

# Reassessment of customers in receipt of incapacity benefits

Transitional additions – protecting benefit rates at the point of change  
April 2011

**jobcentreplus**

Department for  
Work and Pensions

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## Introduction – Protecting benefit rates at the point of change

No one who is reassessed and moves from their existing incapacity benefit to Employment and Support Allowance (ESA) will see a reduction in the level of their benefit entitlement at the point of change.

Where a customer currently receives more on their existing incapacity benefit than the appropriate ESA rate, a “transitional addition” will be awarded on top of their ESA entitlement to ensure that, at the date from which their award converts (“the effective day”), their overall benefit entitlement is protected. This transitional addition is an amount equivalent to the shortfall between the existing benefit entitlement and the ESA entitlement.

Customers who currently receive less on their existing incapacity benefit than the ESA rate will immediately receive the full ESA rate from the effective day. It follows that these customers will not be entitled to a transitional addition.

[Illustrative examples are in Annex A.](#)

The amount of the transitional addition will never increase. It will erode as the rate of ESA entitlement increases, for example, through benefit uprating, and in other prescribed circumstances. This will continue until such a time as the transitional addition is reduced to nil.

The transitional addition will terminate when ESA entitlement itself terminates. All entitlement to transitional addition will end on 5 April 2020.

### **What this means for people in receipt of Housing Benefit/Council Tax Benefit**

The Housing Benefit/Council Tax Benefit (HB/CTB) Regulations have been amended to ensure no one sees a reduction in their overall benefit income solely because of the reassessment process. Any disability premiums will be removed from the Housing Benefit/Council Tax Benefit calculation and will be replaced by the work-related activity component (WRAC) or the support component (SC) of ESA, depending on which is awarded.

Where this means Housing Benefit/Council Tax Benefit increases, the higher amount will be awarded immediately. Where this means Housing Benefit/Council Tax Benefit decreases, a transitional addition will be awarded to protect the customer’s overall income. [Illustrative examples are in Annex B.](#)

## How the transitional addition is calculated (ESA)

### **Customer is entitled to a transitional addition**

The gross amount of the customer's incapacity benefit entitlement in the last benefit week immediately prior to the effective day will remain unchanged following reassessment. This amount is:

- the normal rate payable under specified legislation including age-related additions
- any Adult Dependency Increase (ADI) and/or Child Dependency Increase (CDI) payable
- long-term IB for widows and widowers
- transitional award of Incapacity Benefit Long Term (IBLT) – (former Sickness Benefit recipients)
- transitional award of IBLT (former Invalidity Benefit (IVB) recipients)

The gross amount of ESA to which the customer is entitled from the effective date will be used to calculate any entitlement to a transitional addition.

[See example of calculation.](#)

### **Customer declares a change of circumstances on or around the time they are reassessed**

If, as a result of a change of circumstances, the customer's incapacity benefit increases or decreases, or is due to increase or decrease, in the benefit week of which the effective date is the first day, then, for the purposes of calculating any transitional addition, the amount of the increase or decrease will be reflected in the calculation of the IB/SDA or IS entitlement.

This will mean that the calculation of the transitional addition will be based on a fairer comparison of the entitlements "before" and "after" conversion. (This effect on the transitional addition is for the notional calculation only and will not occur at any other stage of the customer's claim).

[See example of calculation.](#)

### **Customer's transitional addition calculation takes effect during a period of benefit uprating**

Where the final benefit week of ESA falls immediately before an uprating, and the first benefit week of ESA falls in the uprating week itself, then, for the purposes of calculating the transitional addition, the gross amount of benefit payable in the final week of the existing benefit must be adjusted to reflect the amount that would have been due in the first benefit week of ESA, had no reassessment taken place.

[See example of calculation.](#)

## **Customer is entitled to transitional additions for both ESA(C) and ESA(IR)**

Customers who are entitled to both ESA(C) and ESA(IR) may be entitled to a transitional addition on top of each element of ESA. Where a customer is entitled both to ESA(C) and to ESA(IR), the two amounts payable (including the transitional additions) will be compared and the higher amount will be paid in the normal way. Where ESA(IR) exceeds the ESA(C) amount, the full amount of ESA(C) and the ESA TA(C) remains taxable.

[See example of calculation.](#)

## **Customer is entitled to a “transitional addition only”**

Exceptionally, there may be customers whose occupational pension (in ESA(C) cases) and/or income/earnings (in ESA(IR) cases) at the point of conversion, is such that, applying the normal assessment rules, they have no entitlement to either ESA(C) or ESA(IR), but who are nevertheless entitled, in applying the transitional addition calculation, to a transitional addition of either ESA(C) or ESA(IR) (or both), as appropriate.

