

Gainfully self-employed lead carers with youngest child aged 3-12 (increase in expected hours)

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Introduction

The level of the Minimum Income Floor (MIF) for gainfully self-employed lead carers of children aged 3-12 has increased from a maximum of 16 or 25 hours up to a maximum of 30 hours per week.

The level of MIF should continue to be tailored to the claimant's individual circumstances to ensure it remains reasonable. This includes considering the local availability of childcare and travel time. A 30-hour MIF may not be appropriate for every claimant; in these situations, a lower level of MIF should be used.

Tailoring example

Claimant found newly gainfully self-employed from 31 January 2024:

- Minimum Income Floor of up to a maximum of 30 hours
- Childcare place available for maximum of 25 hours including travel time
- MIF will be tailored to 25 hours.

If the MIF has been tailored for the lead carer of a child aged 3-4, an appointment to review the level of the MIF should be booked following the child's 5th birthday. This is to review the claimant's circumstances as the child should be attending school and therefore childcare may no longer be a barrier to the claimant working on their self-employment.

Lead carers found gainfully self-employed from 31 January 2024

Any lead carers of children aged 3-12 found gainfully self-employed from the 31 January 2024 will have a Minimum Income Floor of up to a maximum of 30 hours.

This reflects the fact the MIF is based on what a person in employed work in similar circumstances to the claimant could be expected to earn at minimum/living wage for their age. The number of hours lead carers of children aged 3-12 can be expected to look for and be available for employed work has already increased.

For more information see [Work-related requirements for claimants with children: Guidance](#).

Examples of applying the MIF to lead carers found gainfully self-employed from 31 January 2024

1. Claimant found newly gainfully self-employed from 31 January 2024 and not eligible for a start-up period:

- An (up to) 30-hour MIF will be applied to the claim straightaway.

2. Claimant found newly gainfully self-employed from 31 January 2024 and eligible for a start-up period:

- Will be given a 12-month start-up period with a MIF set at (up to) 30 hours.

Lead carers found gainfully self-employed before 31 January 2024

Any lead carers of children aged 3-12 found gainfully self-employed before 31 January 2024 (including those already in a start-up period) will not immediately be affected by this change. They will receive an automated journal message explaining that they will need to attend an appointment from February 2025 onwards where their MIF will be reviewed and increased.

MIF already applied

If the claimant has had a MIF applied at 16 hours due to their child's age, and their child turns 5 before February 2025, the MIF should be reviewed and increased up to the previous level of 25 hours.

Example

Found gainfully self-employed from July 2023, child's age is 4. Claimant's MIF is applied at 16 hours. Child turns 5 in September 2024

- Claimant must attend an appointment following their child's 5th birthday to increase the MIF up to the previous 25 hour level.
- Claimant also attends an appointment from February 2025 to review and increase their MIF up to a maximum of 30 hours per week following this appointment.

Claimants in a start-up period

If the claimant is in a start-up period and it ends before January 2025, including where there has been a reclaim, this will end as planned and the original MIF agreed at their Gateway Interview will be applied, such as 16 or 25 hours per week. Their MIF will then be reviewed and increased in 2025.

Example 1: Claimant already in a start-up period before 31 January 2024

Found gainfully self-employed from July 2023, MIF of 16 hours per week agreed, Start-up ends July 2024, and 16-hour MIF is applied.

- Attends an appointment from February 2025 to discuss increase to their MIF.
- MIF is increased up to a maximum of 30 hours per week following this appointment.

Example 2: Claimant already in the start-up period, claim ends and they reclaim

Found gainfully self-employed from July 2023, in start-up period, MIF of 16 hours per week agreed. The claim ends March 2024 and the claimant then reclaims April 2024. The balance of the start-up period applied and ends July 2024, MIF applied at 16 hours per week.

- Attends an appointment from February 2025 to review the level of their MIF.
- MIF is increased up to a maximum of 30 hours per week following this appointment.

Self-employment reviews

Self-employment reviews should continue to be used to discuss with the claimant what their MIF will be at the end of their start up period.

As part of these reviews, claimants must be prompted to make use of childcare offers that are available to them.

The level of the MIF should continue to be reviewed for all lead carers when their youngest child turns 5. For claimants whose youngest child turns 5 before February 2025, they must attend a self-employment review to increase the level of the MIF up to the previous 25-hour level. They will then have the level of the MIF reviewed again, from February 2025, like all other gainfully self-employed lead carers affected by this change.

Further guidance will be provided to support agents taking action to review the MIF from February 2025 onwards.