

Earnings From Permitted Work (*ref 11*)

- 1.** Incapacity Benefit (IB) and Severe Disablement Allowance (SDA) are paid to people who are incapable of working because of illness or disability. These benefits are intended to replace earnings, and so if recipients do any paid work, they will usually lose their benefit.
- 2.** People can, however, do some paid work (permitted work) and still keep their IB or SDA. Work still needs to be reported to the Department of Work and Pensions, but does not need to be approved by a medical professional.
- 3.** To qualify as 'permitted work' the following rules have to be met:
 - the work is for less than 16 hours per week;
 - the wages are not more than £88.50 per week;
 - the work does not go on for more than 26 weeks;
 - this 26 week period can be extended for an unlimited period where the person is working with a Department of Work and Pensions Advisor, or with an external organisation (e.g. Disability Employment Advisor, people supported by Pathway, Shaw Trust, or another supported employment agency) who agrees that this further period is likely to improve the person's job prospects.
- 4.** People can earn up to £20 per week at any time, and for an unlimited period without needing to be involved with any government scheme.
- 5.** Examples of 'supported permitted work' which would not be time-limited would be: people who have a Community Care Assessment and who get ongoing support from their social worker; people employed by social firms via support centres; and people with mental health difficulties who are on enhanced Care Programme Approach.
- 6.** If people receive Income Support (IS), different rules apply for part-time work. If people receive a disability premium, they will be able to keep the first £20 per week of any part-time earnings. If people receive only basic IS with no disability premiums, they will only keep £5 per week of any part-time earnings. Anything over is deducted from the IS payable to the person.
Want to know more about Income Support? Go to *Quick Brief Income Support (ref 09)*.

If you require further information or have other queries contact Housing Options.

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Although we try to ensure that statements as to the law and other facts are accurate this report gives general guidance and does not aim to cater for individual cases. Housing Options and our sponsors cannot accept responsibility for any loss incurred as a result of relying on such statements, specific advice should always be obtained on individual cases.

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