

Changes To Contribution Based Employment Support Allowance Spring 2012

Citizens Advice EIS 9.7.0.5 (1.11.2011)

The government is proposing changes to contributory Employment and Support Allowance (ESA). These proposals are going through Parliament but are not yet law. If they become law, the changes will start in April 2012 at the earliest (later in Northern Ireland).

What are the proposed changes

The proposed changes are:

if you're in the Work-related Activity Group, the amount of time for which you can get contributory ESA will be limited to 12 months

If you're limited capability for work began in youth (before the age of 20 or, in some cases, before the age of 25), there will be no special conditions of entitlement.

What do the changes mean for you

If the changes become law and you're getting contributory ESA in the Work-related Activity Group, you'll lose your contributory ESA after 12 months. Time spent in the Support Group or breaks in your claim will not count towards the 12 months. Periods spent in the Work-related Activity Group will be added together.

If you have already been getting contributory ESA in the Work-related Activity Group for 12 months or more when the change comes in, your contributory ESA will stop immediately.

If you moved from Incapacity Benefit or Severe Disablement Allowance on to contributory ESA and you were placed in the Work-related Activity Group, your 12 months entitlement to contributory ESA will be calculated from the day you moved from your old benefit.

If your limited capability for work began in youth, you will have to meet the same national insurance conditions as everyone else when you make a new claim for contributory ESA. If you are placed in the Work-related Activity Group, your contributory ESA will be limited to 12 months.

If you're in the Support Group, your ESA will not be time limited.

If you're getting income-related ESA, your income-related ESA will not be time limited.

If you're in the Work-related Activity Group and getting both contributory and income-related ESA, the contributory element will stop after 12 months. Your income-related ESA will continue and be adjusted to cover the loss, provided your other income and your capital remain the same. If your income or capital changes, this may affect the amount of income-related ESA you get.

If you're in the Work-related Activity Group and you're getting contributory ESA but not income-related ESA, you may become eligible for income-related ESA when your contributory ESA stops. You will not need to make a new claim for this, but you may need to supply further information to the Department for Work and Pensions (DWP).

Income-related ESA is means tested, so the amount you get depends on your income and capital and on the income and capital of your partner, if you have one.

**If you require any additional information please call our
Telephone Gateway Service on
01772 424282**

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What to do now

You do not need to do anything to continue to receive your current benefit. If you receive ESA in the Work-related Activity Group, Jobcentre Plus will write to you about the proposals in the four weeks starting 19 September 2011. If the proposals become law, they will write to you again before the change takes effect.

If you might be eligible for income-related ESA when your contributory ESA stops, but you are not getting it now, make sure that you provide Jobcentre Plus with up-to-date details of your income and capital before the change takes effect. This will ensure that they have all the information that they need to transfer you on to income-related ESA when the time comes.

If you are getting contributory ESA in the Work-related Activity Group but you have a health condition that is getting worse, you might become eligible to be placed in the Support Group instead. This would mean that your contributory ESA would not be time limited. If you think this might apply to you, you would have to show that your health had got worse since the decision was made to place you in the Work-related Activity Group. You need to contact your local Jobcentre Plus office and ask for a review of your case, providing extra medical evidence. You may be asked to attend a further Work Capability Assessment.

If your income falls when your contributory ESA stops, you may become eligible for other means-tested benefits or an increase in these benefits if you are already getting them. For example, you may be able to claim more:

Housing Benefit
Council Tax Benefit
Working Tax Credit
Child Tax Credit
Pension Credit.

It would be in your best interest to get your benefit entitlement checked, you could arrange this by contacting Our Telephone Enquiry Line on 01772 424282, or alternatively Welfare Rights on 0845 053 0013 or Turn 2 Us on their free phone number 0808 802 2000

More information about the proposed changes can be found on Department for Work and Pensions website www.dwp.gov.uk

Please Note:

It is very important that if you are set to lose your payment of Employment Support Allowance that you factor this into your weekly budget, and seek appropriate budgeting or debt advice as soon as possible if you feel you will not be able to continue to meet any agreed repayments for monies borrowed.

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