

# Employment and support allowance (ESA) calculation sheet

9.7.2.5.

Extent: England, Wales, Scotland and N Ireland

February 2011

Client's name: \_\_\_\_\_

Date: \_\_\_\_\_

This should be used with 9.7.2.0. Calculating employment and support allowance (ESA). You may need to calculate a claimant's contributory ESA both in the first 13 weeks of a claim and for the period after the first 13 weeks. You may also need to calculate income-related ESA before and after the first 13 weeks. If so, use one copy of this sheet to calculate entitlement in the first 13 weeks, and another to calculate it after the first 13 weeks.



Linking rules may affect the date from which the first 13 weeks of an ESA claim start to run.

## Step 1: Calculate amount of contributory ESA

### Basic allowance

(Check if special rules affect basic allowance)

### Work-related activity component or support component

(after 13 weeks, or immediately if terminally ill or incapacity benefit or SDA is converted into contributory ESA)

### Transitional addition for contributory ESA



Only calculate this if incapacity benefit or SDA will be or has been converted into contributory ESA. In some cases, calculating the transitional addition involves using older benefit figures. Check 9.7.0.5. for which figures to use.

Transitional addition = basic allowance, plus work-related activity component or support component, minus incapacity benefit or SDA, depending on which the client is/was getting.

### Amount of transitional addition

Box 1

### Reduction in transitional addition

(Only relevant if benefit rates have increased after conversion - check 9.7.0.5. Not relevant if client gets incapacity benefit/SDA and you are calculating how much contributory ESA s/he will get on conversion).

Box 2

### Transitional addition minus reduction (Box 1 minus Box 2)

Box 3

### Subtotal

(Basic allowance, plus one of the components if applicable, plus transitional addition if applicable)

Box 4

### Deductions

(For example, occupational pension)

### Reduction in contributory ESA if claimant is sanctioned

### Contributory ESA

(Box 4 minus deductions and/or sanctions)

Box 5

**Step 2: Check capital against the upper capital limit for income-related ESA**

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If more than the upper limit, no income-related ESA payable.

**Step 3: Calculate applicable amount for income-related ESA**

**Personal allowance**

Single person, lone parent or couple

(Check age and whether special rules affect personal allowance)

**Premiums**

(Check whether special rules affect entitlement to premiums)

Pensioner

Carer

Enhanced disability

Severe disability

**Weekly eligible housing costs**

**Work-related activity component or support component**

(after 13 weeks or immediately if terminally ill or income support is converted into income-related ESA)

**Applicable amount**

(Personal allowance plus premium(s) plus housing costs plus one of the components if applicable)

**Box 6**

**Step 4: Calculate transitional addition for income-related ESA**



Only calculate this if client's income support will be or has been converted into income-related ESA. Go to step 5 if this does not apply. In some cases, calculating the transitional addition involves using older benefit figures. Check 9.7.0.5. for which figures to use.

Client's applicable amount for income support **Box 7**

Amount of any housing costs included in applicable amount **Box 8**

Any amounts for children included in applicable amount (only applies if client claimed income support before 6 April 2004) **Box 9**

**Adjusted income support figure** (Box 7 minus Box 8 minus Box 9) **Box 10**

Client's personal allowance for income-related ESA **Box 11**

Client's premiums for income-related ESA **Box 12**

Work-related activity component or support component **Box 13**

**Adjusted ESA figure** (Box 11 plus Box 12 plus Box 13) **Box 14**

If adjusted income support figure (Box 10) exceeds adjusted ESA figure (Box 14), transitional addition equals the difference between the two.

**Transitional addition** (Box 10 minus Box 14) **Box 15**

**Reduction in transitional addition** (only relevant if you are recalculating income-related ESA after conversion, for example, because of a change of circumstances, and benefit rates have increased since conversion – check 9.7.0.5.). **Box 16**

**Transitional addition minus any reduction** (Box 15 minus Box 16) **Box 17**

**Step 5: Calculate weekly income for income-related ESA**

**Net earnings**

Claimant

Partner

Minus disregards

**Benefits and tax credits**

Working tax credit

State retirement pension

Carer's allowance

Contributory ESA

Other benefits (check disregards)

**Maintenance payments other than child maintenance**

**Tariff income from capital**

**Notional income**

**Other income** (check disregards)

**Total weekly income**

**Box 18**

**Step 6: Amount of income-related ESA**

**If client gets or was getting income support and you are calculating how much income-related ESA s/he will get on or after conversion to income-related ESA, go to step 6a; or**

**If you are calculating income-related ESA for a client whose income support is not converted into income-related ESA, for example, a new ESA claimant in most cases, go to step 6b.**

**Step 6a: amount of income-related ESA on or after conversion from income support**



Only use step 6a if client gets or was getting income support and you are calculating how much income-related ESA s/he will get on or after conversion from income support to income-related ESA.

**Applicable amount**  
(figure from Box 6)

**Box 19**

**Total weekly income**  
(figure from Box 18)

**Box 20**

**Amount of income-related ESA**

(If income (Box 20) exceeds applicable amount (Box 19), and client is *not* entitled to a transitional addition (Box 17), no income-related ESA. If income (Box 20) exceeds applicable amount (Box 19), and client *is* entitled to a transitional addition (Box 17), income-related ESA = transitional addition (Box 17). Otherwise, income-related ESA = Box 19 *minus* Box 20 *plus* Box 17).

**Box 21**

**Reduction in income-related ESA if claimant is sanctioned**

**Box 22**

**Income-related ESA after any sanction**  
(Box 21 minus Box 22)

**Box 23**

**Step 6b: amount of income-related ESA if income support is not converted into ESA**



Only use this step if the claimant is not getting income-related ESA because of conversion from income support. This step applies to most new ESA claimants. However, if a claimant whose income support was converted into income-related ESA reclaims income-related ESA and becomes entitled to a transitional addition again, step 6a will apply to her/him instead. Check 9.7.0.5. for more information.

**Applicable amount**  
(figure from Box 6)

**Box 24**

**Total weekly income**  
(figure from Box 18)

**Box 25**

**Amount of income-related ESA**  
(Box 24 minus Box 25)

**Box 26**

**Reduction in income-related ESA if claimant is sanctioned**

**Box 27**

**Income-related ESA after any sanction**  
(Box 26 minus Box 27)

**Box 28**

**Step 7: Total ESA**

**Contributory ESA**  
(figure from Box 5)

**Box 29**

**Income-related ESA**  
(figure from Box 23 or Box 28, depending on client's circumstances)

**Box 30**

**Total ESA**  
(Box 29 plus Box 30)

**Box 31**