

Benefits Series

Benefits and Work

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Please see our website for up-to-date information: www.downs-syndrome.org.uk

If you have concerns, please ring the DSA's Benefits Adviser: Helen Wild

Mon & Thurs 10am-4pm Tues & Weds 10am-12.30pm | Telephone: 0333 1212 300

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This is intended as a brief guide for those currently in receipt of;

- Employment and Support Allowance (ESA)*
- Incapacity Benefit (IB)*
- Severe Disablement Allowance (SDA)*
- Income Support (IS)*
- Universal credit (UC)

*Known as legacy benefits

Universal Credit (UC)

Universal Credit is a top up benefit providing extra income for low paid work. UC has replaced the working age means tested benefits listed above. It is paid to people who are both in and out of work.

For people who are in receipt of a disability benefit such as DLA or PIP, you can ask to have a work capability assessment (WCA).

How do I request a work capability assessment?

You will need to send in a note from your GP to start the process. You can do this as soon as you apply for UC. This will trigger a form called UC50 in which you will be asked about your work ability, both physically and cognitively. You may also be asked to have an assessment which could be at an assessment centre or over the phone.

From this assessment, if you are assessed as having **limited capability for work (LCW) or work-related activity (LCWRA)** you will have a work allowance applied and you will be able

to keep more of your earnings. There is a lower limit for those who receive housing costs in their benefit and a higher amount for those who do not.

If you are assessed as LCWRA, you will also receive an additional £416.19 per month on top of your standard personal amount.

Does UC have permitted work like ESA?

UC has different rules to ESA concerning work, and permitted work isn't a feature. You will not need a PW1 form as you do with ESA.

Currently, permitted work higher limit allows earnings up-to £183.50 per week.

How your earnings affects UC

The work allowance explained above, allows people who have been assessed as having a "limited capability for work" to keep more of the money they earn before it affects their benefit. The work capability assessment (WCA) that determines this may have already been carried out during an old ESA claim or during a UC claim if a note from the GP is sent in.

- The 'Higher Work Allowance' allows earnings up to £673 per month. It applies to those who do not receive a housing cost element in their calculation
- The 'Lower Work Allowance' allows earnings up to £404 per month. It applies to those who receive housing costs (2024-25 rates)

You can earn the amounts above every month before a deduction taper starts to be applied. The taper reduces your UC by 55p for every £1 earned over these work allowance amounts.

Eventually everyone on means tested benefit will be moved on to Universal Credit. There will be transitional protection for those moved onto UC by DWP (managed migration) which should ensure that existing claimants are not worse off moving from ESA to Universal Credit.

Personal Independence payment (PIP)

Adult Disability Payment (ADP) Scotland

Personal Independence payment (PIP) and Adult Disability payment are tax free, non-means tested benefits that can be paid to those of working age. It replaced DLA for people aged 16-65. Neither are means tested, and can be paid regardless of income, savings or your national insurance contribution record.

You can get PIP/ADP even if you are working or studying. Receiving PIP/ADP can increase some of the other benefits you receive as it attracts other premiums and amounts.

Legacy benefits (see list above *) and Permitted work

This does not apply to Universal Credit.

If you undertake any work, whether paid or not, you are treated as being capable of work.

Some types of work are exempt under ESA, IB, IS and SDA rules. This type of work is called **Permitted Work**.

Please contact DWP first to make sure the work you want to do can be classed as supported/permitted work if you are claiming any of the legacy benefits.

You should contact DWP on 0800 169 0310 if you are on a legacy benefit such as ESA and you want to do permitted work.

DWP will decide if you meet the permitted work conditions. If you do any kind of work that doesn't meet the conditions, you could lose your benefit.

You can fill in a PW1 and send it to the Job Centre Plus office that deals with your benefit as soon as possible after starting work. The quickest and easiest way to get a copy of the PW1 is to visit www.gov.uk and search for PW1. You can also call Job Centre Plus on 0800 169 0310.

