

Christian Workers – Finance for Living Series

Jobseeker's Allowance

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introduction

Jobseeker's Allowance is the main benefit that may be claimed if you are currently out of work and actively looking for work. The benefit is taxable, but the income related allowance (see below) is being phased out with the introduction of the Universal Credit. From October 2013, new claimants of Jobseekers Allowance will be among the first to receive the Universal Credit payment. Existing claimants will be migrated to the new Credit from April 2014.

Before looking in detail at the specifics of the benefit, it may be worth highlighting some areas which may have particular relevance to Christian workers.

volunteering

There is a popular myth which says that Jobseeker's Allowance cannot be claimed while volunteering, perhaps for a church or for another Christian organisation. Although there are certain rules that have to be followed (particularly regarding availability for work and the amount of expenses that can be claimed while volunteering), in general volunteering will not impact on the ability to claim Jobseeker's Allowance.

Please be aware, however, that choosing not to be paid for work is not the same as volunteering and may well restrict your ability to make a claim. This and other aspects about benefits and volunteering are covered in our paper entitled [volunteering while on benefits](#).

attending Bible college

Generally speaking those attending bible college will not be able to claim Jobseeker's Allowance (see education and training later in this paper).

going on short-term mission

The main criteria for claiming the benefit is to be actively looking for work and ready for work. A commitment to short-term mission (whether in the UK or overseas) means that these criteria are not fulfilled and as such no claim can be made.

supported by friends for ministry

Often, Christians who are supported by others to carry on ministry are categorised as self-employed. Being self-employed means that you are in work and therefore not able to claim Jobseeker's Allowance, although there may be other benefits that you are entitled to. See our briefing paper [a guide to the UK benefits system](#) for a better understanding of the implication of being supported by friends for ministry.

health warning

This paper was written in July 2013 during the 2013-2014 tax year. The rules described and the monetary values all relate to that period. Particularly in the light of the introduction of Universal Credit and certainly if you are claiming this allowance for the first time, should significant time have elapsed between then and now, we would strongly advise you to visit the HMRC's website to ensure that there have been no changes to the rules that would impact on your situation.



Also, because there are certain anomalies concerning the way that a Christian worker's income can be calculated we would recommend that you read our briefing paper [a guide to the UK benefits system](#) as a general introduction before starting this paper. Many Christian workers may not realise that if they are receiving gift income, they are actually self-employed.

the basics

There are two different types of Jobseeker's Allowance that may be claimed, and it may be that you are eligible under the rules for one or other. Each allowance pays the same amount and even in cases where you are eligible for both allowances, you will only receive one. The allowances are:

- Contribution based allowance – this is dependent upon the amount of National Insurance contributions that you have paid over the last two years although generally, self-employed contributions will not qualify. This part of the benefit can be paid for up to 182 days (6 months).
- Income based allowance – this is dependent upon the level of income and savings that you have. To qualify, you must have savings of less than £16,000 and income less than the 'applicable amount'. The applicable amount varies from person to person but represents the weekly income that the Government thinks that your household needs to live on. See appendix for how this is calculated.

A reduced benefit is paid once savings reach £6,000 (£1 for every £250 above £6,000) and once savings reach £16,000 per annum you can not normally claim income based Jobseeker's Allowance. There is no specified duration for the payment of this allowance.

When introduced, Universal Credit will replace the income based allowance, although the contribution based allowance will currently remain.

main criteria

The basic criteria necessary to make a claim for **either** type of Jobseeker's Allowance means that you must:

- Be actively looking for work (see Jobseeker's Agreement later)
- Be able to work for at least 40 hours per week
- Be over 18 but below the state pension age



- Have a Jobseeker's Agreement (see later)
- Not be in relevant education (see later)
- Live in Great Britain

In addition, for contribution based allowance you must have paid sufficient National Insurance or for income based allowance you must have savings of less than £16,000.

Only in exceptional cases will you be able to claim Jobseeker's Allowance without meeting all of these criteria. However, should you be in any doubt, or should you think that you are able to make a claim then you should contact your local Jobcentre Plus where you can submit a form to be excused from meeting all the rules for a period of time.

