

# Freedom of Information request 1374/2014

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## Information request

Why the assessment rate period for Employment and Support Allowance is 13 weeks,

Why eligibility for income-related Employment and Support Allowance and Jobseekers' Allowance has savings threshold set at a level of £16,000, and how this threshold is subject to change, and

Why Statutory Maternity Pay (SMP) is set at the level of 90% of average weekly earnings (before tax) for the first six weeks of payment

## DWP response

### Assessment rate period

All claimants who meet the basic conditions of entitlement to Employment and Support Allowance (ESA) enter a 13 week assessment phase. During this period most people complete a questionnaire about their medical condition and attend a Work Capability Assessment which determines continued entitlement to benefit. We have set the assessment phase at 13 weeks because that is the estimated time taken to complete the assessment process for almost all claimants in the pilot prior to ESA 's introduction.

During the assessment phase, the benefit is paid at the same level as Jobseeker's Allowance (JSA), which helps reduce perverse incentives to claim ESA rather than JSA.

The reason that a 13 week period applies to most claimants is one of equity. It would be unfair to move some customers onto the higher main phase rate of benefit earlier than others because of circumstances beyond their control. There are exceptions for people who are terminally ill, with a life expectancy of six months or less or for people who have previously claimed and returned to the benefit under the linking rules.

## **Savings threshold**

Claimants cannot get ESA (Income Related) if the total amount of capital is more than £16,000. This limit was chosen to align with other Income related benefits in existence at the time. The £16,000 capital limit is reviewed as part of the annual up rating exercise. However it has been decided to make no change to the limit given other priorities

## **SMP rate**

Women are required by law to take a period of compulsory maternity leave when their child is born and the majority of pregnant working women get SMP from their employer.

The higher amount of SMP paid for the first 6 weeks is intended to provide a reasonable level of financial support based on the woman's average earnings to encourage women to take time off for the health and safety reasons of both herself and her baby. It is also intended to reflect the commitment of that employee to the employer, and equally the employer's commitment to that employee. Employers are required as a whole, to fund 7% and administer maternity payments and the expectation is that the employee will respect that tie and continue their relationship after her maternity leave is completed.