

Freedom of Information request 61/2014

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Information request

I believe the maximum you can currently earn if carrying out permitted work while claiming ESA is £104.

Off your gross earnings you take of income tax and national insurance to arrive at £104.

That is you could be earning more than a £104 a week as long as after tax and national insurance the take home pay is £104 or less.

1, Are there any other allowable deductions to arrive at this £104 take home pay e.g. pension contributions, expenses?

2, What happens if you take home slightly over £104 is this allowable e.g. an adjustment to your ESA to take this into account?

DWP response

The information you require is detailed below.

In response to your query, both your "gross" earnings and "net" earnings must be calculated so that a proper assessment can be made of your income from employment.

Deductions for any expenses wholly, necessarily and exclusively incurred by you in order to carry out the duties of your employment are made from the amount of earnings received from your employer in order to arrive at the "gross" earnings figure.

The "net" earnings figure is derived from your gross earnings less any deductions made for income tax, Class 1 national insurance (N.I) and half any contribution you make towards a personal or occupational pension scheme.