Jobseeker's Agreement

One of the criteria for receiving Jobseeker's Allowance is that you have a Jobseeker's Agreement. This is an agreement drawn up at a Jobcentre Plus and will contain the activities that you agree to do to help find work. You will be required to meet regularly with a Jobcentre Plus adviser to check that you are doing those things stated in the agreement and that you are still available to start work. If you do not do the things that you have agreed to, then you may no longer be considered as actively looking for work and may not be able to continue to claim the benefit.

During your regular visits you will be asked to sign a declaration stating that you have been looking for work and that you are still ready for work. This is generally referred to as signing on. Your situation and prospects will be discussed as part of this process.

ready for work

In general terms you must be ready to start work immediately. However, some people are allowed more time. For those:

- Involved in voluntary work or acting as a carer, you must be available to start work within one week but to attend an interview within 48 hours (see below)
- Working part-time, you must be able to start work immediately after the period of notice the law says that you must give to your current employer
- Providing a service (e.g. community service), you must be ready to start work in 24 hours

In situations where you are volunteering and by continuing to do so you would inhibit your ability to be ready for work, it would be wise to advise the church or other organisation that you are also seeking to claim Jobseeker's Allowance and that one of the conditions in claiming it is that you are available for work with only one week's notice. This may help to manage expectations and to avoid future misunderstandings or disappointments.

Volunteering in ways that do not inhibit your ability to be ready for work can be continued; for many Christians, working and volunteering is an accepted way of life. However, it may be problematic to claim that your Christian practices (including volunteering) are a 'good reason' for turning down a job opportunity (see later).

education and training

Jobseeker's Allowance is not available if you are under 20 and at school or college. Also, most full-time students at college or university can't claim Jobseeker's Allowance, the main exception being students that have responsibility for children who may be able to claim during the summer holidays.

In general, distance learning will not restrict your ability to claim Jobseeker's Allowance, so long as you only need to attend the institution for residential courses for short and specified periods. However, attending college on a regular part-time basis (e.g. one day a week) is likely to mean that you are not available for work and as such may not be able to claim. As most Bible college courses require a continuing and regular commitment, this would rule out being able to claim for Jobseeker's Allowance.

The benefit advisers at Jobcentre Plus will be able to assist you in determining whether your particular course will mean that you are able to claim this benefit.

Attending short training courses for up to two weeks per year should not make any difference to your claim, but make sure that you inform the benefits adviser at Jobcentre Plus before you commit to the course. It may prove to be more costly than first thought if it results in a loss of this benefit.

what may stop you from claiming the benefit?

There are certain situations, or actions that you may initiate that may stop you from continuing to claim this benefit.

- If you left your job without 'just cause'. This will be a matter for the Jobcentre Plus to rule on and they may contact your previous employer in this regards. If it is decided that you have left without "just cause" then the benefit may be stopped for between 1 week and 26 weeks.
- If you were dismissed. Both you and your employer will be able to comment on the reasons as to why you were dismissed. If Jobcentre Plus decides that this was because of your own actions benefits may be stopped for between 1 and 26 weeks.
- If you no longer meet any of the main criteria – e.g. not being available for work. In certain circumstances e.g. an emergency, you may be excused from meeting all of the rules. You should discuss this with a benefits adviser at Jobcentre Plus.
- If you turn down work or training or leave it without good reason. Turning down a job because it clashes with church activities may not be considered a 'good reason'. As part of the initial interview with the benefits adviser it may be worth exploring the extent to which your Christian commitments can be accommodated.

- Jobseeker's Allowance is not payable once you reach State Pension Age (please note that for women this is currently increasing to 65 by November 2018, after which time it is set to increase for both men and women to 66 in October 2020).