An award of “transitional addition only” is a legitimate award of ESA. Where, therefore, it is in payment on an income-related basis, the customer will be entitled to the “passported” benefits (e.g. housing benefit, council tax benefit, free prescriptions etc) and eligible for budgeting loans and community care grants from the social fund, in the normal way.

Any awards of “transitional addition only” will be subject to the normal erosion and termination rules.

[See example of calculation.](#)

## **Customer becomes entitled to a “transitional addition only”, following a change of circumstances**

In addition to the customers who are entitled to a “transitional addition only” at the point of conversion, there will be some customers who, upon conversion, are entitled both to a standard award of ESA and to a transitional addition, but who, following a change of circumstances – (most commonly, an increase in income or partner’s part-time earnings or, in ESA(C) cases, an increase in occupational pension) – cease to be entitled to the standard award of ESA itself, but nevertheless remain entitled to a transitional addition of either ESA(C) or ESA(IR) (or both), as appropriate.

This is because a change in income/earnings has no impact on the level of any transitional addition – only on the standard ESA award.

## Reassessment of incapacity benefits

In these circumstances, the customer will continue to be entitled to ESA. Their award will continue on a “transitional addition only” basis.

### **Erosion of transitional addition: ESA(C) and ESA(IR) – relevant increase in customer’s entitlement**

The transitional addition is eroded by a figure equivalent to the total amount of relevant increases in the ESA applicable amounts, from the effective date .

A “relevant increase” for the purposes of ESA(C) is an increase in the customer’s applicable amount of ESA;

- on moving to a higher component i.e. the Support Component (SC) instead of the Work Related Activity Component (WRAC)
- as a result of uprating

[See example of calculation.](#)

A “relevant increase” for the purposes of ESA(IR) is an increase in the customer’s applicable amount, attributable to –

- the entry of a new partner into the assessment
- a move to a higher component i.e. the SC instead of the WRAC
- the award of any new premium
- Pensioner Premium (PP)
- Severe Disability Premium (SDP)
- Enhanced Disability Premium (EDP)
- Carer Premium (CP), or
- uprating.

[See example of calculation.](#)

### **Erosion of transitional addition: ESA(C) only – withdrawal of amount equivalent to Adult Dependency Increase**

Where, in the final benefit week before conversion, an Adult Dependency Increase (ADI) is in payment to the customer as part of their incapacity benefit award, the amount of the Increase will be included in the calculation of any entitlement that the customer has to a transitional addition on top of their award of ESA(C).

Where this applies, the value of any transitional addition in payment will be reduced by an amount equivalent to the amount of the ADI that was included in the transitional addition calculation in the circumstances where the partner in respect of whom the ADI was formerly in payment either –

- dies

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- permanently separates from the customer
- ceases to be entitled to child benefit, or
- becomes entitled in their own right to a social security benefit at a rate equivalent to, or more than, the amount of the ADI in payment at the point of conversion

### **Erosion of transitional addition: ESA(C) only – withdrawal of amount equivalent to Child Dependency Increase**

Where, in the final benefit week before conversion, a Child Dependency Increase (CDI) is in payment to the customer as part of their incapacity benefit award, the amount of the Increase will be included in the calculation of any entitlement that the customer has to a transitional addition on top of their award of ESA(C).

Where this applies, the value of any transitional addition in payment will be reduced by an amount equivalent to the amount of the CDI that was included in the transitional addition calculation in the circumstances where child benefit ceases to be payable in respect of the child or children in respect of whom the CDI was formerly in payment.

### **Termination of transitional addition: special rule – customer's partner starts full-time work**

Where the customer ceases to satisfy the conditions of entitlement to ESA(IR), any entitlement to ESA(IR) transitional addition will normally terminate at the same time. However, a special rule applies where the partner of an ESA(IR) customer starts full-time work.

Where a customer's entitlement to ESA(IR) and ESA(IR) transitional addition terminates because their partner has found full-time work, then, if the customer re-establishes their entitlement to ESA(IR) within 12 weeks of the termination of the previous award (because the partner has subsequently given up full-time work), they will re-acquire their entitlement to the income-related transitional addition from the outset of the repeat award. This will also occur when the customer remains entitled to ESA(C) during the break in entitlement to ESA(IR).