Doing any kind of permitted work will not affect any Personal Independence Payment (PIP) or Disability Living Allowance (DLA) that you receive, however starting a job may suggest to the DWP that your care and mobility needs have changed so there is a chance DLA/PIP may view it as a 'change of circumstances' and review your award.

You may find you require more help if you move into work.

There are three different kinds of permitted work for legacy benefit.

1. Permitted Work – lower limit

You are allowed to earn up to £20 per week before it affects your benefit (if you are on IS you need to qualify for the disability premium). There is no limit to how long you can do this work.

2. Permitted Work - higher limit

From April 2024, you can earn up to £183.50 weekly. This limit is generally increased each year. **Work hours are limited to less than 16 per week.**

If you have been placed in the Support Group of ESA or you claim Incapacity Benefit and are exempt from the Personal Capability Assessment (PCA), you are not limited with the length of time you are employed but you must keep your hours of work under 16 per week.

- Earnings up to £183.50 from permitted work will not affect benefit payment for those receiving Employment & Support Allowance (ESA) Incapacity Benefit (IB) and Severe Disablement Allowance (SDA).
- Earnings above £20 *will* affect those on IS and those receiving income support top ups with their Incapacity Benefit (IB) or Severe Disablement Allowance (SDA)

3. Supported Permitted Work

Supported permitted work is work carried out under the supervision of a person in a third sector or local authority organisation which arranges work opportunities for disabled people. The person finding the employment should provide face to face or telephone support.

Earnings can be no more than £183.50 per week, but you can work more than 16 hours.

You can undertake Supported Permitted Work if you are receiving Employment & Support Allowance (ESA) Incapacity Benefit (IB) and Severe Disablement Allowance (SDA) without it affecting your benefit.

- earnings from supported permitted work will not affect your benefit payment of Employment & Support Allowance (ESA) Incapacity Benefit (IB) and Severe Disablement Allowance (SDA) (if they remain below £183.50 per week)
- earnings above £20 will affect those on Income Support and those receiving income support top ups with their Incapacity Benefit (IB) or Severe Disablement Allowance (SDA).

Permitted work and Housing Benefit

If you receive Employment & Support Allowance (ESA) Incapacity Benefit (IB) and Severe Disablement Allowance (SDA) and receive housing benefit you can keep all your permitted work earnings. The earnings are disregarded for housing benefit calculations.

WorkFit and supported permitted work

WorkFit develops roles and work opportunities for people who have Down's syndrome. These opportunities can be volunteering, work experience placements, supported apprenticeships/internships and paid work. The WorkFit programme provides supported Permitted Work.

Always inform the Department for Work and Pensions (DWP) if you intend to start any work. If you are starting work via the WorkFit programme and you are receiving any legacy benefit, you must inform the DWP. The DWP will then send out a PW1 form which needs to be completed and signed by the candidate. You can also get a form via the Gov website.

For those who want to earn more or work more hours

For those doing permitted work intending to work for *more than 16 hours in paid employment*, or in those in supported permitted work earning *over £183.50 per week*, you will need to claim Universal Credit (UC) instead.

Check first before deciding what to do as Universal credit contains housing payments and if you are already in receipt of housing benefit you may be worse off moving over to UC. However, people in supported living should be able to stay on Housing benefit as 'specified accommodation' rules apply.

Voluntary Work

If you receive Incapacity Benefit (IB) or Severe Disablement Allowance (SDA) you can do voluntary work for anyone other than a close relative.

For those in receipt of Employment & Support Allowance (ESA) or Income Support (IS), you can do voluntary work for anyone other than a relative. There is no limit on the number of hours you can volunteer.

Universal Credit (UC) rules state that if you are required to look for work and you work as a volunteer, 50% of the hours spent doing voluntary work can offset the hours you are required to look for work. For example, someone doing voluntary work for 35 hours a week would be required to search for paid work for 17.5 hours per week.