If you are currently in work, serious consideration should be given before deciding to leave that job without having another to go to. Unless you can demonstrate that you have 'just cause', there is a possibility that Jobseeker's Allowance may not be available.

special or unusual situations

In a paper of this size, it is not possible to cover each and every set of circumstances. If your particular circumstances are not covered by any of the situations outlined or you remain uncertain regarding whether you may be entitled to claim this benefit, then please contact your local Jobcentre Plus who will be able to look at your particular circumstances and offer specific tailored advice.

Whatever your future plans, explaining these to a Jobcentre Plus adviser before you embark on them will go a long way towards ensuring that you do not inadvertently lose the ability to make a claim for this allowance.

single or joint claim?

If you and your partner (that is spouse or civil partner, or anyone living as if they are your spouse or civil partner) are both out of work, there may be times when you need to make a joint claim for Jobseeker's Allowance. In a joint claim **both of you** must meet all of the rules for getting the income-based allowance.

You must make a joint claim if:

- You are part of a couple claiming Jobseeker's Allowance
- At least one of you is over 18
- Both are under state retirement age
- Neither have dependent children

In cases where initially only one person is making a claim because the other is working, but subsequently both partners seek to make a claim, these should be treated as a joint claim rather than as two single claims.

Both parties in a joint claim should meet the rules and being do their best to find employment. Generally, the other rules about signing on and being excused from meeting all the necessary criteria remain the same. If you are in a fluid situation, speaking to an advisor at Jobcentre Plus is always advisable.



under 18

There are exceptional circumstances where you may be able to claim Jobseeker's Allowance for a short period of time even if you are below the age of 18. If you think that you may be eligible then you should check with a Jobcentre Plus.

how to claim

Claims can be made on-line or in person at a Jobcentre Plus. It will take about 45 minutes to apply on-line and you will require your National Insurance number and your financial, employment and education details.

further information

For more information about claiming Jobseeker's Allowance please see the following:

Jobcentre Plus

Search online or use a local telephone directory for contact detail of your local office.

Directgov websites

For more information on the prevailing rules and criteria.

www.direct.gov.uk/benefits

Department of work and pensions

For guide for claiming Jobseeker's Allowance

www.direct.gov.uk/prod_consum_dg/groups/dg_digitalassets/@dg/@en/@benefits/documents/digitalasset/dg_199994.pdf

The Finance for Living series of papers forms part of Stewardship's resources for Christian Workers. With contributions from a panel of advisors each of whom has significant experience within the area of mission, the series draws on their expertise to offer biblical teaching and practical guidance on issues affecting those living on personal financial support. The papers are available to download from the Stewardship website see <http://www.stewardship.org.uk/christian-workers>

This paper has been written by Alan Hough and edited by Stewardship. Alan has a background in corporate finance, compliance and risk alongside that of church leadership and trusteeship.

If you have any questions or comments arising from the material presented here, you can contact us at education@stewardship.org.uk or by telephone on 0208 502 8585.



appendix: calculation of 'applicable amount'

The applicable amount is made up of two parts. Personal allowances that apply to each person in your household and premiums which take account of the circumstances of those living in your household. Premiums are designed to cover additional living costs caused by age, disability, or the cost of having children. Some premiums can be added on-top of each other, whilst others overlap and only the higher premium can be used.

This calculation is not straightforward and we would suggest that you speak with an adviser at Jobcentre Plus to ensure that your applicable amount is properly worked out. If this is not calculated correctly, the amount that you receive by way of Jobseekers' Allowance may also be incorrect.

Personal allowances figures for the 2013/14 are set out below.

April 2013/2014 personal allowance figures

people under Pension Credit age	
Single aged 18 – 24	£56.80
25 or over	£71.70
Lone parent (18 years or over)	£71.70
Couple (one or both 18 years or over)	£112.55
Each child from birth to day before 20th birthday	£65.62
people who are Pension Credit age	
Single aged 60 – 64	£145.40
Lone parent aged 60 – 64	£145.40
Single aged 65 or over	£163.50
Lone parent aged 65 or over	£163.50
Couple where one or both are aged 60 or over but under 65	£222.05
Couple where one or both of you are aged 65 or over	£244.95