



UNIVERSAL CREDIT – CLAIMING FOR A YOUNG DISABLED PERSON

Universal Credit is a new benefit for people aged between 16 and Pension Credit qualifying age. It is replacing new claims for most of the existing means-tested benefits for people of working age with a single monthly payment. This factsheet explains when your child might be able to claim Universal Credit as a young adult and the impact this might have on any benefits that you get for them as a dependent child.

Once your child turns 16 (18 in Scotland) they will normally be expected to claim Personal Independence Payment instead of Disability Living Allowance. However, alongside this, a young person turning 16 may also have the option of claiming Universal Credit in their own right as a young disabled adult.

Universal Credit is a means-tested benefit for people of working age. You normally have to be aged at least 18 to claim Universal Credit, but special rules allow 16 and 17-year-olds to claim if either:

- **they are submitting medical certificates from their GP, or**
- **have established that they have a limited capability for work.**

If your son or daughter chooses to claim Universal Credit this can affect the benefits that you receive. They will stop being treated as a dependent child of yours and this means that Child Benefit, Child Tax Credit or other payments that you receive for them as part of your family will stop.

If your child is aged 16-19 and stays in full time non-advanced education you will often have a choice – either carry on claiming benefits for them as part of your family or help them claim Universal Credit in their own right. But you will need to weigh up which option is likely to leave your family better off.

WHAT IS UNIVERSAL CREDIT?

Universal Credit is a new benefit for people of working age. It can be paid to people who are in employment as well as to those who are not working. It is replacing most of the existing means-tested benefits for people of working age with a single monthly payment. It is administered by the Department for Work and Pensions (DWP) and most people are expected to claim it online.



Universal Credit is means tested. This means that whether your child will qualify for Universal Credit and the amount that they will get depends on their income and the amount of savings they have. However, only their income and savings is counted, their parents' income and capital is ignored. Personal independence Payment is also ignored as income.

WHICH BENEFITS ARE BEING REPLACED BY UNIVERSAL CREDIT?

Universal Credit has replaced new claims for the following benefits:

- **Income Support**
- **income-based Jobseeker's Allowance**
- **income-related Employment and Support Allowance**
- **Child Tax Credit**
- **Working Tax Credit**
- **Housing Benefit.**

These are known as the legacy benefits.

It is no longer possible for most people to make a new claim for a legacy benefit such as income-related Employment and Support Allowance. The only exception to this is disabled people who qualify for a payment known as the severe disability premium. Currently, they are exempt from Universal Credit and can still make new claims for the legacy benefits although this exemption is expected to end in January 2021. If your son or daughter already receives a legacy benefit that includes the severe disability premium or if they are moving into supported accommodation, seek specialist advice from our helpline or another advice service about claiming legacy benefits instead of Universal Credit.

WILL I LOSE ANY BENEFITS IF MY CHILD CLAIMS UNIVERSAL CREDIT IN THEIR OWN RIGHT?

If you still get benefits for your son or daughter as a dependent child, these payments will stop as soon as they start to receive Universal Credit. When we talk about a parent claiming benefits and tax credits for a dependent child, we mean:

- **Child Benefit**
- **Child Tax Credit**
- **additional amounts for a child or young person paid with Income Support or income-based Jobseeker's Allowance – this only applies to claimants who have not claimed Child Tax Credit yet**
- **additional amounts included in the assessment of any Housing Benefit and Council Tax Support you claim**
- **additional amounts you get for a child as part of your own Universal Credit claim.**

These benefits generally continue until the September after a child turns 16. They can also be extended until a child's 20th birthday (September after a child's 19th birthday for Universal Credit child elements) if they remain in full time non-advanced education or certain types of training.

If you still receive payments for your child as a dependent because they remain in education or training, these payments will stop straightaway if they start to receive Universal Credit in their own right. This means you and your child will need to make a choice between them claiming Universal Credit in their own right or you continuing to claim payments for them as a dependant.

WILL WE BE WORSE OFF IF MY CHILD CLAIMS UNIVERSAL CREDIT IN THEIR OWN RIGHT?

