

Quick Benefits Calculator

Getting Started

	Before	After
	131.05	0.00
	0.00	76.16
	0.00	119.11
	69.05	7.34
	19.77	0.79
	26.80	26.80
	0.00	167.62
	<u>246.67</u>	<u>397.82</u>
Income Support/BJSA		
Child Tax Credit		
Working Tax Credit		
Housing Benefit		
Council Tax Benefit		
Non Means Tested Benefits		
Net income from work		
Total		

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About this booklet

This guide provides an introduction to Version 18.05 (July 2014) of the Quick Benefits Calculator (QBC).

Subsequent versions may have additional features, different exclusions and a differently worded disclaimer. Advisers should read the disclaimer within the help system (Help | Disclaimer) before using the program. For help on features added to later versions of the QBC see (Help | What's New).

Introduction

This program is designed to help experienced advisers calculate entitlement to means-tested benefits and to examine how changes in circumstances will affect those benefits. It is left to advisers to identify relevant aspects of the claimant's circumstances and to enter the appropriate information into the calculator. The calculator relies on the adviser to identify which non-means-tested benefits are payable. The calculator helps advisers to make the most of their knowledge by :-

- instantly recalculating entitlement when circumstances change, so advisers can answer 'What if..?' questions very quickly; and
- producing straightforward, comprehensive printouts which can be tailored to the needs of client and adviser; and
- storing cases for future reference and automatic updating.

Benefits Changes (from April 2013 Onwards)

NB: Please see the separate document *Benefits Changes* (July 2014 version) for information about changes to QBC and new features added to cover the various April 2013 (Welfare Reform) changes. You can find details in the *Benefits Changes* notes under the QBC help menu.

In particular, for guidance on using the Council Tax Reduction (CTR) screen, the Universal Credit screen and the Non-dependants screen, please refer to the *Benefits Changes* notes as well as this document. They also cover the benefit cap and the HB social-sector under-occupation deduction (bedroom tax).

Please Note

Whilst we have endeavoured to ensure the accuracy and efficacy of the program (Quick Benefits Calculator), it is not an authoritative statement of law and we cannot be held responsible for any losses arising from actions or advice consequent upon its use. The calculator relies entirely on the knowledge of the adviser. **This program is therefore not suitable for advisers who are not competent in benefits work.** Advisers who are not experienced will find an expert system such as the *Lisson Grove Benefits Program* useful (see Appendix 2).

Installation / Installing Updates

To install the program from CD (general release or trial version): -

- 1) Insert the CD. After a few seconds, the QBC installation program should start.
- 2) Follow the instructions shown on the screen to install the program. (If you are installing an update, the installation program should detect the location of your previous version for you, so you can accept the default settings shown - just click "next".)

If the installation launcher does not appear automatically click on 'Start', then 'Computer' (for Windows XP, double-click on 'My Computer'; for Windows 8 press the windows key and 'x' and select File Explorer). Then double-click on your CD-drive, then double-click on setup.exe. Follow the instructions shown on the screen.

Once the installation has completed, a desktop shortcut (or icon) for the Quick Benefit Calculator should appear - double-click on the icon to start the program. Users can also start the program by selecting Start | Programs | Quick Benefit Calculator | Quick Benefits Calculator. If you have any problems installing or running the program contact the Quick Calculator help-line on 01273 711 736. Subscribers receive updates as necessary during the course of their subscription, keeping the calculator up to date. Each update should be installed as described above. There is no need to uninstall previous updates.

Using the Calculator

Overview

The program initially displays a screen showing basic information about the claimant and summarising entitlement to means-tested benefits. There are several other screens (accessed by clicking the buttons on the right hand side of the basic details screen), which gather further information about the claimant (and partner) and show the calculation of means-tested benefits in detail. Once the information required by a screen has been entered, click the 'Done' button to return to the basic details screen. The program will provide default answers for all aspects of the case - users should be sure that the details shown on the screen match those of the actual case before clicking 'Done'.

The calculator knows the benefits rates and the basic structure of the means-tested benefits calculations. The program relies on the user to determine which premiums apply and what non-means-tested benefits are payable. The calculator may allow advisers to enter information which cannot be correct (e.g. incompatible benefits). Again, it is for advisers to make sure that the information entered is correct.

Getting Started

A good way to get started with the Quick Benefit Calculator is to work through the example case shown on the pp. 4-6. There is detailed advice on controlling the program on pp. 7-9. Information on the various screens is given on pp. 10-25. Users should also refer to the online help system (click the 'Help' button).

Example: Simple calculation

Situation:-

The claimant, born 3 February 1976, is single and has no children. She currently claims DLA care component at the lowest rate and is on income-based jobseeker's allowance.

Method:-

Start up the Quick Calculator. Change the claimant's date of birth to 3/2/1976. Click on 'Claimant's Benefit Income'. Change the rate of DLA Care payable from zero to the lowest rate. Click on 'Done.' (The disability premium box is ticked automatically as this premium must be payable.) Click on 'Rent/ Non Deps/ Service Charges...' and enter the rent as m700 (for £700/month)., then click 'Done'.

The left hand side of the screen shows her entitlement to means-tested benefits (JSA(IB) and HB). Users can view details of the benefits calculation out by clicking the 'IS/IBJSA' button. Click 'Done' to return to the basic details screen.

The 'total' figure at the bottom of the screen shows her total benefits income (including any tax credits and CTR where applicable).

Example: Printing the calculation

To preview a printout of the calculation, select File | Print Preview. (Up and down arrow keys or click on the scroll bar to scroll through the preview).

To print out the report, select File | Print.

Users can control the amount of information included in the printed report by selecting Report | Printout Contents - click the 'Help' button on this screen for more information about report contents (or see p. 28). The appearance of the printed report can be altered by selecting Report | Printout Options - click the 'Help' button on this screen for more information about controlling the appearance of the printed report (or see p. 28). The printout

options dialog also gives access to options for viewing or saving printouts in HTML format.

Example: Simple 'What if..?' calculation.

Situation: The same claimant is offered a job at £270 gross for 40 hours per week. The job starts on 7 July 2014.

Method: Continuing from the previous example (see p. 4), click on 'Claimant's Work'. Enter the number of hours as 40 and the gross earnings as £270. The calculator deducts tax and NI automatically. Click on 'Done'. (The calculator will offer to make an entry on the tax credits worksheet as no current year earnings have been entered for tax credits. Click on 'No, don't go to tax credit income worksheet' for the moment - this will be dealt with later.)

Click on 'Tax Credits'. She meets the conditions for working tax credit disability element (see Help for details) so tick the box marked 'WTC disability (applicant)'. Because the income calculation for tax credits is done on a whole tax year basis, income details must be entered separately for tax credits in order to arrive at an accurate calculation. In this example the job starts 14 weeks into the tax year and she had no income for tax credits in the previous tax year and no income for tax credits this year apart from this job (see p21 for more information on entering income for tax credits).

