

New Style Employment and Support Allowance and Universal Credit dual claims: Guidance

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Introduction

A dual claim is where Universal Credit and contribution-based New Style Employment and Support Allowance (New Style ESA) are claimed and paid alongside each other. This includes cases where the award of New Style ESA is nil.

Agents must not close the New Style ESA or existing Universal Credit claim if the other benefit has been claimed, unless the claimant insists on it. The claimant must not be advised to contact the other benefit to request its closure.

This guidance should be used alongside New Style Employment and Support Allowance and Universal Credit dual claims: Spotlight.

Key features of New Style Employment and Support Allowance and Universal Credit dual claims

The key features of a dual claim are:

- claimants will be awarded a Class 1 National Insurance credit even if the award of New Style ESA is nil
- National Insurance Class 1 credits will stop the day that entitlement to New Style ESA ends and the claimant will instead receive Class 3 contribution credits. For more information on National Insurance contributions, see [What National Insurance is for](#)
- claimants must also provide a Statement of Fitness for Work where required. Further Statements of Fitness for Work are not required after a Work Capability Assessment (WCA) decision has been made unless the claimant suffers a deterioration in their health condition, or a new health condition is reported and a new WCA is required

- alongside other conditions of entitlement, the claimant must accept both a New Style ESA Claimant Commitment and a Universal Credit Claimant Commitment as a condition of entitlement
- a terminally ill claimant is not required to accept a Claimant Commitment for either New Style ESA or Universal Credit. See Removal of the requirement to accept a Claimant Commitment: Guidance.
- Universal Credit conditionality applies and work-related requirements are managed through a Universal Credit Claimant Commitment. Failure to comply with the Claimant Commitment could result in only the claimant's Universal Credit being sanctioned
- no conditionality or sanctions should be imposed through the New Style ESA claim, Universal Credit sanctions will apply instead for these claimants

Claimants who work and receive New Style Employment and Support Allowance and Universal Credit

Universal Credit will receive earnings information through a Real Time Information data feed, unless the claimant is informed that they must self-report their earnings.

Claimants must self-report any earnings in respect of their New Style ESA to Jobcentre Plus.

New Style ESA claimants may undertake Permitted Work for up to 16 hours a week and receive earnings up to the Permitted Work earnings limit a week. The claimant must contact the service centre to obtain agreement before starting any Permitted Work, although in some circumstances agreement can be obtained retrospectively.

There are 2 categories of Permitted Work. See the Permitted Work guidance for more information and the Benefit Up-rating Schedule for the Permitted Work earnings limit, which is updated annually.

Permitted Work earnings up to the limit will be completely disregarded from New Style ESA but will be taken into account in Universal Credit as earnings, after the Work Allowance and the earnings taper have been applied.

Effect of New Style Employment and Support Allowance on Universal Credit

To avoid duplication of payments, New Style ESA is taken into account 'penny for penny' as unearned income in the Universal Credit assessment. The service automatically calculates the amended Universal Credit payments from the details held in 'Other Benefits'

The amount taken into account is the 'adjusted gross award' of New Style ESA. This is the amount awarded after earnings, occupational pensions and private health insurance have been taken into account but before any other deductions, for example overpayments.

Other changes to the amount of New Style ESA paid are taken into account using the 'whole month approach'. This means that the Universal Credit award is adjusted by taking into account the New Style ESA in payment at the end of the assessment period and applying that to the whole of that assessment period.

When payment of New Style ESA starts or ends in a Universal Credit assessment period, the actual number of days of New Style ESA paid is taken into account.

The New Style ESA claim must be closed at the end of the entitlement period.

A very small number of New Style ESA claims are managed clerically. Their award information does not automatically reach the UC service, potentially leading to overpayments of UC on a dual claim where the New Style ESA income is not taken into account. To address this, New Style ESA colleagues will email the award details for these clerical New Style ESA claims and any ongoing claim changes to the UC national inbox DWP UC FULL SERVICE and the claim details will be added to the service.

Work Capability Assessment

When a claim is made for both Universal Credit and New Style ESA, the same Work Capability Assessment (WCA) is used. See [Work Capability Assessments: Guidance](#).

Claimants are required to attend Flexible Intervention ESA mandatory appointments following the new claim and are expected to undertake work preparation activity until the WCA has been completed.

Entitlement to New Style ESA lasts for a period determined by the outcome of the claimant's WCA, as long as entitlement conditions continue to be met.

There are three possible outcomes following a WCA. A claimant who:

- has limited capability for work (LCW) will be entitled to New Style ESA for up to 365 days
- has limited capability for work and work-related activity (LCWRA) will be entitled to New Style ESA payments indefinitely, subject to their next WCA and normal non-WCA entitlement conditions
- is found fit for work must continue to claim Universal Credit and/or New Style JSA.

For more information, see [New Style Employment and Support Allowance only claims: Guidance](#).

Work-related requirements

Work-related requirements for claimants receiving both Universal Credit and New Style ESA are the same for those who have LCW and LCWRA.

Some claimants will not have any work-related requirements.

Details of what a claimant must do to meet their work-related requirements and the consequences of not doing so, are set out in their Claimant Commitment which they must accept as a condition of entitlement. See the Claimant Commitment hub.

Effect on waiting days

Seven waiting days may be applied at the start of an award of New Style ESA unless the claim is made within 12 weeks of the termination of a prescribed working-age benefit, or if no other exceptions apply.

Any past or current entitlement to Universal Credit has no effect on the application of waiting days for New Style ESA.

Waiting days do not apply in Universal Credit.

New Style Employment and Support Allowance appeal outcomes

Work Capability Assessment decisions from a decision maker must be added to the claimant's Universal Credit claim.

Successful New Style Employment and Support Allowance appeals

For dual claims only, if a claimant appeals against a New Style ESA outcome and that appeal is successful, a DWP appeal or Mandatory Reconsideration Outcome notification will be sent to the Universal Credit inbox: DWP UC FULL SERVICE.

The Work Capability Assessment decision should be amended to reflect the outcome where required, and any under or overpayment action taken where appropriate.

New Style ESA processing staff will record on JSAPS that the notification has been sent to Universal Credit.