This will depend on your family circumstances. You need to compare how much your son or daughter is likely to get in Universal Credit, with what you will lose from your benefits and tax credits.

LOWER INCOME FAMILIES

Families with lower income – and therefore getting higher tax credit or Universal Credit payments – run the risk that they will be worse off if their child claims Universal Credit in their own right. The higher your tax credit payments, the less chance you will gain if your son or daughter claims Universal Credit instead. In some circumstances, you could not only lose Child Benefit and Child Tax Credit payments but also see a reduction in help with Working Tax Credit, Housing Benefit and Council Tax. Similarly, families receiving high rates of Universal Credit as parents could be left worse off if their dependent child starts to claim Universal Credit in their own right.

If your son or daughter is getting funding for residential or community care services through the local authority's adult team, (generally, from the age of 18) any Universal Credit that they receive in their own right can be taken into account for charging purposes.

If your child decides to claim Universal Credit in their own right you may lose your exemption from the household 'benefit cap', which caps payments to out of work households.

HIGHER INCOME FAMILIES

If your family income is higher and you don't qualify for any Child Tax Credit or Universal Credit – or you only receive a small amount – there is a good chance your household will be better off if your child gets Universal Credit in their own right.

GET ADVICE!

For advice on whether a claim for Universal Credit by your child will leave your household better or worse off call our free helpline on **0808 808 3555** or speak to a local benefits adviser.

WHAT IF CHILD BENEFIT & OTHER PAYMENTS FOR MY CHILD HAVE ALREADY STOPPED?

The choice between continuing to claim benefits for your child as a dependent, or them claiming in their own right, only arises if your son or daughter stays in full-time non-advanced education or approved training and is aged under 20.

Once they've left non-advanced education and training or they have turned 20, you no longer have the option of claiming benefits for them as a dependant as those payments will automatically cease. In those circumstances your only option may be to look at a Universal Credit claim for them.

WHO SHOULD MAKE A UNIVERSAL CREDIT CLAIM FOR MY CHILD?

Normally the Department for Works and Pensions expect someone aged 16 to make their own claim for Universal Credit. However, if your child lacks the capacity to manage their own benefits you should be able to claim Universal Credit on their behalf as their appointee. A decision on whether your son or daughter needs an appointee should be made as part of their claim for Personal Independence Payment (PIP). If you have been made appointee by the PIP office they should have sent you written confirmation of this. Send a copy of this to the office dealing with your child's Universal Credit claim.

HOW DO I MAKE A CLAIM FOR UNIVERSAL CREDIT?

In most cases your child (or you acting as their appointee) will need to make a claim for Universal Credit online. In order to do this you first need to set up an online account. Once a claim has been lodged your child will also normally also have to attend an interview in person.

 Set up your online account at the www.gov.uk website. If you are unable to claim on-line you may be able to claim by phone instead via the Universal Credit Helpline on **0800 328 5644**.

Contacting you about your claim

The Department for Work and Pensions (DWP) won't usually write or phone you about your Universal Credit claim. Instead they will send you messages via your online account, so you'll need to check this regularly to see if there is anything they have asked your child to do or any information that they have asked for.

Sending in medical certificates

As part of their claim, your child can submit medical certificates from their GP confirming that they have a limited capability for work. These medical certificates are called a statement of fitness for work – otherwise known as a 'fit note'. If your child is aged 16-17 or is receiving education they will not get Universal Credit without fit notes.

If your child is 18 or above and has left education they can claim Universal Credit without necessarily submitting fit-notes. However, even where this applies, getting fit notes is still a good idea as it can lead to higher payments and an exemption from any expectation that they have to look for work as a condition of their claim.

If your child is in education

Claiming Universal Credit for someone who is receiving education is a more complex process. See page 4 for more information.

AGREEING A CLAIMANT COMMITMENT

In order to be paid Universal Credit your child (or you acting as their appointee) will need to sign a 'claimant commitment'. This is an agreement between Jobcentre Plus and your child, setting out what steps they need to take in order to be paid Universal Credit.