Click on 'Income Worksheet (Applicant)'. Click 'Add' and ensure the income type selected is 'Employment'. In the box marked 'Amount' enter the expected gross income from employment for this tax year as 10260 (this is £270 x 38 weeks remaining in tax year - you can use the 'Calc..' button to work this figure out). Set the tax year to the current year (ie 2014/15). Having no income entry for previous year (2013/14) indicates to the calculator that there was no assessable income for tax credits in that year (so the £5,000 disregard will apply). Click on 'Done' - acknowledging ('Yes') the reminder message warning that no previous year income returns you to the main tax credits screen. Ensure that the calculation period is set to 'Between dates'. Set the 'from date' to the date the job starts (7 7 2014) and ensure the 'to date' is set to the end of the tax year (assume no changes in circumstances which might affect maximum tax credit are expected between now and the end of the tax year). Click on 'Done'. The 'Total' figure

shows what her net earnings, benefits and tax credits would be if she took the job (this does not take account of the costs involved in going to work). The claimant could use this information to decide whether or not to take the job. It is up to advisers to consider differences in passported benefits and any other relevant factors. (Tax credits are likely to fall in the future as the £5,000 increase in earnings disregard will not apply - see *Tax Credits Notes* pages 4-6.)

Click on 'Tax Credits' then 'View calculation' to view the tax credit calculation. Click on 'HB' to show the HB calculation. Alternatively, the calculations can be viewed together as a print 'preview' - see below.

Example: Printing out 'What if..?' Calculations

It can be useful to compare two situations in a single report.

Method :-

Follow on from the previous example. Go to the claimant's work screen (click on 'Claimant's work') and set the hours and weekly gross income to 0. Click on 'Done'. (This returns the case to the situation where the claimant is not working; do not go to the tax credit worksheet (click 'No' if prompted) the income entered on the tax credits work sheet is now ignored as there is no entitlement to tax credits). Click on the 'Start What if..? report' button at the bottom right of the screen - this takes a 'snapshot' of the current situation (currently out of work). Now click on 'Claimant's Work' and enter her hours and gross earnings as 40 and £270 respectively. Click on 'Done'. The tax credit income reminder screen appears - select 'No, don't go to the tax credit income worksheet' as there is no need to alter the figure already on the worksheet. Click 'Complete 'What if..?' report' - the program shows a preview of a printout comparing the before and after situations. This can be printed by pressing 'P' or clicking on the printer icon. For more information on printing 'What if..?' reports see p. 27. When you close the 'What if..?' report you are given the options of returning to the before situation, sticking with the after situation or continuing with the 'What if..?' comparison making further changes to the after situation. Appendices 4 and 5 (see pp. 31 and 33) give further general guidance on operating the program and more examples.

Prompts and Warning Messages

Although the final responsibility for information entered rests with the adviser, the Quick Benefits Calculator will provide a number of prompts and warning messages to reduce the risk of operator oversight or error. These messages appear as buttons on the bottom right of the Basic Details screen (see p. 10). There are three categories of message:-

Probable Errors (Red) - appear where there is almost certainly an error in the information input (e.g. severe disability premium applied where there are non-dependants).

Warnings (Yellow) - appear where there may be an error in the input (e.g. where an occupational pension appears not to have affected Contributory JSA).

More Information (Blue) - suggests circumstances that may apply given the information entered.

Once a claimant's details have been entered, it is advisable to review any prompts or warnings showing before offering advice.

Controlling the Calculator

Money Amounts

The money amounts used by the program are weekly figures. Advisers can convert from yearly or monthly figures by prefixing figures with a 'y' or 'm' (for yearly or monthly). Conversion can also be performed by right-clicking with the mouse (see p. 8).

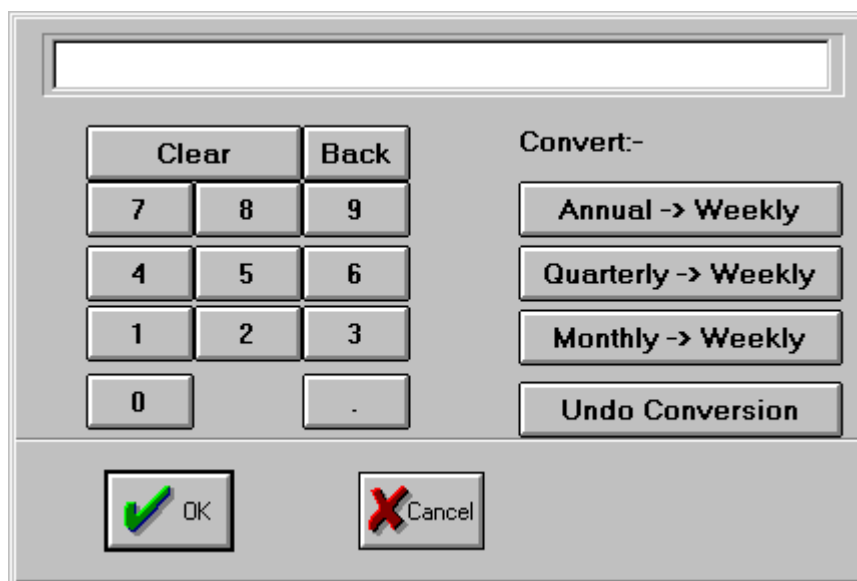
Entering Information

The program can be operated using the mouse, the keyboard or whichever combination of the two the user prefers. Users who are not sure what information is required should click the 'Help' button to the right of the screen, or select Help | About This Screen from the menu.

Controlling the program with the mouse (or other pointer)

Most controls can be operated by simply left clicking on them. Check boxes will flip from Yes (ticked) to No (blank) or vice versa with each click. Drop down lists will show a list of possible values when clicked - simply click on the required value.

Numbers and monetary amounts can be entered by right clicking with the mouse. A dialog similar to the following will appear:-



Click the appropriate buttons to enter the required value. If necessary, use the conversion buttons to convert to a weekly amount. Remember that all periodic money values used in calculation are weekly amounts (see below for entering annual/monthly figures with the keyboard).

Controlling the program with the keyboard

Moving between Controls

Users can move between controls on each screen by pressing the tab key. To move back to the previous control - hold down the shift key and press the tab key.

Menu

Hold down the Alt key and press the underlined letter of the required menu (e.g. Alt and F for the File menu). Then press the underlined letter of the menu item.

Buttons

Where the button has an underlined letter, it can be clicked by holding down the Alt key and pressing that letter. Alternatively move to the control (see above) and press the space bar.

Tick boxes (check boxes)

Move to the control and press the space bar to switch between Yes (ticked) and No (blank).

