Overpayment and/or fraud referrals must be raised and any discrepancies identified.

Self employed

111. A self-employed earner:

- works for themselves, rather than for someone else or a company;
- is gainfully employed in Great Britain other than as an employed earner;
- provides a service for a client;
 - as a sole trader; or
 - in partnership with another person;
- is responsible to the full extent of their assets for the debts of the business;
- is entitled to all the profits, or a share of the profits if in partnership;
- satisfies one of the following;
 - pays a Class 2 National Insurance (NI) contribution. Depending on their earnings they may also pay a Class 4 contributions;
 - have been granted a Small Earnings Exception by the HMRC National Insurance Contributions Office; or
 - have form 714, 715 or SC60 from the HMRC because they are sub-contractors.

See 'obtaining verification from a self employed earner' for further details.

Recording current self employment on JSAPS

112. To record a continuing self employed case on JSAPS:

Step	Action
1	access dialogue JA091: Maintain claim details, screen JA091006 CURRENT WORK;
2	input [Y] in the Self Employed field;
3	access dialogue JA091: Maintain claim details, screen JA091107 CURRENT WORK-EARNINGS;
4	input:

	<ul style="list-style-type: none"> the weekly net income figure; or [£0.00] if there is no profit;
5	JSAPS prompts for a decision to be made when dialogue JA200: Award and Decision is accessed;
6	pass to the Benefit Delivery Expert to adjudicate on the decision;
7	access dialogue JA110: Maintain Notepad and make a note to review the case.

113. JSAPS automatically sets a limited case control date to review the claimant's earnings after 52 weeks.

114. If it is decided to do a review more frequently:

Step	Action
1	access dialogue JA530: Case Controls. Set case control and input an appropriate review date;
2	access dialogue JA110: Maintain Notepad and make a note to review the case.

Self employment ceases permanently

115. Accept that the claimant or partner's self employment has ceased permanently if:

- there is no evidence of;
 - work or contracts in the pipeline; and
- there is no evidence to the contrary.

116. To reach a decision, use the above considerations as well as the points in the business is without work section.

Confirm when self employment has ceased permanently

117. If the self employment has ceased permanently:

Step	Action
1	send form CF353 to tell HMRC National Insurance Contributions Office when to stop issuing quarterly bills for Class 2 National Insurance Contributions;
2	check if the business is bankrupt. If so: <ul style="list-style-type: none"> obtain the name of the receiver; and obtain verification of the date of bankruptcy from claimant's accountant or lawyer;
3	if the business is not bankrupt: <ul style="list-style-type: none"> obtain verification of the date that the business has ceased trading, from claimants accountant or lawyer; obtain verification of any profit made from the business; identify the value of any remaining business assets;
4	pass to the Benefit Delivery Expert for decision on Self-employment ceasing;
5	assess JSA entitlement.

Business assets

118. If the self-employment has ceased permanently and the business is not bankrupt, any remaining business assets should be identified and valued.

119. This is because business assets are treated as capital, which may affect the amount of JSA awarded.

120. Business assets include:

- standard items such as;
 - machinery;
 - vehicles;
 - fixtures;
 - and cash held in the bank, including money held following the sale of assets.

121. They may also include items such as customer lists and contacts, current and future contracts and goodwill.

See, DMG, Volume 5, Chapter 29, Capital, Business Assets

Valuation of business assets

122. To calculate the value of business assets ask to see:

- the current balance sheet;
- the annual profit and loss accounts; and
- any other up to date information about business assets.

See, Valuation of Capital Assets Handbook

Obtaining specialist valuation

123. If the value of the business assets, plus any other capital, is £2500 or more, a specialist valuation must be obtained.

See, Valuation of Capital Assets Handbook

Business assets are for sale

124. If the business assets are for sale:

Step	Action
1	disregard the capital value in full for a reasonable period, that is, 26 weeks, to enable the claimant to sell the assets. If the assets remain unsold, review the decision to disregard and, if necessary, review the decision again regularly;
2	assess JSA entitlement in the normal way.

Business assets are not for sale

125. If the business assets are not for sale, await the outcome of the specialist valuation. Investigate further whether the claimant has ceased self employment permanently.

126. On receipt of the specialist valuation, take into account the value of each asset of the business as capital, along with any personal capital.

Note: Do not disregard the capital value of business assets.

Recording previous self employment

On system maintained claims

127. To record previous self employment on JSAPS:

Step	Action
1	Access dialogue JA060: Register Event, input relevant date, press F1 and;
2	access dialogue JA091: Maintain claim details, and select screen JA091007 PREVIOUS WORK;
3	input the job end date;
4	set the self-employed flag to [Y];
5	input the business name and address;
6	leave the Issue JS85 field at the default of [N].

On clerically maintained claims

128. Record all details of previous self-employment on form A6.

Why self employment stops temporarily

129. There are a number of circumstances when a claimant or partner may stop trading temporarily, for example:

- incapacity for work;
- business is without work;
- seasonal workers;
- sub-contractors.