Some groups of claimants need to look for work in order to be paid. Others, including some severely disabled people, can be exempt from having to meet any work-related conditions such as job seeking.

At the time of writing there is no automatic exemption for disabled people from work-related conditions. This is something that the government have said they will look at moving forward. However, in the meantime there is a general expectation that anyone claiming Universal Credit should have to meet some work-related conditions as part of their claim, at least until they have undergone a medical assessment known as the work-capability assessment.

Switching off work-related conditions

The person dealing with your child's claim at the Job Centre, known as their 'work coach' has the power to switch off work-related conditions temporarily. You should ask them to do this pending the outcome of the work-capability assessment

HOW MUCH UNIVERSAL CREDIT WILL MY CHILD GET?

Once your child's Universal Credit claim is up and running, they should start to receive monthly payments, in arrears. The amount of Universal Credit that your son or daughter gets will depend on factors such as their income and capital, age, caring responsibilities and whether they have housing costs. If they receive student grants or loans this will affect the amount that they receive.

A single person aged under 25 with no income except PIP, no capital, and no housing costs, will normally initially receive £251.77 per month initially (this is temporarily increased to £342.72 per month between April 2020 and April 2021 as part of the government's response to Covid-19).

These payments can increase from the fourth month of their claim – but only if they undergo a work-capability assessment and it is agreed that they have a limited capability for work and work-related activity.

WHAT IS THE WORK-CAPABILITY ASSESSMENT?

A disabled person claiming Universal Credit can be put through an assessment called the work-capability assessment. This is used to decide whether or not a claimant is fit enough to be expected to look for work and also to decide how much Universal Credit they should be paid in the longer term.

There are three parts to this assessment.

- Firstly, you must submit fit notes from your child's GP.
- The DWP will then send your child (or you acting as their appointee) a questionnaire to complete (UC50 form). This questionnaire asks for information about the limitations your child has in undertaking certain physical and mental tasks.
- In most cases the questionnaire will be followed up by your child being sent an appointment to see a health professional face-to-face, although no face-to-face assessments were taking place in the early months of the coronavirus pandemic.

Both the questionnaire and the health professional's report are then used to score your child's physical and mental limitations.

There are three possible outcomes of the work-capability assessment:

- **Your child is found to be fit to work.** Their payments will not be increased and they will be expected to look for work as a condition of claiming Universal Credit.
- **Your child is found to have a limited capability for work.** Their payments will not increase. They will not be expected to look for work but they are likely to be required to take part in regular interviews and also to take part in work-related activity (for example, training or therapy) to make them more work-ready over time.
- **Your child is found to have a limited capability for work and for work-related activity.** Your child will see an increase in their Universal Credit payments of up to £336.20 per month from the fourth month of their claim. They will be exempt from looking for work or having to take part in any work-related activity.

CLAIMING UNIVERSAL CREDIT FOR A YOUNG PERSON IN EDUCATION

There are particular barriers that make it much more difficult for a young disabled person to get Universal Credit while they remain in education. The rest of this factsheet looks at how some disabled people in education can still get Universal Credit.

The general rule is that a young person cannot be paid Universal Credit if they are treated as 'receiving education'. Your son or daughter will be treated as 'receiving education' if any of the following apply to them:

- They are aged between 16 and the August after their 19th birthday and are receiving non-advanced education or approved training of over 12 hours a week (that is, the type of course where child benefit is paid).
- They are on a course of full-time advanced education (for example, education above the level of advanced NVQ, AS or A level, or advanced highers in Scotland).
- They are on any other course for which a loan or grant is provided for maintenance; or
- They are on any other course of study that is not compatible with the work-related requirements placed on their Universal Credit claim.

MY CHILD IS AGED 20 BUT REMAINS IN FULL-TIME NON ADVANCED EDUCATION. WILL THEY BE REFUSED UNIVERSAL CREDIT ON THE BASIS THEY ARE RECEIVING EDUCATION?