Money Controls

Move to the control and type in the required information. Note that all monetary amounts used are weekly (except for savings/capital and the annual amounts used for tax credits income - see p24). Users who know the annual amount should type y followed by the amount. Similarly m can be used for monthly amounts.

Dates

Date can be typed in using in dd mm yy format. Alternatively, right-click to use the calendar.

Drop Down Lists

Move to the control and use the up and down arrow keys to select the desired value.

Quick Benefit Calculator Screens:

Basic Details Screen

Advisers should click here to view the disclaimer the first time the program is used

Save the case

Print the case

Exits the QBC

Help on this screen

Prompts & warnings appear here (see p. 7)

This screen gathers some of the key information about the claimant (and partner) (top left) and also provides access to the other screens (buttons on right hand side). The bottom left of the screen summarises entitlement to benefits plus any net income from work and other income. The bottom line 'Total' includes means-tested benefits, non-means-tested benefits, net income from work (i.e. earnings less Tax, NI, pension contribution and work related costs) and other income. The 'Start 'What if..?' report button is used to begin 'What if..?' printouts - see p. 29. Administrative information such as the adviser's name and case reference can optionally be entered at the top of the screen

The 'Defer CTC' tick box indicates to the calculator that a claimant has not yet been moved onto child tax credit (this only has effect where the claimant could claim income support / income-based JSA and cannot claim working tax credit - see p19 for more details).

Details of Children Screen

Children	Age	IS	CTC	Disabled Child Prem?	Child Prem?
1	4	66.33	5850.95	<input checked="" type="checkbox"/> - Yes	59.50
2	2	66.33	2752.10	<input type="checkbox"/> - No	0.00

Allowances: 132.66 8603.05 DCP: 59.50
Child Benefit: 34.05 Actual Child Benefit: 34.05 Lone Parent FP? - No

This screen gathers information about the claimant's children. Click the 'Add' button to add children to the case and the 'Remove' button to remove children. Where a child qualifies for DLA/PIP or is blind click the 'DLA..' button. The calculator will apply disabled child premium/credit and, where appropriate, enhanced disability premium/credit for the child on the basis of this information. If a child is aged 15 (or 16 where disabled) the calculator needs the date of birth to work out if the child qualifies for WTC childcare element and/or HB/CTR childcare disregard.

The calculator automatically works out Child Benefit. Use the protected FP(LP) control to indicate whether the claimant has transitional entitlement to family premium (lone parent rate). For more information about this screen see the online help (click the 'Help' button). Click the 'Done' button to return to the opening screen.

Work Details Screen

This screen collects information about the claimant's (or partner's) work. Enter the number of hours worked and the gross income in the boxes at the top left. Annual or monthly figures can be converted by preceding the figure with a 'y' or 'm' (eg y5000) for £5000pa. If only net income is known set Tax and NI to 0 and enter the net figure in the 'Net Earnings' box.

Tax and NI for employees will be calculated automatically from gross earnings if the 'Automatic Tax & NI' check box is ticked. Click 'Show Calc' to see how tax is worked out. Tick the 'Blind' box if blind person's tax allowance applies. If the claimant has taxable income other than earnings (e.g. taxable benefits income) this can be entered in the 'Other income not taxed at source' box. Use the 'Estimate Gross from take home pay' button to work back from net earnings to gross earnings.

The Child Care box at the bottom right is for eligible child care costs for tax credits and HB/CTR: these are duplicated on the partner's work screen if there is a partner. For more information about this screen see the online help (click the 'Help' button). Click the 'Done' button to return to the opening screen.

Other Income Screen

Other income	41.00
Non assessable other income (ie not counting for MTBenefits)	0.00
All other income	122.00
Less unavailable other income (e.g. costs of boarders)	0.00
	122.00

Deferred state pension 0.00

This screen takes information about other income (not earnings or benefits) received by the claimant (or partner) that counts as income for means-tested benefits. If the income is not specifically shown, enter it as miscellaneous assessable income and give a description to appear in the printed calculation. If the other income counts for some means-tested benefits but not others, look at Miscellaneous Adjustments (p. 25). Other income is shown gross in the total figure on the basic details screen and in the income summary on the printed report. This figure can be adjusted using the boxes to the right of the screen.

For more information about this screen see the online help (click the 'Help' button). Click the 'Done' button to return to the opening screen.

Employment and Support Allowance (ESA) Screen

The screenshot shows the 'Quick Benefits Calculator (2014/2015): untitled.qb1' window. The title bar includes 'File', 'Report', 'Configuration', 'Details', 'Tax Credits', and 'Help'. The main area is titled 'Claimant's ESA / Capability for Work / Capability for Work Related Activity'. It features a dropdown menu for 'Claimant's ESA status' set to 'Main Phase (Work Related Activity Group)'. Below this are several checkboxes: 'Meets the contribution conditions for contributory ESA? - Yes' (checked), 'Contributory ESA Expired after 365 day entitlement? - No' (unchecked), 'On ESA(C) (incl. any linked IB/SDA/SSP*) for 28+ Weeks - No:' (unchecked), and 'Qualifies for the higher (permitted work) earnings disregard? - No' (unchecked). There are two input fields: 'Councillor's allowance:' with a value of '0.00' and 'Transitional Addn:ESA(C)' with a value of '12.40'. A note states: 'NB: Enter any transitional addition for ESA(IR) on the ESA(IR) screen (or for HB/CTR on the HB/CTR screen)'. At the bottom left, a calculation is shown: 'C-ESA = £72.40 plus £28.75 WRA Component plus £12.40 Transitional Addition' and 'ESA (Contribution Based): 113.55'. On the right side, there are 'Help' and 'Done' buttons. At the bottom right, there are 'CAPS' and 'NUM' buttons.

Where a claimant has limited capability for work and has claimed ESA (or NI credits on the basis of limited capability for work), use this screen to indicate whether they have been allocated to the support or work related activity group or is still in the assessment phase. If the claimant meets the contribution conditions for contributory ESA tick the relevant box; the calculator will then calculate ESA(C) automatically. Where ESA(C) has expired tick the 'Contributory ESA Expired' box.

Where a claimant has been migrated from IB, SDA or IS onto ESA tick the 'Migrated Case' box. Transitional additions for migrated cases for ESA(C) should be entered on this screen; transitional additions for ESA(IR) should be entered on the ESA(IR) screen; transitional additions for HB or CTR should be entered on the HB or CTR screens respectively.

For more information on using the QBC for ESA cases, see appendix 6. Limited Capability for Work / Work Related Activity for Universal Credit is also entered on this screen. See *Benefits Changes* (available from the QBC help menu).