Where a customer's entitlement to ESA(IR) and ESA(IR) transitional addition terminates because their partner has found full-time work, and the customer subsequently re-establishes their entitlement to ESA(IR) but there is a gap of more than 12 weeks between awards, they will not re-acquire any entitlement to their former transitional addition.

[See example of calculation.](#)

### **Customer has entitlement to Employment and Support Allowance reinstated following an appeal**

Awards of transitional addition will be terminated where a customer loses their entitlement to the ESA following a Work Capability Assessment and, pending the

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outcome of an appeal, becomes entitled to an award of ESA at a rate equivalent to the rate payable during the assessment phase.

Where a decision ending entitlement to a converted award of ESA is reversed on revision or appeal, entitlement to the transitional addition will be reinstated.

[See example of calculation.](#)

## **Customer has the value of the transitional addition reinstated**

Where transitional addition is re-instated on a repeat claim, or following an appeal, or where the “special rule “ around partner’s full time work applies, the value of the transitional addition must be adjusted , where appropriate, to reflect any reductions in the amount that would have been made had there been no break in the award.

[See example of calculation.](#)

# Annex A – Examples of transitional addition calculations

## Customer is not entitled to a transitional addition

### Existing Income

Incapacity Benefit (IB) £91.40

Following reassessment the existing award is converted to contributory Employment and Support Allowance and the customer is placed in the support group.

### New income

ESA(C) £96.85

The customer receives the ESA award from the effective date of the conversion decision. Because the new rate of benefit is higher no transitional addition is payable.

## Customer is entitled to a transitional addition

### Existing Income

IB £91.40

Age addition £15.00

Total £106.40

Following reassessment, the customer is placed in the Work Related Activity Group (WRAG).

### New Income

ESA(C) £65.45

Work Related Activity Component (WRAC) £25.95

Total £91.40

### Comparing the entitlements:

$£106.40 - £91.40 = £15.$

This means the customer will receive a transitional addition of £15 as part of their ESA(C), to ensure they don't see a reduction in the level of benefit entitlement at the point of change.

## Customer declares a change of circumstances on or around the time they are reassessed

### Example A

A customer declares a change in circumstance after the initial reassessment decision has been made. The transitional addition is therefore being calculated on revision of the initial reassessment decision.

## Reassessment of incapacity benefits

On conversion from IS, the customer is entitled to an award of income-related ESA (ESA(IR)) of £142.60. The entitlement includes a transitional addition of £13.90. The effective date is 23 November 2011.

The customer's partner leaves the household on 25 November 2011. The customer's first week of ESA(IR) entitlement is reduced to £91.40.

If the final IS award prior to the effective date (£142.60) was compared with the first award on ESA(IR) of £91.40, the customer's transitional addition would be £52.20. As the partner has now left the household, this is artificially high. So the customer's final IS award is notionally adjusted, excluding the partner from the assessment. The IS entitlement notionally reduces to £93.45.

If we now compare the ESA(IR) entitlement (£91.40) with the notional IS entitlement (£93.45), this results in a re-calculated transitional addition of £2.05.

### Example B

A customer declares a change in circumstance after the initial reassessment decision. The transitional addition is therefore being calculated on revision of the initial decision.

On conversion from IS, the customer is entitled to an award of income-related ESA (ESA(IR)) of £93.45. The entitlement includes a transitional addition of £2.05. The effective date is 23 November 2011.

The customer's partner joins the household on 25 November 2011. The customer's first week of ESA(IR) entitlement is increased to £128.70.

If the final IS award prior to the effective date (£93.45) was compared with the first award of ESA(IR) (£128.70), the customer's transitional addition on conversion would be nil. So the customer's final IS award is notionally adjusted, including the partner in the assessment. Their IS entitlement notionally increases to £142.60 (which includes the couple rate disability premium)

If we now compare the ESA(IR) entitlement (£128.70) with the notional IS entitlement (£142.60), this results in a re-calculated transitional addition of £2.05.

## Customer's transitional addition calculation takes effect during a period of benefit uprating

A customer is notified that their IS award of £91.80 (including the disability premium) is to be converted to ESA (including the work-related activity component). The effective date of reassessment is 14 April 2011, this coincides with uprating week. Had the customer remained on IS, their entitlement in respect of benefit week ending 20 April 2011, following uprating, would have increased to £93.45

For the purposes of the calculation of the transitional addition, the IS amount of £93.45 is used rather than the lower amount of £91.80. This is compared with the uprated ESA amount (£92.40).