This list is not exhaustive.

130. The reason must be established carefully, as this affects how the business capital assets are treated.

Self employed claimant starts part time work

131. When a self employed earner declares any part time work the action is the same as an employed earner.

Share Fisherman

132. When the share fisherman attends the office, they must declare whether or not they have done:

- any work;
- some share fishing;
- some other part-time work.

Share fisherman declares work other than share fishing

133. If a share fisherman in receipt of JSA (C) has not worked as a share fisherman but has done other work, they may not be entitled to a £20 disregard.

134. If a share fisherman in receipt of JSA (IB) declares work other than share fishing, take action as for any other claimant with part time work.

See DMG Volume 5, chapter 27 Share fishermen

Claimant declares they have done work as share fisherman

135. If a claimant declares they have worked as a share fisherman:

Step	Action
1	make sure that they have completed a Declaration of work form B7. If there is any doubt about whether work can be

	accepted as work as a share fisherman, refer the case to the Decision Maker (DM);
2	for any periods in the week that they were not working as a share fisherman, the DM will consider the: additional condition; further condition;
3	if the work is acceptable as share fisherman work, take action depending on whether they are receiving: JSA (C); JSA (IB).

Share fisherman receives JSA (C)

136. If the share fisherman receives JSA (C):

- complete form DMA1 with details of the share fisherman's earnings; and
- refer all details with the share fisherman's claim to the Decision Maker (DM) to consider the share fisherman's earnings.

See DMG Volume 5, chapter 27, self employed earners and share fishermen

137. When the claim is returned:

Step	Action
1	assess dialogue JA060: Register Claim/Event and register a change in circumstances.
2	access dialogue JA095: Current Work, RECORD CURRENT WORK DETAILS screen JA095109 and input the share fisherman's earnings from share fishing for each benefit week as calculated by the DM;
3	access dialogue JA200: Award and Decision and decide on the changes you have made;
4	access dialogue JA470: Attendance and confirm share fisherman has attended.

Share fisherman receives JSA (IB)

138. If the share fisherman receives JSA (IB):

- complete form DMA1 with details of the share fisherman's earnings; and
- refer all details with the share fisherman's claim to the Decision Maker (DM) to consider the share fisherman's earnings.

139. When the claim is returned from the DM, the action taken depends on whether the share fisherman has worked on average:

- 16 hours or more a week;
- less than 16 hours a week.

Share fisherman has worked 16 hours or more a week

140. If the share fisherman has worked 16 hours or more on average a week, they are excluded from receiving JSA (IB). In these circumstances, check if the share fisherman can receive JSA(C).

Share fisherman has worked less than 16 hours a week

141. When the claim is returned from the DM:

Step	Action
1	assess dialogue JA060: Register Claim/Event and register a change in circumstances.
2	access dialogue JA091: Maintain Claim Details, JA091006 Current Work and input the share fisherman's earnings from share fishing for each benefit week as calculated by the DM;
3	access dialogue JA095: Current Work, RECORD CURRENT WORK DETAILS screen JA095109 and input the share fisherman's earnings from share fishing for each benefit week as calculated by the DM;
4	access dialogue JA200: Award and Decision and decide on the changes;
5	access dialogue JA470: Attendance and confirm share fisherman has attended.

Claimant stops being a share fisherman

142. If a claimant reports that they are no longer a share fisherman:

Step	Action
1	take a statement from the claimant confirming that they are no longer a share fisherman and the date they finished;
2	contact the managing owner of the boat to confirm the claimant's statement;
3	refer the claim to the Decision Maker;
4	when the Decision Maker returns the claim, complete and send form P181 to the tax office for the claim period up to and including the claimant's last day of claim as a share fisherman.

143. When a claimant stops being a share fisherman, it is not possible to access dialogue JA091: Maintain Claim Details, MAINTAIN CLAIM ADMINISTRATION DETAILS screen JA091004 to change the claim type in the 'Claim Type' field from [SHF] to [ORD].

144. In these cases the claim must be transferred to clerical and be rebuilt from clerical.

Action when work ends

Claimant finishes part-time work while claiming JSA

145. If a claimant finishes part-time work during the life of their JSA claim, the reason why the employment has ended must be established.

146. Where it is identified at the jobsearch review that the claimant has either left employment or been dismissed, the Jobcentre consider issuing form ES85 or ES84. See the Labour Market Conditions guide for further end of employment action.

147. If the claimant contacts the BDC to inform them that they have left employment or been dismissed, action the change of circumstance and tell the Jobcentre the work has ended. They will establish the reason the employment has ended and take any further action.

148. When the final earnings details are received at the BDC, normal attribution rules apply.
149. If the final earnings are within the agreed limits of the current average, then the current average remains in place until the attribution period has ended.
150. If the final payslip is higher or lower than the current amounts held in 'Current Work screen' then the final earnings are applied to the final period of attribution.
151. Notify the Jobcentre by email that the claimants part time work action is complete.