

## Benefits and Tax Credits

### What money can I get if I become unable to work?

The main benefits that you need to know about are Statutory Sick Pay, Employment and Support Allowance, Income Support, Universal Credit, and Industrial Injuries Disablement Benefit.

#### ● Statutory Sick Pay (SSP)

If you are employed and earn at least £112.00 a week before tax, you usually get £88.45 a week SSP, which can last up to 28 weeks. It applies when you have been off sick for at least four days in a row.

Periods of illness with eight weeks or less at work between them count as one in order to qualify for SSP.

If you are still off sick after receiving SSP for 28 weeks, or your employer no longer has an obligation to pay you SSP because your contract has been ended, you may get Employment and Support Allowance instead. Your employer should be able to give you a changeover claim form (DWP form SSP1).

Unemployed and self-employed people are not covered by SSP. If you cannot get SSP, claim Employment and Support Allowance instead.

**Claiming SSP** – you need to notify your employer that you're off sick and may be asked to provide evidence that you are

**People with ME/CFS often ask The ME Association for information about benefits.**

**The first thing to remember is that you probably won't get benefits just because you have ME/CFS. In most cases, you will have to show how your illness has had a disabling impact on the way you live your life.**

not capable of work. But an employer cannot ask for a doctor's certificate – nowadays called a 'fit note' – for the first seven days. SSP will be paid in the same way as you receive your wages.

#### ● Employment and Support Allowance

##### *What is it?*

The Employment and Support Allowance (ESA) is the name of a benefit that was introduced in October 2008. It replaced both Incapacity Benefit and Income Support for people who are incapable of work.

ESA claimants are divided into three groups: an Assessment Group; a Work-Related Activity Group and a Support Group.

##### *Who will be in the Assessment Group?*

All claimants who are eligible for ESA will be in the Assessment Group for the first 13 weeks of their claim. Eligibility for this group is based on fit notes and either having paid enough National Insurance contributions or passing a means test.

##### *Who will be in the Work-Related Activity Group?*

After the 13-week assessment period, the vast majority of claimants who pass the assessment will be placed in the Work-Related Activity Group and receive an additional amount of ESA which should raise their income to above the current level of incapacity benefit.

Members of this group will have to attend work-focused interviews and draw up an action plan setting out the steps they are willing to take towards moving into work. Failure to do so will result in cuts in their benefits.

Although actually undertaking work-related activities and taking part in condition management programmes will not be compulsory initially under ESA, the government has indicated that it will consider making such activities compulsory in a few years' time.

##### *Who will be in the Support Group?*

A much smaller number of the most severely disabled

claimants will be put in the Support Group. Claimants in this group are paid at a higher rate than those in the Work-Related Activity Group and they will not have to do anything in return for their benefit.

### ***Is that the only main difference?***

No! One other major change under ESA is that the test of whether you are incapable of work has been renamed the Work Capability Assessment and made much harder to pass.

The physical health test has been tightened up, with many fewer opportunities to score points.

The mental health test has been rewritten completely and will also be very much harder to pass.

There will be no exemptions from the test except for terminally-ill people, some pregnant women and people receiving chemotherapy.

**ESA Helpline: 0800 555 6688 (Welsh language: 0800 012 1888).**

## ● **Personal Independence Payment (PIP)**

Personal Independence Payment (PIP) is a new benefit for people who need help taking part in everyday life or who find it difficult to get around. It replaces Disability Living Allowance (DLA) for people between the ages of 16 and 64 inclusive.

PIP is tax-free and you do not need to have paid National Insurance contributions to qualify for it. It is not means-tested and is payable whether or not you are in work.

If awarded, you will receive between £21.80 and £139.75 a week to help cover the extra costs caused by your condition.

It can act as a 'passport' to other forms of benefit, such as the Motability Scheme.

PIP has two components – a

**daily living component** to help you take part in everyday life and **a mobility component**, to help you get around. You can be paid one or the other, or both.

### ***Are there age limits?***

You will not be able to make a first-time claim for PIP if you are already 65, but you can stay on it if you have claimed it or received it before reaching that age.

If you are aged 65 or over and you have care needs, you can claim Attendance Allowance instead. You cannot claim PIP if you are below the age of 16. If you have a child below that age with care needs or mobility problems, claim DLA instead.