Non-means-tested Benefits Screen

Enter details of the claimant's (or partner's) non-means-tested benefits (apart from Child Benefit and children's DLA/PIP) here. If receipt of a benefit means that disability premium or carers premium must apply (disability premium will not apply where the claimant is subject to ESA see appendix 6) , the calculator will tick the appropriate box on the basic details screen. If the case is changed so that no qualifying benefit applies, the calculator will ask if you wish to remove the premium. The calculator will apply enhanced disability premium (where appropriate) if DLA Care High / PIP(DLC Enhanced) is paid.

The 'Earnings Replacement Benefit' list shows the principal non-means-tested benefits that are not normally payable together. The 'Other Benefit ' box is for any of the more obscure benefits not shown elsewhere on this screen and that do not count as income for means-tested benefits.

For more information about this screen see the online help (click the 'Help' button). Click the 'Done' button to return to the opening screen.

Rent / Non-Dependants / Ineligible Charges Screen

Gross/Maximum	Rent	125.00
less Ineligible		0.00
Less 25% UO		31.25
less Non Dep		0.00
Eligible		93.75

Use this screen to enter details of the claimant's rent, LHA, social sector occupation, rent-free weeks and any ineligible charges.

Enter non-dependants using the additional 'Non-Dependants' screen. These details are also used for non-dependant deductions for claimants who have eligible housing costs for IS/IBJSA/IRESA/PC/UC - see p. 17. If the claimant is subject to local housing allowance tick the 'LHA applies box' and enter (or look up) the appropriate LHA. For claimants subject to the social sector under-occupation rules (bedroom-tax) enter the level of under-occupation here. Rent and under-occupation for Universal Credit are also entered on this screen. See *Benefits Changes Notes* (available from the QBC help menu) for more information. Other (e.g. pre-LHA) rent restrictions can also be entered on this screen.

For more information about this screen see the online help (click the 'Help' button). Click the 'Done' button to return to the opening screen.

IS/JSA(IB)/ESA(IR)/PC/UC Housing Costs

Quick Benefits Calculator (2014/2015): untitled.qb1

File Report Configuration Details Tax Credits Help

IS/IB/JSA Housing Costs Standard Interest Rate 3.63

Eligible Loans:-

Outstanding Mortgage	45000.00 @ 3.63 %	31.41
Outstanding Home Improv / Repair Loan	0.00 @ 3.63 %	0.00

Other Eligible Costs:-

Ground Rent	0.00	0.00
Service Charges	0.00	0.00

Weeks since claim 22

Eligible payments re coownership scheme / crown tenancy / tent 0.00

Less ineligible service charges	0.00
Less non dependant deductions	0.00
Eligible housing costs (now)	31.41

After Weeks:-

0-13	13+	Costs:	0.00	31.41
------	-----	--------	------	-------

Help

Done

CAPS NUM

Enter details of any eligible loans and other housing costs for Pension Credit, Income Support, Income-Based JSA, ESA(IR) or UC. The calculator will use the standard rate of interest.

It is possible to change the standard rate by entering a new figure in the box. To set this as the new standard rate, click the 'Set this as Default Standard Rate' button.

The screen shows how eligible costs will change once the waiting period has been served (assuming all things remain equal) - enter the number of weeks in the 'Weeks since claim' box to get the correct current costs.

For more information about this screen see the online help (click the 'Help' button). Click the 'Done' button to return to the opening screen.

Income Support / Income-Based JSA / Pension Credit and Housing Benefit and Council Tax Reduction

These screens show the calculation of these means-tested benefits. In general, they do not gather much further information about the claimant. However, in cases where the claimant may be entitled to a higher earned income disregard for IS/IBJSA or HB and CTR but this cannot be deduced from the other details of the case, a check box appears. Tick the box if the higher disregard applies. If a claimant is not eligible for IS/IBJSA, but is eligible for another benefit (e.g. a full time student exceptionally eligible for HB in the summer) the user must tell the calculator this by ticking the 'Not eligible (other reason)' box. If the claimant (or partner) can get IS/IBJSA despite working 16 (or 24) hours tick the 'Exempt from 16/24 hours rule'.

If a claimant or partner has been migrated onto ESA (this is indicated on the ESA screen - see p. 14), then any transitional addition which applies to ESA(IR), HB or CTR can be entered on the ESA(IR), HB or CTR screens.

Most cases where the claimant is exempt from the benefit cap are detected automatically by the calculator. If the benefit cap does not apply (e.g. during the 39 week grace period) you can enter this on the HB screen.

For more information about these screens see the online help (click the 'Help' button). Click the 'Done' button to return to the opening screen.

In pension credit cases, the severe disability addition applies where the 'Severe Dis Addn' box is ticked. Similarly the carer's addition applies where 'Carer Addn' box is ticked. (The rules for these additions are analogous to those for the Income Support/IBJSA premiums.)

Tax Credits (Main Screen)

The screenshot shows the 'Quick Benefits Calculator (2014/2015): untitled.qb1' window. The title bar includes standard window controls. The menu bar contains 'File', 'Report', 'Configuration', 'Details', 'Tax Credits', and 'Help'. Below the menu bar is a toolbar with icons for home, back, forward, print, and help. The main content area is titled 'Tax Credits (Main Screen):-' and contains a section for 'Working Tax Credit and Child Tax Credit'. There is a checkbox for 'WTC Disability (applicant) (see help) - No'. Below this is a 'Calculation period:' section with a dropdown set to 'Between dates:', 'From' date '6/4/2014', and 'To' date '5/4/2015'. There are buttons for 'View Calculation / Existing Award', 'Start Tax Y', 'Today', 'Today', and 'End Tax Y'. An 'Income Calculation:' dropdown is set to 'From worksheets (recommended)', with a button for 'Income Worksheet (Applicant) ...'. On the right side, there are buttons for 'Help', 'Preview...', and 'Done'. At the bottom right, there are 'CAPS' and 'NUM' buttons.

NB- all users should read *Quick Benefits Calculator: Child Tax Credit and Working Tax Credit Additional Notes for Advisers* before using the program for tax credits calculations. This is available from the QBC help menu.

Credits Applicable

The Calculator uses information entered elsewhere to identify entitlement to most of the component credits of child tax credit (CTC) and working tax credit (WTC). However the Calculator will need to know whether the claimant (or partner) meets the additional criteria (apart from remunerative work) for the disability element (where relevant). The help system gives information on identifying cases where these apply (click the 'Help' button on the NTC screen for details).

Defer CTC

The defer child tax credit button indicates that the claimant chooses not to claim child tax credit (it duplicates the same control on the main screen). This only has effect where the claimant could be eligible for income support / income-based jobseeker's

allowance and is not eligible for working tax credit. Checking benefits with this setting both on and off will enable advisers to identify claimants who will be floated off IS (and usually better off) by claiming CTC. Advisers should remember to check any changes to passported benefits when advising claimants.