*Many of our members will not be required to look for work because they have been found to have **limited capability for work** after having a work capability assessment (WCA) and therefore there is no work conditionality attached to their claim.*

Access to Work (ATW) Scheme – help when you are in work:

This scheme provides advice to help overcome difficulties in the workplace. It can also give grants toward any extra employment cost your employer may incur as a result of your disability. Go to www.gov.uk and search for Access to Work. There is an eligibility checker.

If you are claiming ESA you can only get help from Access to work if you are doing permitted work.

Please note the following points:

- It is only available to those in paid employment.
- You can apply for up to 100% of approved fares to work if you are unable to use public transport.
- You can also apply for financial support to cover the cost of a Job Coach to help you in the workplace.
- There is no limit on the number of hours a person must work to receive ATW.
- The grant is allocated for that support for a period of time. Minimum period is 1 year, and the maximum period is 5 years. If that time has elapsed and there is still support needed, they would need to re-apply and re-assessed.

You can contact access to work at:

Telephone: 0800 121 7479

Textphone: 0800 121 7579

To be eligible for the ATW grant you must be:

- In paid employment or self-employment, or with a confirmed start date, and:
- have a disability or health condition which affects your ability to work
- be aged 16 or over
- live and work in England, Scotland or Wales

An application form will be completed over the phone or online. This can be done by a parent or carer with the person's consent.

For people living in Northern Ireland, please visit

<https://www.nidirect.gov.uk/articles/access-work-practical-help-work>.

The following questions will be asked:

- Name of the candidate
- NI number
- Home address
- Disability description
- How much do they earn? (must be national minimum wage-you can find this on the HMRC website)
- What is their job?
- Who is their employer? (name and contact details)
- How many hours do they work?
- What support do they require?
- Whether the candidate's benefits will continue through employment

The Job Centre Plus will send the form to the home address to be signed and will need to be sent back to the Job Centre Plus.

An ATW Advisor will be allocated within 24 hours. They will be in contact to go through the application and do an assessment either over the phone or at the place of work. At this stage you can ask the advisor how long the process will take.

After the assessment is completed the advisor will put forward the next steps.

As ATW is a grant it should not affect the means tested element on benefits.

Time period for the whole process is unknown and will vary with each individual case.

What to do if you are no longer working?

If the person can no longer work, there is a requirement to let DWP know. This will not affect their benefit if the work they have been doing is permitted work. However, if they receive Tax Credits you should inform their designated tax office (HMRC) that they are no longer working as they will have to claim Universal Credit (UC) instead. Universal Credit should be adjusted accordingly but you must tell them about the circumstances.

Frequently Asked Questions

My son is going to claim UC and lives with us. Will this affect his or our benefits?

You will each have separate claims. Savings you have as a couple would not affect your son's claim. Once he claims UC, child benefit or any amount you get for him in your claim will end.

My daughter claims ESA and has limited capability for work, does this mean she cannot work?

Your daughter can stay on ESA and undertake permitted work. She can earn up to £183.50 per week.

Those in the support group have a choice of either-

Supported permitted work for as many hours as they want if earnings are no more than £183.50 per week or-

Permitted work with the higher limit for an unlimited period, if earnings are no more than £183.50 per week and working hours are under 16 per week.

My 30 year old daughter who lives with us, has been given the opportunity to increase her hours and as a result her wage will increase to £190 per week. She is currently on ESA.

Your daughter will earn too much for the ESA permitted work rules and she will have to claim Universal Credit. With UC, she will have a work allowance of £673 per month and her earnings up to this amount will not affect her benefit.

As her monthly earnings will now be £150 over the work allowance of £673, this extra £150 is subject to the earnings deduction taper of 55p. $(150 \times 55p) = £82.68$ reduction from her total UC award.

Her UC amount is £393.45 plus £416.19 for LCWRA, (totaling 809.64), she will now have a deduction of £82.68 (amount subject to earnings taper) leaving her with £726.96 Universal Credit plus her wage of £823 per month – Total £1549.96 monthly.

Contact us

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