The customer is entitled to a transitional addition of £1.05 (£93.45 – £92.40).

## Customer is entitled to transitional additions for both ESA(C) and ESA(IR)

A customer is receiving IB of £106.40

Their applicable amount of IS (excluding housing costs) is £142.60

The customer's total benefit income is £142.60

The pre-assessment position is as follows (2010/11 benefit rates):

Incapacity Benefit entitlement	£106.40	Total – Includes a higher rate age addition
Income Support applicable amount (excluding housing costs)	£102.75	Couple
	£39.85	Disability premium
	£142.60	Total

### The position, on conversion, is as follows:

Calculation of entitlement to ESA(C)

Standard assessment

Prescribed amount	£91.40	Total – Includes WRAC (£25.95)
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### Calculation of entitlement to contributory transitional addition:

IB entitlement (£106.40) – ESA entitlement (£91.40) = £15.00

Aggregate entitlement to ESA(C) = £106.40 (= £91.40 ESA(C) + £15.00 transitional addition)

### Calculation of entitlement to ESA(IR)

Standard assessment

Applicable amount	£102.75	Couple
	£25.95	WRAC
	£128.70	Total

Calculation of entitlement to income-related transitional addition::

For ESA(IR);

IS entitlement (£142.60) – ESA (IR) entitlement (£128.70) = £13.90

Aggregate entitlement to ESA(IR) = £128.70 + £13.90 (transitional addition) = £142.60 – 2 separate calculations NOT an aggregate of IS and IB.

## Reassessment of incapacity benefits

We now compare the customer's entitlement to ESA(C) (£106.40 = £91.40 + £15.00) with their entitlement to ESA(IR) (£142.60), and pay the higher amount in the normal way .

So, following reassessment, the customer is entitled (before deductions for earnings or additions for housing costs) to a total of £142.60 ESA, comprising £106.40 (ESA(C) (including a transitional addition of £15.00) and £36.20 ESA(IR) (including a transitional addition of £13.90). The ESA(C) element of the award is taxable.

### **Customer is entitled to a transitional addition only**

A customer converts from IS to ESA(IR). They are not entitled to IB and therefore not ESA(C). The customer's partner has part-time earnings of £150

The customer's IS applicable amount was £102.75 + disability premium of £39.85 = £142.60.

The customer's ESA(IR) applicable amount is £102.75 + WRAC of £25.95 = £128.70

On reassessment, the customer's ESA(IR) entitlement is nil, because the partner's earnings with a £20.00 disregard (£130.00) exceed the customer's applicable amount

Comparing the ESA(IR) applicable amount ( £128.70) with the IS applicable amount (£142.60), the customer is nevertheless entitled to an income-related "transitional addition only" of £13.90.

### **Erosion of transitional addition: relevant increase in customer's entitlement: ESA(C)**

On reassessment from IB, the customer is entitled to ESA(C) of £91.40 including the WRAC (£25.95) plus an ESA(C) transitional addition of £15.

Following an accident, the customer is unable to walk, and the decision on their ESA award is superseded to include the support component (SC) (£31.40).

The customer's ESA(C) entitlement increases to £96.85; and, as a consequence, their transitional addition is reduced by £5.45 (being the difference between the SC and the WRAC) to £9.55

The customer's overall benefit entitlement remains at £106.40.

On a further application of the Work Capability Assessment (WCA), the customer's condition has improved and their ESA decision is superseded to award them the WRAC again. The customer's ESA(C) entitlement reduces to £91.40 again. Their transitional addition remains £9.55. Their overall benefit entitlement is reduced to £100.95.

### **Erosion of transitional addition: relevant increase in customer's entitlement: ESA(IR)**

On conversion from IS, the customer is entitled to an award of ESA(IR) of £93.45, which includes a transitional addition of £2.05.

## Reassessment of incapacity benefits

The customer is joined by their partner

The customer's ESA(IR) entitlement is increased to £128.45. As a consequence, their transitional addition is reduced to nil and terminates.

### **Customer's partner starts full time work**

On conversion from IS, the customer is entitled to ESA(IR) plus an income-related transitional addition.

Their partner commences full-time employment on 1 August 2011.

As a consequence, the customer loses their entitlement to ESA(IR) and their entitlement to the income-related transitional addition terminates. They continue on ESA as a credits-only case.

The partner gives up their job on 16 September, and the customer reports the change of circumstance and reclaims ESA(IR).