### ***Being assessed for PIP***

You will need to take part in a PIP assessment test to find out whether you are entitled to be paid it and at what rate. In the assessment, you will be checked on your ability to perform certain tasks safely, to an acceptable standard, repeatedly and in a reasonable time.

Awards, where they are given, will be based on your individual circumstances. They will vary in length from short-term (one or two years) to long-term (five to 10 years), but they will be subject to review at any time.

The Department for Work and Pensions intends to have invited all existing DLA claimants to claim PIP instead by October 2017, and to have reassessed them for the new benefit by May 2018.

For general information about PIP, call 0800 917 2222

## ● **Income Support (IS)**

You can claim IS if you don't have to sign on for work, you work less than 16 hours a week, or if you are a carer or single parent.

You can't claim IS if you get Jobseekers Allowance or Employment and Support Allowance, have savings above £16,000 or need permission to enter the UK.

Income Support is a means-tested or income-related benefit that does not depend on National Insurance contributions. It is intended to provide for basic living expenses for you and your family.

It can be paid out on its own if you have no other income, or it can top up other benefits or earnings from part-time work to the basic amount that the law says you need to live on.

If you don't have much money coming in, it is always worth checking to see if you might qualify. IS has been replaced by Pension Credit for people aged 60 or over.

But you will not be able to claim IS if your partner works 24 hours or more a week.

IS can help towards mortgage interest payments and certain other housing costs. If you get IS, you may also get Housing Benefit and Council Tax Benefit to help with your rent and council tax. You won't have to go through a separate means test for these.

Getting IS may also entitle you to a range of other benefits including Free Prescriptions and Dental Treatment, Free School Meals and Help with Hospital Fares.

Different rules to claim IS apply in Northern Ireland.

## ● **Industrial Injuries Disablement Benefit**

You may be able to claim this benefit if you have been employed (but not self-employed) and become disabled because of an accident at work or if your disablement/illness has been caused by work.

The level of severity of your injury will affect how much you get. This will be assessed by a medical assessor on a scale of 1 to 100.

## What support can I get if I'm still able to do some work?

This section covers Jobseeker's Allowance, Working Tax Credit and the Permitted Work rules.

### ● Jobseeker's Allowance (JSA)

JSA is for people who are unemployed or working less than 16 hours a week and who are actively looking for work. It pays up to £57.90 (aged 18-24), £73.10 (25 and over) and £114.85 (couples, aged over 18) while you look for work.

There is contribution-based JSA, a personal flat-rate allowance based on your National Insurance contributions record (payable for up to six months and taxable), and there's income-based JSA – means-tested and taxable, which is paid if you have no income or low income, not more than £16,000 savings (£12,000 if you or your partner are aged 60 or over, and your partner is working less than 24 hours a week).

### ● Working Tax Credit (WTC)

WTC is a means-tested or income-related payment for those in low paid work. The basic amount of credit is up to £1,960 a year – you could get more (or less) depending on your circumstances and income.

The level that you are entitled to will be higher if you are disabled or have children. You may be able to claim this if you or your partner are in work at least 16 hours a week, and if you have at least one child or if you are disabled.

You may also be able to claim if you are aged 50 and over and have started work for at least 26 hours or more a week (having been out of work or off sick), or if you are aged 25 or over without children or a disability and you

work at least 30 hours a week.

Claim WRTC and Child Tax Credit (which we mention later) on the same form, TC600. If you're new to tax credits, contact the Tax Credit Helpline for a claim form. It takes up to two weeks to arrive.

If you're already claiming tax credits you don't need a claim form – just call the helpline to update your claim.

#### **Tax Credit Helpline**

Telephone: 0345 300 3900

WTC will normally be paid by your employer into your wage packet, except if there is a childcare element which will be paid to the main child carer, or directly into a bank if you are self-employed.

### ● Permitted Work

If you are getting Employment and Support Allowance (ESA), Incapacity Benefit (IB), Severe Disablement Allowance (SDA), National Insurance Credits or Income Support (IS) because of incapacity for work, you are allowed to do some Permitted Work.

You do not need the permission of a doctor to do Permitted Work but you should tell the Department for Work and Pensions (DWP) if you are working.

#### **Permitted work for those on ESA, Incapacity Benefit, Severe Disablement Allowance or National Insurance Credits**

You have a choice of Permitted Work options depending on your circumstances:

1. Permitted Work – under this option you can earn up to £20 a week for an unlimited period, or work for less than 16 hours a week and earn up to £107.50, for 52 weeks or less..