It's feasible that your child won't be treated as receiving education, and therefore might still be able to claim Universal Credit. Because they have passed the September after their 19th birthday and remain in non-advanced education, none of the first three bullet points above apply. This means that they should only be refused Universal Credit on the basis of receiving education if the DWP believe that their course is not compatible with any work-related requirements placed on their claim.

It may be possible to argue that the course and claim are compatible. For example, depending on your child's disabilities, their work coach may have agreed to apply minimal work-related requirements to their claim, or even agreed to no work-related requirements at all for a temporary period. If your child's Universal Credit claim has little or no work conditions, then their course can't be incompatible with their claim.

Alternatively, even if your child does have work-related conditions attached to their claim, it may be possible to argue that their course is flexible enough to accommodate this. For example, their course provider may be happy for them to have time away from their course to undertake any work-related activities required by the DWP. This may be more likely in life skills-type courses, where a young person may not be following any fixed curriculum or timetable.

If the course is incompatible

If the DWP insist that the course is incompatible with the claim and refuse Universal Credit, get advice about challenging this. Your child should also try and make a credits-only claim for new style ESA as outlined below.

The arguments set out above will only work if your child:

- *has passed the September after their 19th birthday and remains in non-advanced education, or*
- *if they are on a part-time course where no maintenance grant or loan is payable.*

If your son or daughter is in full time advanced education, or they are in full-time non-advanced education and have not yet reached the September after their 19th birthday, they will only normally be able to claim Universal Credit if they first undergo a medical assessment known as the work-capability assessment. In order to ensure this happens they may need to lodge 'a credits only' claim for new style ESA (see below).

OTHER YOUNG PEOPLE RECEIVING EDUCATION

If one of the four bullet points mentioned on page 4 applies to your son or daughter, they are treated as 'receiving education' and it is more difficult to get Universal Credit. However, whilst difficult it's not normally impossible.

In receipt of DLA or Personal Independence Payment

The Universal Credit rules allow someone who is receiving education to claim Universal Credit if they fall into certain groups. This includes disabled students who get either Disability Living Allowance (DLA) or Personal Independence Payment (PIP) and who have also established that they have a limited capability for work.

Other students

Other students who qualify include any student who has a child of their own, and some students who are without parental support.

How a young person might qualify

This means that even if your child is on a course where they will be treated as receiving education, they can still claim Universal Credit once they can show that they are:

1. getting DLA or PIP, and
2. they have a limited capability for work (this includes being assessed as having a limited capability for work and for work-related activity).

The problem is that the DWP are unlikely to accept that your child has a limited capability for work until they have undergone a work-capability assessment (see page 4).

In a few limited cases a young person can be automatically treated as having a limited capability for work without waiting for an assessment, for example:

- *where they are terminally ill*
- *are a hospital in-patient, or*
- *receiving certain types of treatment for cancer.*

Where this applies, Universal Credit should be paid without the need for a medical assessment. However, for most young people receiving education they will first need to undergo a DWP work-capability assessment BEFORE they can qualify for Universal Credit.

WHAT SHOULD I DO IF THE DWP REFUSE TO ORGANISE A WORK-CAPABILITY ASSESSMENT FOR MY CHILD?

Many parents have reported that staff dealing with their Universal Credit claim have refused to organise a work-capability assessment for their child. This effectively blocks your child from getting any Universal Credit while they remain in education.

One way around this problem is to make a 'credits only' claim for new-style Employment and Support Allowance (new-style ESA). New-style ESA is also known as contributory ESA.

PLEASE NOTE

Unless your son or daughter has worked and paid national insurance contributions in the past they have no chance of actually being paid new-style ESA. Despite this, it is still worth making a claim – not in order to get payments of this benefit (which will be refused) – but as a way of ensuring that a work-capability assessment takes place..

MAKING A 'CREDITS ONLY' CLAIM FOR NEW-STYLE ESA

Under Regulation 8B of the Social Security (Credits) Regulations 1975 the government should credit someone with national insurance contributions if it accepts that they have a limited capability for work. Without national insurance credits someone who is unable to work due to their health problems will have a gap in their national insurance record. These credits help plug that gap in their record and protect the claimant's right to contributory benefits and state retirement pension in the future. Arguably, someone who has a limited capability for work therefore has a legal right to have this assessed.