The customer becomes re-entitled to ESA(IR) on 17 September. They satisfy the "special" 12 week rule, so become re-entitled immediately to the ESA(IR) transitional addition to which they were entitled previously.

### **Customer has entitlement to ESA reinstated following an appeal**

The decision on a customer's award of ESA, which includes a transitional addition of £15.00, is superseded after they are found not to have limited capability for work following application of the WCA.

Their ESA award is terminated and, pending their appeal, they are awarded ESA at a rate equivalent to the rate payable during the assessment phase.

The appeal to the First-tier Tribunal is successful, and the customer's award of main phase ESA, along with the transitional addition of £15.00, are reinstated and backdated to the date from which the earlier award of ESA terminated.

### **Customer has the value of the transitional addition reinstated**

A customer is entitled to a reassessed award of ESA(C) which includes a transitional addition of £15.00.

Their award is terminated when they start full-time work in March 2011.

The customer claims ESA in August 2011 as a Work or Training Beneficiary.

The customer's transitional addition is regarded as suspended during the break in entitlement, and is reinstated from the commencement of the new award. The amount of the transitional addition is reduced to take account of the effect of the uprating that took place in April 2011.

## Reassessment of incapacity benefits

As the customer was also receiving Housing Benefit/Council Tax Benefit until they started work, the Local Authority may contact Jobcentre Plus to request the information about the customer's ESA entitlement.

# Annex B – Examples of Housing Benefit/Council Tax Benefit

## Example 1 – Single customer IB more than ESA (C)

<b>Income</b>		<b>HB/CTB</b>	
Long term IB	£91.40	Personal Allowance	£65.45
Age addition	£ 5.80	Disability Premium	£28.00
<b>Total</b>	<b>£97.20</b>	<b>Total</b>	<b>£93.45</b>
		Less income	£97.20
		<b>Excess</b>	<b>£3.75</b>

HB would be reduced by  $£3.75 \times 65\% = £2.44$

CTB would be reduced by  $£3.75 \times 20\% = £0.75$

## Claim reassessed, Work Related Activity Component (WRAC) awarded

<b>Income</b>		<b>HB/CTB</b>	
ESA(C) basic	£65.45	Personal Allowance	£65.45
WRAC	£25.95	WRAC	£25.95
Transitional Addition	£5.80		
<b>Total</b>	<b>£97.20</b>	<b>Total</b>	<b>£91.40</b>
		Less income	£97.20
		<b>Excess</b>	<b>£5.80</b>

Income remains the same but:

HB would be reduced by  $£5.80 \times 65\% = £3.77$

CTB would be reduced by  $£5.80 \times 20\% = £1.16$

## Reassessment of incapacity benefits

HB falls by £1.33

CTB falls by £0.41 **total reduction £1.74.**

Adding a transitional addition to the applicable amount of £2.05 (the difference between the Disability Premium and the WRAC) would restore the level of HB/CTB

### Claim reassessed, Support Component (SC) awarded

Income		HB/CTB	
ESA(C) basic	£65.45	Personal Allowance	£65.45
SC	£31.40	SC	£31.40
Transitional Addition	£0.35	EDP	£13.65
<b>Total</b>	<b>£97.20</b>	<b>Total</b>	<b>£110.50</b>
		Less income	£97.20
		<b>No excess</b>	<b>full HB/CTB</b>

Because the customer is entitled to the support component he/she will also be entitled to the Enhanced Disability Premium (EDP) meaning he/she will be better off and no transitional addition would be required.

### Example 2 – Single customer IB less than ESA(C) customer has a pension meaning ESA(IR) not payable

Income		HB/CTB	
Long term IB	£91.40	Personal Allowance	£65.45
Pension	£40.00	Disability Premium	£28.00
<b>Total</b>	<b>£131.40</b>	<b>Total</b>	<b>£93.45</b>
		Less income	£131.40
		<b>Excess</b>	<b>£37.95</b>

HB reduced by  $£37.95 \times 65\% = £24.67$

CTB reduced by  $£37.95 \times 20\% = £7.59$

**Claim reassessed, Support Component (SC) awarded (it must be the SC because the total of basic ESA(C) and the Work-Related Activity Component would not exceed the rate of IB)**

## Reassessment of incapacity benefits

Income		HB/CTB	
ESA(C) basic	£65.45	Personal Allowance	£65.45
SC	£31.40	SC	£31.40
Pension	£40.00	EDP	£13.65
<b>Total</b>	<b>£136.85</b>	<b>Total</b>	<b>£110.50</b>
		Less income	£136.85
		<b>Excess</b>	<b>£26.35</b>

HB reduced by  $£26.35 \times 65\% = £17.13$

CTB reduced by  $£26.35 \times 20\% = £5.27$

Customer is better off. This is because the value of the support component and the enhanced disability premium (EDP) is higher than the disability premium. No transitional addition would be required.

