

A person's earnings from permitted work are taken into account after deducting income tax, national insurance contributions, half the contribution to an occupational or personal pension scheme, and limited child care charges (for children under eleven) if these are paid to a registered child minder or to a school or local authority for care out of school hours. Earnings do not include expenses exclusively incurred for work, but do include expenses such as normal travel costs from home. If the person's earnings fluctuate or are paid as a lump sum, it may be appropriate to average the earnings over a specified period. A self-employed person's earnings are normally averaged over a period of one year.

There are rules about informing the DWP about permitted work:

[http://www.jobcentreplus.gov.uk/JCP/stellent/groups/c/p/documents/webcontent/dev\\_015480.pdf](http://www.jobcentreplus.gov.uk/JCP/stellent/groups/c/p/documents/webcontent/dev_015480.pdf)  
Form PW1

[http://www.dwp.gov.uk/advisers/claimforms/pw1\\_print.pdf](http://www.dwp.gov.uk/advisers/claimforms/pw1_print.pdf) can be used before the work has been started or as soon after the start date as possible. It is a relevant change of circumstances and failure to report it may lead to overpayment of benefit. The DWP will make a written decision about whether the work is permitted work within the regulations. If the decision is adverse it should be disputed or appealed within one calendar month from the date the decision was given or sent to the person (on any ground). The time limit may be extended by 14 days if a written statement of reasons is requested. If the written statement is requested and provided within the original one month period, the 14 days will run from the end of the one month period. If written reasons are provided after the original one month period, the 14 days will run from the date on which the written reasons were provided.

Permitted Work will not stop entitlement to DLA or limited capacity for work benefits unless it demonstrates that a person's care and/or mobility needs have lessened. DWP decision makers may take into account any activities undertaken as part of Permitted Work in any review of benefits.

## Linking rules

If you start work but then have to stop because of an illness or disability, you may be able to reclaim your previous rate of benefit under one of these linking rules:

a) 8 weeks: if your claim ends and you make a new claim within 8 weeks, you may be able to get the same amount of benefit as you were getting before.

b) 52 weeks: you must have been ill for 28 weeks (including SSP), you must have taken up work or training within 7 days of leaving benefit and must notify the office that pays your benefit that you have done this. Also, your claim must not have ended because you did not meet the threshold of incapacity when assessed.

c) 2 years: if you are getting the short term higher or long term rate of IB and you leave IB to go to work and claim the disabled element of Working Tax Credit, then reclaim benefit within 2 years, you may be able to get the same amount of Incapacity Benefit you were getting before. This also applies if you go on certain training schemes.

Similar linking rules will apply to people claiming ESA.

If you need more information and before starting work of any kind it is advisable to have a comprehensive benefit check. Use <http://www.citizensadvice.org.uk/> or <http://www.adviceuk.org.uk/> to find a source of benefits advice.

<http://www.appeals-service.gov.uk/> The Appeals Service

<http://www.benefitsnow.co.uk/>

<http://www.cpag.org.uk/> Child Poverty Action Group

<http://www.dwp.gov.uk/advisers/index.asp> Department of Work and Pensions advisers info

<http://www.disabilityalliance.org/benefits.htm> Disability Alliance

<http://www.rightsnet.org.uk/> A comprehensive website for welfare rights advisers; subscription to some areas but free access to others.

<http://www.youareable.com/> disability message board

<http://www.equalityhumanrights.com> disability discrimination info

<http://www.benefitsandwork.co.uk/> Benefits and Work: subscription to some areas but other free resources and information.

<http://www.jobcentreplus.gov.uk/JCP/Customers/Help/ForDisabledPeople/>

<http://www.hmrc.gov.uk/menus/credits.htm> HMRC Tax Credits website

<http://www.jobcentreplus.gov.uk/JCP/Customers/WorkinAgeBenefits/index.html> Jobcentre info

**Useful disability/benefits and work websites and information sources**

- work and earn no more than £20 a week, at any time. This is called the **Permitted Work Lower Limit** (PWLL). There is no time limit on how long a person can work under PWLL; **or**

- carry out **Supported Permitted Work** (SPW) and earn no more than £93 per week. SPW is work which is supervised by someone who is working for a local authority, public authority, or voluntary organisation, whose job it is to find work for people with disabilities. Work also counts as SPW if the client does it under medical supervision as part of a treatment programme while s/he is an in-patient in a hospital or similar institution or while s/he is going regularly to a hospital or similar institution as an out-patient; **or**

## **Benefit Information and Advice**

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*The information in this leaflet is summary information, accurate as at 26<sup>th</sup> October 2009. Further information should be sought by any patient or health professional, according to the particular facts and circumstances of a case.*

### **Incapacity Benefit (IB) and Income Support (IS) (on the grounds of incapacity for work)**

Existing claimants will retain these benefits but at some future point will be transferred to the Employment and Support Allowance. Job Centre Plus will inform claimants of any changes when the Government announces the starting date.

### **Employment and Support Allowance (ESA)**

If a person is employed when becoming sick it is likely that there will be an entitlement to Statutory Sick Pay (SSP) for up to 28 weeks. This may be added to by company sick pay if it is a contractual right. If not employed, or after 28 weeks ESA may be claimed. ESA is a new benefit paid if a person's ability to work is limited by ill health or disability and is making a new claim from 27 October 2008. It replaces both IB and IS paid on the grounds of incapacity. The assessment

usually takes place over 13 weeks, but can be longer, during which claimants undergo a work capability assessment and a work focused interview. People will be either assessed as needing 'support' or placed in a 'work-related activity group' and paid benefit accordingly. A person who is on NI credits only whose partner ceases work should be able to make a claim for Income Support rather than ESA.

See <http://www.disabilityalliance.org/esa.htm> and other information on that website for further details.

People with CFS may need particular advice in connection with ESA claims because of the fluctuating and 'invisible' nature of the condition.

### **Permitted work**

'Permitted work' is work that a person can do whilst receiving

- **IB; or**
- Severe disablement allowance (a residual group of people are entitled to this discontinued benefit); **or**
- **IS** on the grounds of incapacity for work; **or**
- **ESA or**
- National insurance credits on the grounds of incapacity for work; **or**
- Housing or council tax benefit with a disability premium.

Most people receiving any of the above benefits will be able to undertake a limited amount of work called 'permitted work' and still be treated as incapable of work. To continue to receive benefit under the permitted work rules, the person must:-

- work for less than 16 hours a week, on average, and earn no more than £93 a week. This is called the **Permitted Work Higher Limit** (PWHL). To qualify for PWHL, the person must do her/his work in a permitted work period (permitted work period means a 52-week period beginning on the first day on which the person worked for less than 16 hours a week on average, and earned no more than £93 a week); **or**

### **Tax Credits**

A person who is working over 16 hours and who has a physical or mental disability which puts him/her at a disadvantage in getting a job' may be entitled to Working Tax Credit with a disability element.

### **Disability Living Allowance (DLA)**

This is a benefit not based on NI contributions or income/savings but on the level of a person's care and mobility needs. It can be paid when someone is in work. Information about DLA can be found at:

[http://www.adviceguide.org.uk/index/life/benefits/benefits\\_for\\_people\\_who\\_are\\_sick\\_or\\_disabled.htm#disability\\_living\\_allowance](http://www.adviceguide.org.uk/index/life/benefits/benefits_for_people_who_are_sick_or_disabled.htm#disability_living_allowance)