

I have been made redundant. Should I claim New-Style Jobseeker's Allowance?

New-Style Jobseeker's Allowance (NSJSA) can be claimed whether or not you also make a claim for Universal Credit. NSJSA is a contribution-based benefit paid to jobseekers who are available for and actively seeking work. NSJSA can be paid for up to 26 weeks. You must meet the National Insurance contribution conditions. If you have been employed for the last two complete tax years this is likely to be the case. You can receive NSJSA even if you have savings over £16,000 or if you have a partner who is still working.

NSJSA is awarded if you are available for and actively seeking work. The government introduced legislation that meant that a work-search requirement or a requirement to take up work immediately would not be imposed because of the coronavirus crisis. This relaxation was in place for 3 months from the 30th of March 2020 but is no longer in place from 1 July 2020.

There are many circumstances in which both NSJSA and a means tested 'top-up' of Universal Credit (UC) can be paid together, for instance when the claimant is living with a partner and/or child or where there are housing costs which can be included in the UC claim. NSJSA payments will count as unearned income in a Universal Credit calculation. This means it will reduce the award of UC pound for pound. You will not be better off by claiming NSJSA, but you can be paid 2-weekly rather than monthly in arrears and you will get a class 1 National Insurance credit rather than the class 3 NI credit granted as a result of a UC claim. Class 1 contributions can help with other working age benefit claims in the future, unlike class 3 contributions. If you are not claiming UC, or cannot claim because your savings are above £16,000, or your partner's earnings take you out of UC entitlement, NSJSA will give you additional income. See above for more information on Universal Credit.

If your employer is insolvent you can find information here: <https://www.gov.uk/your-rights-if-your-employer-is-insolvent>

<https://www.citizensadvice.org.uk/> For online advice and details of local phone and webchat services

<https://www.understandinguniversalcredit.gov.uk/coronavirus/> Government information pages

<https://www.entitledto.co.uk/> Online benefit calculator

<https://benefits-calculator.turn2us.org.uk/AboutYou> Online benefit calculator

This information was correct on 7 August 2020