Calculation Period

Tax credits are calculated for each 'relevant period'. A relevant period is a period during which there is no change of circumstances sufficient to alter the maximum tax credit payable (*this is a simplification of the rules*). Where the maximum credit payable stays the same for the whole the tax year, the relevant period is the whole tax year.

You can specify the length of the relevant period by giving the first and last dates of the relevant period (right click on the date box to access the calendar) or by entering the number of days in the relevant period. By default, the calculator will use a relevant period of the whole tax year.

Alternatively, calculations can be performed on an approximate weekly, monthly or annual basis. Note that calculations performed on these bases are always approximations as they do not apply the daily-rate rounding rules which apply to actual tax credit awards.

Regardless of the length of the relevant period, the income taken into account is the income for the whole tax year (apportioned where necessary over each relevant period) - see 'Income' below.

Other Tax Credit Screens

The Main Tax Credits screen is also used to access the tax credit calculations / existing award screen (see below) - click on 'View calculation / existing award' to access this screen. To access the tax credit income worksheets (see below) for claimant and partner click on the appropriate button. All of these screens can also be reached directly by from the 'Details' menu.

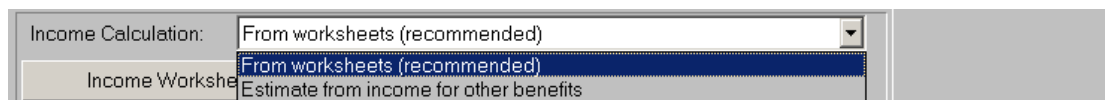
Tax Credits - Income

Income is assessed on an annual basis. If income in the tax year of assessment (current tax year) exceeds that of the previous tax year but by less than £5,000, then the income used is the income in the previous tax year. If the income in the current tax year exceeds that of the previous tax year by more than £5,000, the relevant income is that for the current year less £5,000. (The first £5,000 of any rise in income is disregarded). Where current tax year income is less than that for the previous tax year by more £2,500, the income used is the current year income plus £2,500. (The first £2,500 of any fall in income is ignored).

The Calculator provides two methods for assessing income for tax credit purposes:-

- (i) Estimating income using figures entered for other benefits.
- (ii) Working out income for tax credits using worksheets (see p. 23).

The method used is selected using the selection box (shown below) on the Tax Credits main screen.



The first method attempts to estimate annual income for tax credit purposes by grossing up the weekly income figures already entered for assessing entitlement to other benefits.

The second method ignores income already entered for other benefits and instead allows annual income for both the previous and current year (i.e. 2013/14 and 2014/15) to be entered directly.

The second method is preferable because it allows the Calculator to identify the relevant year and apply the £5,000 disregard (or £2,500 disregard) as required. The first method is only suitable if current weekly income is a good reflection of annual income for both the current and previous tax year and the £5,000 or £2,500 disregard does not apply.

Income Calculation (Estimate from income for other benefits).

If this option is selected, the Calculator will attempt to estimate figures for earnings, social security income and pension income based on information entered elsewhere in the Calculator. This will produce a correct result only where the weekly income entered for benefits purposes is equal to the average weekly income for the relevant tax year. Where the relevant income differs (that is, where the previous year is the basis year or the £5,000 or £2,500 disregard applies or weekly income varies during the year), check the boxes marked 'Use alternative figure' and enter the appropriate annual amount for that type of income. The Calculator identifies two further groups of income: 'Investment, property, foreign and notional income' (which, together with pension income attracts a £300 disregard) and 'Miscellaneous Income and Student Income' (to which the £300 disregard does not apply). The Calculator applies the £300 disregard where appropriate. The five classes of income considered by the Calculator can be entered on an annual basis ('pa') (this is the basis on which the calculation carried out) or, if more convenient, can be entered on a weekly ('pw') or monthly ('pm') basis. Remember that the income figure entered should reflect the annual figure (even if it is expressed over a different period). So, for example, if a per week figure is given, the calculation will be correct only if this is the average weekly relevant income (of that type) for the whole tax year. The figures on the right hand side of the screen show the income as used in the calculation (i.e. annualised and then apportioned over the relevant period).

Note: Only the following types of income for tax credits are identified by the calculator using this method:-

Employment: Earnings, SSP, SMP*/SPP*/SAP* (* net of disregard)

Pension: Occupational pension, state retirement pension, widowed mother's Allowance, widowed parent's allowance, widow's pension and industrial death benefit.

Social security: carer's allowance, short term higher rate incapacity benefit, long term incapacity benefit (where taxable), bereavement allowance, contributory JSA, contributory ESA.

Any other income for tax credits in these classes will need to be entered using alternative figures.

Other classes of income for tax credits will also need to be identified and entered in the 'Miscellaneous/Student income ' or 'Investment/Property/Foreign or Notional income' boxes.

For more information about this screen see the online help (click the 'Help' button). Click the 'Done' button to return to the opening screen.

Tax Credits (Income Worksheet)

The screenshot shows the 'Tax Credits Income (Applicant)' window in the Quick Benefits Calculator. The window title is 'Quick Benefits Calculator (2014/2015): untitled.qb1'. The menu bar includes 'File', 'Report', 'Configuration', 'Details', 'Tax Credits', and 'Help'. The toolbar contains icons for file operations and help. The main area is a table with columns for 'Income Type', 'Amount', 'Tax Year', and 'Description'. Each row has 'Calc..' and 'Remove' buttons. An 'Add' button is at the bottom right of the table. A text box at the bottom left provides instructions: 'Enter details of *annual* assessable income for tax credit purposes in previous tax year. Also enter (expected) annual income for tax credits for current tax year here. See help for more information about what income counts.' A 'Help' button is at the bottom right, and 'Done' and 'CAPS NUM' buttons are at the very bottom.

Income Type	Amount	Tax Year	Description	Calc..	Remove
Employment	22500.00	2014/15	Wages This Year	Calc..	Remove
Employment	20250.00	2013/14	Wages Last Year	Calc..	Remove
*Pension contr	1250.00	2014/15	Pension Contrib this yee	Calc..	Remove
*Pension contr	1000.00	2013/14	Pension contrib last yee	Calc..	Remove
Investment	50.00	2014/15	Savings income last yee	Calc..	Remove

Enter details of *annual* assessable income for tax credit purposes in previous tax year. Also enter (expected) annual income for tax credits for current tax year here. See help for more information about what income counts.

Earnings: include any SMP/SPP/SAP and SSP (but disregard up to £100.00 per week of SMP/SPP/SAP.)

Help

Done

CAPS NUM

Worksheets are the recommended method for entering the applicant's (and partner's where relevant) income for tax credits. Each worksheet takes information about the applicant's income from various sources for tax years 2013/14 and 2014/15. The example above shows an applicant who earned £20,250 and paid £1,000 pension contribution in tax year 2013/14 and who expects to earn £22,500, to pay £1,250 in pension contributions, and to receive £50 interest on savings in tax year 2014/15.

