



Employment and Support Allowance

Employment and Support Allowance (ESA) is a benefit for people under state pension credit age¹ who have “limited capability for work” (LCW). LCW means officially recognised by the Department for Work and Pensions as being unable to work due to illness, injury or disability. ESA is paid at a higher rate for people who are temporarily or permanently unable even to prepare for work - they are not expected to retrain or address obstacles that are hindering their access to the job market. These people are referred to as being in the “support group”. ESA is paid at a lower rate for people who are expected to be able to work in the foreseeable future and are capable of preparing for work in the short term: then the claimant is referred to as being in the “work related activity group”.

It is possible to qualify for ESA by paying National Insurance Contributions (when it is known as “contribution based ESA”, or “ESA(c)”) or by satisfying a means-test (in which case it is known as “income-related ESA” or “ESA(ir)”).

ESA(c) is paid for a maximum of twelve months for people in the work related activity group but ESA(ir) is not time-limited and ESA(c) in the support group is not time limited. It is possible to receive ESA(c) with a top-up of means-tested ESA(ir): this would apply if the claimant is a member of a couple and their only income is ESA(c).

ESA(ir) and the other means-tested working age benefits are gradually being phased out and replaced by Universal Credit. But ESA(c) remains as a separate contribution-based benefit.

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1. Until the pensionable age for men and women is equalised in 2020 a small number of men who have reached the qualifying age for state pension credit but have not yet reached the pensionable age for a man might still claim Employment and Support Allowance