Making a claim for new-style ESA to trigger a work-capability assessment

The process followed in assessing someone's entitlement to national insurance credits on the basis of limited capability for work is to first ask them to complete a claim form for new-style ESA. This is done even if it is clear that the young person won't qualify for new-style ESA, in which case it is known as a 'credits only' claim. As part of this process a young person (or you as their appointee) will need to submit medical certificates known as 'fit notes' from their GP.

Crucially, as part of this process the DWP must also carry out a work-capability assessment, to decide whether that person has a limited capability for work or not.

Once a decision has been made that your child has a limited capability for work (and assuming that they get DLA or PIP) they should now qualify for Universal Credit. It makes no difference that the work-capability assessment was actually carried out in connection with a 'credits only' ESA claim – the decision is also binding on Universal Credit.

How do I claim new-style ESA?

A young person who has capacity can make an online claim from the GOV.UK website. If you are acting as an appointee, the DWP ask you to call the Universal Credit Helpline and ask to make a claim for new-style ESA. You can find details of the number you must call by searching for new-style ESA on the GOV.UK website.

If you're told you can't make a claim

Staff at the DWP sometimes tell parents that they don't understand what a 'credits only' claim for new style ESA is, or try to persuade families not to lodge a claim because it has no chance of success. We would recommend that when you lodge your credits only claim you make clear that you understand that your child will not qualify for new-style ESA itself, but are completing the claim pack in order to establish their right to national insurance credits on the basis of limited capability for work under Regulation 8B of the Social Security (Credits) Regulations 1975.

 If the DWP refuse to accept or act upon a credits only claim for new-style ESA call the Contact Helpline on **0808 808 3555** for help in challenging that decision.

WILL MY CHILD'S AWARD BE BACKDATED TO COVER THE PERIOD THEY SPENT WAITING FOR A MEDICAL ASSESSMENT?

Unfortunately not. The law was changed in August 2020 to prevent this.

If your disabled child is treated as receiving education, they cannot qualify for Universal Credit until after establishing that they have a limited capability for work. This means that they cannot be paid any Universal Credit for the period prior to their medical assessment. The longer the delay in waiting for a work-capability assessment to be organized, the longer your child will miss out on Universal Credit payments while they are receiving education.

If your work-capability assessment is delayed

If you are facing a lengthy delay you may wish to ask your MP if they will raise this issue on your child's behalf.

While you are waiting for a medical assessment you will need to ensure that your child continues to be covered by fit notes from their GP. If a fit note is about to expire you will need to ask the GP for a new fit note and submit this to the DWP.

Put a claim in early

Because of the risk of lengthy delays in waiting for a work-capability assessment it is a good idea to try and lodge a credits-only claim for new-style ESA at the earliest possible point. So, for example, if you think you may wish to claim Universal Credit for your child in a year's time, lodge a credits-only claim for new-style ESA now. Hopefully this means that your child will have been put through a medical assessment and established a limited capability for work before they make a claim for Universal Credit.

GETTING FURTHER ADVICE

The process of claiming Universal Credit for a young person in education can be difficult with lengthy delays and many administrative barriers. It is a good idea to try and get the help of a local adviser to assist you in this process. In particular, they may be able to help you in arguing for a work-capability assessment to be organised more quickly, or help you challenge any refusal to accept a credits only claim for contributory ESA.

 You can find details of local benefits advisers in your area at advicefinder.turn2us.org.uk. You may also wish to raise any difficulties that you face in claiming Universal Credit with your local MP.

HOW CONTACT CAN HELP

It's important that families caring for a disabled child seek advice about Universal Credit, because how it affects your family will depend on your individual circumstances. Call our freephone helpline and talk to one of our expert advisers:

0808 808 3555 helpline@contact.org.uk

You can also visit our website to find out more about the help, support and information we offer about Universal Credit, and other benefits you could be entitled to:

www.contact.org.uk



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