The 'Calc' button assists in the calculation of annual figures from money amounts payable over different periods.

The income worksheet also accepts various income disregards (listed at the end of the income types) the most important of which is pension contributions (which should not be confused with pension income). The £300 for certain types of income will be applied automatically and should not be entered here. You should enter SMP and SSP (and SPP/SAP) as income from employment - remember to disregard up to £100 per week of SMP (and SPP/SAP). Do not disregard any SSP.

Notes and reminders about the selected income types appear in the box on the right hand side of the screen. These should not be taken as exhaustive. If in doubt, check with the regulations.

Where the applicant has a partner, a separate worksheet is available to deal with the partner's income.

If no income is entered for the current tax year, the income calculation will be based on the previous year only (i.e. it is assumed that no information is available about current tax year income). If only current tax year income is entered, the Calculator will assume that there was no taxable income in the previous year (and will therefore apply the £5,000 disregard).

The £5,000 disregard of increases in income between previous and current tax year and the £2,500 disregard of falls income will be applied automatically.

For more information about this screen see the online help (click the 'Help' button). Click the 'Done' button to return to the Tax Credits main screen. Click 'Done' again to go to the opening screen.

Tax Credits (Calculation / Existing Award)

Tax Credit Calculation / Existing Claim		Credit	Daily Rate	x 365 days in Rel Period
CTC	Family Element	545.00	1.50	547.50
	Children	5500.00	15.08	5504.20
	Disabled Children	0.00	0.00	0.00
	Severely Disabled Children	0.00	0.00	0.00
WTC	Basic Element	1940.00	5.32	1941.80
	Disability Element	0.00	0.00	0.00
	Working 30+ hours	800.00	2.20	803.00
	Lone Parent Element	1990.00	5.46	1992.90
	Severe Disability	0.00	0.00	0.00
	Childcare Element			0.00
	Total Credit			10789.40

Income	19250.00	Weekly CTC:	106.04	<input type="checkbox"/> Existing Award? - No
Threshold	6420.00	Weekly WTC:	0.00	
Excess	12830.00	(incl Ch Care El):	0.00	
x 41%	5260.30			
Max Tc	10789.40			
Less Excess	5260.30			
Tax Credit	5529.10			

This screen shows the detail of the tax credit calculation. It shows the daily rate equivalent of each tax credit element (apart from child care element). You can enter details of tax credits already payable by ticking the 'Existing Award?' box and entering the details in the boxes which appear. This is appropriate where the claimant does not wish to have an in year reassessment of their tax credits award (i.e. a change in circumstances has occurred but not one which *must* be reported to Her Majesty's Revenue and Customs).

Miscellaneous Adjustments

This screen allows advisers to make arbitrary adjustments to the applicable amounts and income figures for the different means-tested benefits. It is also possible to adjust the eligible rent and council tax. This screen can also be used to cover cases not explicitly covered by the program. To access this screen select Details | Miscellaneous adjustments.

Previewing Printouts

Reports can be previewed by selecting File | Print Preview.

The screenshot shows a 'Print Preview' window with the following content:

Claimant's Details

As at 6 August 1998: The Claimant, age 25, works 20 hours per week for £9 age 32, does not work. They have two dependent children aged thirteen and eight. Child Benefit is 20.75. They are liable to pay £4.80 per week council tax.

Family Credit

Maximum Family Credit		Income	
Adult Credit	48.80	Earnings	91.26
Child (age 13)	20.45		
Child (age 8)	12.35		91.26
Children	32.80		
	<u>81.60</u>		
		Income	91.26
		Applicable Amount	79.00

Use the controls indicated above to move around the print preview. The keyboard can also be used - click 'Help' for details. Click the right mouse button to switch between two-up and width of screen display.

Printing Out 'What if..?' Reports.

To compare two situations in the same report, enter details of the first situation, click the 'Start What if..?' button, alter the case to reflect the second situation and click the 'Complete What if..?' button. This report appears as a print preview first (see above). Users can control the contents of the report, how it is laid out and its appearance - see p. 28. When the preview is complete you can choose to go back to the original situation, stick with the 'after' situation or continue with the 'What if..?' calculation (making further changes to the after situation).

Controlling Printout Contents

The printed report consists of a set of components which can be selected from Report | Printout Contents :-

- Summary of case details - summarises circumstances of claimant and partner at the top of the report.
- Full details of calculations - shows how benefits are calculated.
- Income Summary - shows a summary of benefits and net income from work.
- Notes (select Report | Notes) - advisers can type notes on the case here which can be appended the printed report.
- Details of change in circumstances - shows how circumstances have changed in a 'What if..?' report.
- Compare results side by side - this option shows one income summary comparing the two situations in a 'What if..?' report.
- Disclaimer - prints a disclaimer at the end of the report - you can write your own disclaimer if you prefer.

Controlling Printout Appearance

Font size, margins, header text and page numbering can be set by selecting Report | Printout Options. Each printout is divided into sections (with horizontal lines separating them). If the 'split sections' option is selected, sections may be split across pages - this can save paper but may also make the report hard to read. If a large font is needed, landscape printing should be selected - this can be done by selecting File | Print Setup. Options are also available for saving and viewing printouts in HTML format.

Income Projection Report

Select Report | Income Projection to show projected income for a range of hours worked. Users should click the 'Help' button on the projection report screen for details of the limitations of this printout. NB: This calculation estimates income for tax credits from income entered for other benefits - see p22 for details.

Managing Cases:-

Saving Cases

To save a case, select File | Save. Quick Benefit Calculator case files have the extension .qb1 and are saved by default in the application directory.

Opening Cases

To open a case, select File | Open.

Updating Cases

When opening a case produced by an earlier version of the calculator, the program will ask whether it should be updated. If so the calculator will prompt the user for any further information required.

Configuration

Select Configure | Configuration to set the annual Band 'A' council tax figure. This dialog can also be used to determine whether the windows login name is used for the adviser's name. The Location entry will be used when support for Northern Ireland is added.

Getting Help

For help on a particular screen, click the 'Help Button'; if you can't find the information you require, try searching the help system. If you are stuck, contact the help line on 01273 711 736.

Appendix 1: Technical Information

System requirements:-

To run the program your computer the following minimum specification is recommended:-

Ram:	128 MB
Disk Space:	80 MB
Operating System :	Windows XP / Vista / Windows 7 / Windows 8 [excl ARM]

Version 18.05 of the QBC (general release) is a 32 bit (Intel architecture) Windows application. Report options, configuration and report contents options are user specific and are stored in the user's profile folder in the file 'qb2.i' .

Appendix 2 : The Lisson Grove Benefits Program

The *Lisson Grove Benefits Program* is an expert system designed for advisers who are less familiar with the benefits system. The program asks a series of questions to determine entitlement. The *Lisson Grove Benefits Program* also covers a number of cases excluded from the Quick Calculator. A trial copy of this program and further details can be obtained from LGBP Ltd at the address shown below.

