Surplus, fluctuating and irregular earnings plus payment cycles

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Surplus earnings
When an award ends due to earnings from employment or self-employment (or a combination of both), an amount of those earnings may be taken into account on a reclaim to Universal Credit. This amount is called surplus earnings.

The amount of earnings considered surplus are those over the amount to nil the award plus £2,500 per month. This is referred to as the ‘de minimis’.

Surplus earnings are only taken into account on reclaims - not new claims. They are taken into account the next time the claimant claims during the reclaim period and are not eroded if no claim is made.

Claimant separates from a partner
When a couple separate, any surplus earnings will be divided equally between them.

When they reclaim either as a single person, or as part of a new joint claim, the surplus earnings apportioned to them individually are taken into account.

Fluctuating earnings
There is no averaging or attribution of fluctuating earnings across an assessment period.

The earnings calculation is based on the actual amount reported in respect of that assessment period.

Once earnings are taken into account, the correct regime that applies to the claimant is automatically calculated. For further information, see Labour Market regimes.
Irregular earnings

Irregular earnings are taken into account in the assessment period in which they are received by DWP. This includes earnings from seasonal work.

Where more than one amount is received the total of all net self-reported and Real Time Information (RTI) reported earnings are taken into account. This can be where the claimant has more than one job.

If the earnings increase to a level that reduces the Universal Credit to nil, the claim is closed.

If the claimant reclaims Universal Credit within six months of their last Universal Credit entitlement ending, any surplus earnings may be taken into account on the new award.

For further information, see Surplus earnings and Reclaims.

Late, missing and incorrect payments

Where an employer reports the earnings information late, incorrectly or it is missing, it is taken into account on an award for Universal Credit when it is reported to DWP.

This means earnings information relating to one assessment period may be received in a following assessment period. This may lead claimants to query their earnings calculation when they have evidence showing they were paid differently to the information received via RTI.

These cases are not referred to the RTI Support team where the query relates solely to the payment date.

For further information, see Real time information.

Earnings not paid monthly/difference in pay date

If claimants are paid weekly, fortnightly, or every four weeks - there are assessment periods throughout the year where an extra set of earnings are received and taken into account.

This may apply to claimants who are paid monthly but not on the same calendar date each month, for example - the last banking date for the month.

Earnings paid every 4 weeks

In a 12 month period there can be two wage payments received within an assessment period. This can only occur once.
### Earnings paid every 2 weeks

In a 12 month period there can be three wage payments received within an assessment period. This can only occur twice.

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### Earnings paid every week

In a 12 month period there can be five wage payments received within an assessment period. This can only occur four times.

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### Decreased earnings

Where a claimant’s earnings decrease because of:

- a trade dispute - the level of earnings they would have had if they had not been involved in a trade dispute is taken into account.
- an unpaid absence/any reason other than trade dispute - the lower amount of earnings is taken into account