2. Supported Permitted Work – if you choose this work option you must be supervised by someone who is employed by a public or local authority or voluntary organisation which provides or

finds work for people with disabilities. You cannot earn more than £107.50. a week.

## What other benefits are available?

### ● Universal Credit

Universal Credit is a new benefit that has started to replace six existing benefits with a simpler, single monthly payment if you're out of work or on a low income.

It will eventually replace Income-based Jobseeker's Allowance, Income-related Employment and Support Allowance, Income Support, Working Tax Credit, Child Tax Credit and Housing Benefit.

Universal Credit was introduced on 29 April 2013 in selected areas of Greater Manchester and Cheshire, and it is now being rolled out in stages across the country.

At this time, your eligibility to claim Universal Credit depends on where you live and your personal circumstances.

If you already claim a benefit, you'll continue to do so as normal and you'll be told when Universal Credit will affect you.

Universal Credit will be gradually rolled out to the rest of the UK from October 2013 and will be completed by 2017.

#### **Making work pay**

There are no limits to the number of hours you can work a week. Your Universal Credit payment will reduce gradually as you earn more, so you won't lose all your benefits at once if you're on a low income.

How much you'll receive depends on your personal circumstances. Universal Credit will be paid on a monthly basis, and will include any support for housing costs you're entitled to.

#### **How you'll be paid**

Universal Credit is paid differently to current benefits. It'll be paid once a month into your

bank, building society or Post Office account.

Any help you get with your rent will be included with your Universal Credit payment and you'll then pay your landlord yourself.

**Universal Credit helpline:  
0845 600 0723**

### ● Attendance Allowance (AA)

AA is a tax-free benefit for people aged 65 and over who are physically or mentally disabled and need help with personal care or need supervision to remain safe. You do not actually have to be getting any help. It is the need that is relevant, not what help you get.

You must have been in need of care for six months before you award can begin, but you can make your claim before the six months are up.

AA can be paid in addition to almost any other benefit, such as state pension or pension credit.

The DWP may ask for a short report from your doctor, or another medical person you've named on the form. So make sure the doctor named knows all about your care and/or supervision needs before you apply.

#### **Cash benefits available as follows:**

Higher rate..... £82.30 pw  
Lower rate..... £55.10 pw

**Attendance Allowance helpline:  
0345 605 6055**

### ● Travel and parking concessions

If you receive some higher rate benefits, or are registered disabled, it is easier to get reduced fares on public transport and/or taxis, and a Blue Badge for disabled parking. The badge is awarded to the disabled person, not to the vehicle. Contact your local council to find out more.

### ● Road Tax Exemption

If you receive some higher rate benefits, you – or someone you nominate – can apply to be exempted from Vehicle Excise Duty (road tax). The vehicle is only exempt if used solely by or for the purposes of the disabled person.

### ● Child Tax Credit (CTC)

CTC is a payment for people responsible for children, whether they are in or out of work. Only one household can claim Child Tax Credit for a child.

### ● Motability Scheme

Help with getting a car, scooter or powered wheelchair if you get the higher rates of some benefits. Telephone the charity that runs this scheme on 0845 456 4566, or look them up on [www.gov.uk](http://www.gov.uk)

## FURTHER INFORMATION

### GOVERNMENT WEBSITE

The UK Government has an award-winning website – [www.gov.uk](http://www.gov.uk) – which carries full information about benefits and tax credits and how to claim them.

In many cases, the UK Government website carries individual benefit calculators which will help you work out how much you can claim.

Several agencies and local councils employ specialist benefits rights worker who can help with your claim, or advise about what to do if a claim is rejected or you do not received benefit at the level to which you think you are entitled.

**Your local CITIZENS ADVICE BUREAU (CAB)** may also be able to help. Check you local phone directory for contact details or go to their website to find the CAB closest to you, or go online at [www.citizensadvice.org.uk/index/getadvice.htm](http://www.citizensadvice.org.uk/index/getadvice.htm)

**BENEFITS AND WORK** is an independent, online benefits advice agency, which charges a small membership fee if you want to see the full range of their leaflets and information. [www.benefitsandwork.co.uk](http://www.benefitsandwork.co.uk)