Appendix 3 : Contacting the Developers

Quick Benefits Calculator is developed by LGBP Ltd:-

Tel: 01273 711 736

info@lissongrovebenefits.co.uk (general enquiries)
help@lissongrovebenefits.co.uk (support)

www.lissongrovebenefits.co.uk

Lisson Grove Benefits Program Ltd
Brighton Media Centre
21/22 Old Steine
Brighton
BN1 1EL

Appendix 4 : Common Questions

This section is intended to provide more information on operating the Quick Benefits Calculator in practice. It is based on users' enquiries to the Quick Benefits Calculator support line and also on the results of user surveys. This section should be used in conjunction with both the rest of this 'Getting Started' booklet and also the on-line help system.

Q: What is the 'Start What if..?' button for?

A: If you want to produce a printout for a client comparing two situations (e.g. to show to show the effects of taking a job) the calculator needs to know when you have finished entering the 'before' situation and when you have finished putting in the details of the 'after' situation.

So to produce a 'What if..?' printout:-

1. Enter details of 'before' situation.
2. Click the 'Start What if..?' button. [*changes to 'Complete What if..?'*]
3. Change details to show the 'after situation'
4. Click the 'Complete What if..?' button.

Note: If you simply want to try out a 'What if..?' calculation but don't need a printed report comparing the two situations, just leave out steps 2 and 4 above.

Q: Where do I enter Incapacity Benefit or ESA?

A: Incapacity Benefit is entered on the 'Claimant's Benefits Income' screen - it is in the list marked 'Earnings Replacement Benefit'. For ESA see appendix 6.

Q: What if a claimant is receiving tax credits at a different rate to that calculated?

A: First of all, it is probably better to check whether a change in circumstance which *must* be reported to HMRC has occurred. If a different rate is in payment, this can be entered on the 'Tax Credits Calculation / Existing Award' screen - see p. 26.

Q: What if the claimant only knows their net earnings?

A: You can enter net earnings directly in the net earning box on the work details screen. Alternatively, use the 'Estimate Gross Earnings From Take Home Pay' button on work details screen (see p. 12). **NB** You may need to know gross earnings in order to calculate tax credits accurately.

Q: How can I use the calculator for cases where the applicable amount is modified (e.g. trade disputes, JSA sanctions, etc).

A: These cases are not covered directly by the Calculator but you can modify most aspects of the benefits calculations via the 'Miscellaneous Adjustments' screen - this screen is accessed through the 'Details' menu.

Q: The calculator doesn't consider passported benefits - is there any way to include these in a better off calculation?

A: Yes, if your better off calculation involves a change in passported benefits because someone takes work you could include the value of these as one of the 'Costs of Taking Work' on the 'Claimant's Work' screen. Alternatively, you could add a note to the calculation explaining the change in passported benefits.

Q: My Quick Benefits Calculator doesn't show how the benefits were calculated in the printout; why is this?

A: The calculator may have been set not to show the full details of benefits calculations (perhaps to produce a summary report for a client.) To show full details click on Report | Printout Contents and tick the box marked 'Full details of benefits calculation'. Alternatively, access the printout contents dialog by clicking the 'Contents' button in print preview.

Q: What if I have other questions about operating the Quick Benefits Calculator?

A: Refer to online help system (particularly the FAQ section). If you cannot find the information you need, contact the help line on 01273 711 736.

Appendix 5: Using the Calculator : More Examples

Example 1: Lone Parent / Better Off Calculation

Situation:-

The claimant, born 14 May 1972 is a lone parent with two children aged 17 and 14. She receives DLA (Care) middle rate. She wants to know if she would be better off taking a job for 30 hours at £210/week. Her rent is £260/month.

Method:-

Enter her date of birth as 14/5/1972. Click on 'Children' and click on 'Add' and enter the child's age as 17. Click on 'Add' again and enter the child's age as 14. Click on 'Done'. Click on 'Claimant's Benefit Income' and enter her DLA care at middle rate. Click on 'Done'. The calculator will automatically tick the box for disability premium *[NB: the calculator will not remove the disability premium automatically if she no longer gets DLA as she may qualify through a different route; it will stop and ask.]* She also qualifies for SDP (no one else is claiming Carer's Allowance for caring for her) so tick the SDP box as well. Click on Rent/NonDeps/Service Chgs' and enter her rent as m360 (for £360/month). The calculator converts these to weekly amounts. Click on 'Done'. The calculator now shows her current benefits.

Click on 'Start 'What if..?' Report'. Click on 'Claimant's Work' - enter her hours as 30 and her gross earnings as 210. The calculator automatically calculates tax and NI. Click on 'Done'. The calculator will offer to add an entry on the worksheet - select the first option - 'Yes, go to the worksheet and add this work starting today ...'. A warning will appear checking that this income source started today - this is correct so click 'Yes'. She has no other income for tax credits so click on 'Done'. Confirm that she has no previous year tax credits income. From the basic details screen, click on 'tax credits' and tick the 'WTC Disability (applicant)' box as she qualifies for this element. Set the start date for the tax credits calculation period to today's date. Click on 'Done'. To show the better off calculation printout, click the 'Complete What If..?' button. **NB** tax credits in future years will probably fall (see the additional notes for more information). The More Info button will show an estimate of long term tax credit entitlement.

Example 2 : Owner Occupier - Mortgage and Repair Loan

Situation:-

The claimant, born 23 November 1965, is a single owner occupier with no children. She has been claiming income-based JSA for the past 6 weeks. She has an outstanding mortgage of £45000 and a home repair loan of £20000. Her council tax liability (after the single person discount) is £750 per annum. She wants to know how her benefit will change when her housing costs become eligible (at 13 weeks.)

Method: -

Enter the claimant's date of birth as 23/11/1965. Click on 'CTR', select here local authority and enter her council tax liability as y750 (for £750 per year) - the calculator converts this to a weekly rate. Click 'Done'.

Click on the 'IS/JSA Housing Costs' button. Enter the outstanding mortgage as 45000. Enter the repair loan as 20000 and set the weeks since claim to 6. The screen now shows how her eligible housing costs for income-based JSA will change once she has reached week 13 - at present she has no eligible housing costs. Click on done.

The basic details screen shows her income-based JSA and her council tax benefit. Select File | Print preview. The printed report shows how (all other things being equal), her JSA would increase later in the claim.

Example 3 : Carer on Pension Credit

Situation:-

The claimant is single, born 4 February 1951. He looks after an elderly disabled relative for whom he cares 35+ hours per week and receives Carer's Allowance. Rent is £92.50 per week.