### **Example 3 – Single customer IB less than ESA(C), customer has the highest rate of Disability Living Allowance (DLA) meaning they are entitled to the Enhanced Disability Premium (EDP). Customer also has a pension meaning ESA(IR) not payable**

Income		HB/CTB	
Long term IB	£91.40	Personal Allowance	£65.45
Pension	£40.00	Disability Premium	£28.00
DLA (fully disregarded)		EDP	£13.65
<b>Total</b>	<b>£131.40</b>	<b>Total</b>	<b>£107.10</b>
		Less income	£131.40
		<b>Excess</b>	<b>£24.30</b>

HB reduced by  $£24.30 \times 65\% = £15.80$

CTB reduced by  $£24.30 \times 20\% = £4.86$

**Claim reassessed, Support Component (SC) awarded (it must be the SC because the total of basic ESA(C) and the Work-Related Activity Component would not exceed the rate of IB)**

## Reassessment of incapacity benefits

Income		HB/CTB	
ESA(C) basic	£65.45	Personal Allowance	£65.45
SC	£31.40	SC	£31.40
Pension	£40.00	EDP	£13.65
DLA(fully disregarded)			
<b>Total</b>	<b>£136.85</b>	<b>Total</b>	<b>£110.50</b>
		Less income	£136.85
		<b>Excess</b>	<b>£26.35</b>

HB reduced by  $£26.35 \times 65\% = £17.13$

CTB reduced by  $£26.35 \times 20\% = £5.27$

The customer's weekly HB would fall by £1.33 and the CTB would fall by £0.41 – total £1.74. This is because, whilst the applicable amount has increased by £3.40, the weekly income has increased by £5.45. Overall the customer is £3.71 (£5.45 – £1.74) a week better off and would not need a transitional addition to protect their level of HB/CTB.

## Example 4 – single customer IB less than ESA(C) customer has pension and Disability Living Allowance

Income		HB/CTB	
Short term IB	£81.60	Personal Allowance	£65.45
Pension	£40.00	Disability Premium	£28.00
<b>Total</b>	<b>£121.60</b>	<b>Total</b>	<b>£93.45</b>
		Less income	£121.60
		<b>Excess</b>	<b>£28.15</b>

HB reduced by  $£28.15 \times 65\% = £18.30$

CTB reduced by  $£28.15 \times 20\% = £5.63$

Total £23.93

**Claim reassessed, Work-Related Activity Component (WRAC) awarded**

Income	HB/CTB
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## Reassessment of incapacity benefits

ESA(C) basic	£65.45	Personal Allowance	£65.45
WRAC	£25.95	WRAC	£25.95
Pension	£40.00		
<b>Total</b>	<b>£131.40</b>	<b>Total</b>	<b>£91.40</b>
		Less income	£131.40
		<b>Excess</b>	<b>£40.00</b>

HB reduced by £40 x 65% = £26.00

CTB reduced by £40 x 20% = £8.00

Total £34.00

Income increased by £9.80 HB/CTB reduced by £10.07 therefore customer 27p a week worse off. Adding a transitional addition of £2.05 a week to the applicable amount (the difference between the Disability Premium and the WRAC) would prevent the customer from losing out overall.

### Claim reassessed, Support Component awarded

Income		HB/CTB	
ESA(C) basic	£65.45	Personal Allowance	£65.45
SC	£31.40	SC	£31.40
Pension	£40.00	EDP	£13.65
<b>Total</b>	<b>£136.85</b>	<b>Total</b>	<b>£110.50</b>
		Less income	£136.85
		<b>Excess</b>	<b>£26.35</b>

HB reduced by £26.35 x 65% = £17.13

CTB reduced by £26.35 x 20% = £5.27

Total £22.40

Customer's HB/CTB would increase by £1.53. This is because the value of the support component and the enhanced disability premium (EDP) is higher than the disability premium. No transitional addition would be required. Overall, weekly income increases by £16.98 (£15.45 and £1.53).

## **Important information**

This information pack is only a guide and does not cover every circumstance. We have done our best to make sure that the information in this pack is correct as of April 2011. It is possible that some of the information is oversimplified, or may become inaccurate over time, for example because of changes to the law.