Method:-

Enter his date of birth as 4/2/1951 (the calculator switches to pension credit). Click on 'Claimant's Benefit Income', click on the box labelled 'Earnings Replacement Benefit' - a list of benefits appears - choose Carer's Allowance from the list. The calculator shows Carer's Allowance - payable at the basic rate. Click on 'Done'. (If you have asked the calculator to ask about income for tax credits - in all cases, even where tax credits are not applicable - the calculator will offer to add Carer's Allowance to the income worksheet. If this happens, click on 'No, don't go to the worksheet' as there is no tax credit issue in this case.) The calculator ticks the 'Carer Addition' box automatically because this must apply. Click on 'Rent.. .' and enter his rent as 92.50. Click on 'Done'. The calculator shows his current benefits (state pension credit with carer's addition and full HB).

Appendix 6: Employment and Support Allowance

What is Employment and Support Allowance?

Employment and Support Allowance (ESA) has replaced severe disablement allowance (SDA) incapacity benefit (IB) and income support (IS) where paid on (most) disability-related grounds. Almost all claimants of the former benefits have been migrated to ESA. ESA exists in two forms: contribution based - ESA(C) - and income-related - ESA(IR). This split is broadly analogous to the split between contributory JSA and income-based JSA. To qualify for ESA a claimant must have (or be treated as having) limited capability for work (LCW). Most ESA claimants will serve an 'assessment phase' lasting 13 weeks. After the 'assessment phase' claimants move to the 'main phase' where they are allocated to either the 'work related activity (WRA) group' or, where they are assessed as having limited capability for work related activity (LCWRA), the 'support group'.

These notes are intended give a basic overview of how ESA cases are treated in the QBC and are not intended to be a guide to ESA itself. For information about ESA refer to an authoritative source such as *Welfare Benefits and Tax Credits Handbook* from the Child Poverty Action Group.

How do I indicate that a claimant is subject to ESA?

You should indicate their ESA status (i.e. assessment phase, WRA group or support group) on the ESA screen. Where the claimant is subject to ESA, the program will calculate ESA(IR) rather than IS or JSA(IB).

How do I enter ESA(C)?

If the claimant meets the contribution conditions for ESA(C), tick the box on the ESA screen. The program calculates ESA(C) for you taking into account any occupational pension entered on the other income screen (and any councillor's allowance) which may reduce the amount payable. ESA(C) is an earnings replacement benefit (like JSA(C), IB, retirement pension, etc) so entering the ESA(C) will remove any other earnings replacement benefit from the calculation. To enter a different earnings replacement benefit

on the 'Claimant's Benefits income screen' you will first need to remove any ESA(C) on the claimant's ESA screen.

How do I enter ESA credits-only cases?

Where a claimant is awarded national insurance credits only on the grounds of limited capability for work (e.g. because they don't meet the contribution conditions or their income or capital is too high) this can have an effect on the claimant or partner's HB or CTR. You should indicate their ESA status (i.e. assessment phase, WRA group, support group) on the ESA screen.

What about claimants entitled to the higher exempt work earnings disregard?

Where a claimant or partner is subject to ESA and qualifies for the higher earnings disregard (£101.00 – prior to October 2014), tick the box on the ESA screen. Note that for ESA(IR) it appears that the higher earnings disregard can only apply to the *claimant's earnings* even if the partner has LCW and would qualify for the higher disregard in their own right.

What about claimants migrated from IB,SDA or IS onto ESA?

Where a claimant or partner is migrated from IB,SDA or IS this can be indicated using the tick box on the ESA screen. In these cases there may be a transitional addition payable with ESA(C), ESA(IR), HB or CTR. Enter any transitional addition on the ESA, ESA(IR), HB or CTR screen.

What about claimants whose ESA(C) has expired?

ESA(C) is limited to 365 days (excluding any days spent in the support group.) If a claimant's or partner's ESA(C) has expired this can be indicated using the tick box on the ESA screen.

What about partners?

Where a partner is subject to ESA enter their details on the partner's ESA screen in exactly the same way as for the claimant. Note that ESA(IR) will only apply where it is the claimant who has limited capacity for work. Where a partner has limited capacity for work, the claimant may still be able to claim IS/IBJSA; if the partner receives ESA(C) this will be taken into account as income for IS/IBJSA (and SPC).

What does 'underlying DP' or 'underlying disability premium' mean?

This refers to a situation where a disability premium cannot currently apply (because the claimant has LCW) but would apply if the partner made the claim - this helps the calculator identify cases where the claimant and partner may be better off swapping their claim - see below.

Swapping the Claimant (1) ESA(IR) or IS [All benefits swap]

It is possible, under certain circumstances, that members of a couple may have a choice of claiming ESA(IR) or IS depending on which of them makes the claim. Assuming that each member of the couple meets the relevant qualifying criteria for the benefit claimed, then in some situations a higher rate of benefit may be obtained if the claimant's partner (rather than the claimant) makes the claim. The calculator will attempt to identify these situations and will show the 'Swap Claimant?...' button at the right of the QBC 'basic details' screen if this might apply. If you select this option, all of the claimant's and partner's details will be swapped over (i.e. the claimant and partner will be swapped for *all benefits*). If you need to swap the claimant and partner again you can do this by selecting the 'Swap Claimant' option from the 'Details' menu. Before you advise claimants on swapping the claimant and partner you need to take account of the following:-

- a) Once a claim for IS or ESA is made it may not always be possible to swap back;
- b) In some cases a claimant may be temporarily better off with one set of circumstances (.e.g claiming IS whilst their partner is in the

ESA assessment phase) but better off the other way round when their circumstances change (e.g. where a person moves onto main phase ESA).

c) Any transitional addition payable with ESA(IR) may be lost when swapping the claimant – the calculator will not take account of this automatically.

Swapping the Claimant (2) HB/CTR [Swapping just for HB/CTR]

The HB/CTR rules are modified to reflect ESA; the amended rules apply differently depending on whether it is the claimant or the partner who is subject to ESA. This means that there will be some cases where, for HB/CTR, the partner should be the claimant. The DWP have made it clear that the members of a couple are free to choose which of them is the claimant (assuming they both qualify) and, importantly, they can swap back again if required. If the claimant and partner would get more HB or CTR by swapping, the QBC will show an orange 'Recommendation:... ' message. To (swap or unswap) the claimant for HB tick (or untick) the 'Swap for (HB)' check box below the message. In some cases you may find the couple needs to swap back again once the 'main phase' is reached. Any ESA transitional addition included in the HB/CTR applicable amount may be lost when swapping the claimant – the calculator will not take account of this automatically.

Swapping the Claimant - General Issues

As well as ensuring that a swap is actually possible and that it will not lock the claimant or partner into a disadvantageous positions should their circumstances change, advisers should also look at the possible effect of a (new) LHA rate applying for HB and any possible loss of disability premium where this is awarded on the grounds of incapacity only.