

Benefits for Young People with Disabilities at 16+

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WARNING:

The information in this Briefing Note is as accurate as possible at the time of printing. However, it is only a guide, and therefore cannot be completely accurate in every respect and cover every possible situation.

We therefore always recommend that you seek advice from a competent person in cases of doubt.

BENEFITS FOR YOUNG PEOPLE WITH DISABILITIES AT 16+

1. INTRODUCTION

If you have a disability you can usually claim benefits in your own right for the first time when you reach the age of 16, rather than your parents or carers claiming for you.

There are five main benefits that young people with a disability may be able to claim depending on their circumstances.

- Disability Living Allowance
- Working Tax Credit
- Incapacity Benefit
- Income Support
- Housing Benefit

Many young people with a disability fail to claim these benefits in time and this often causes unnecessary hardship for their families, or limits the opportunities available to them. This Briefing Note examines the above benefits in turn.

In some circumstances other benefits may also be payable, but it is not possible to cover these here.

This Briefing Note looks at the benefits that are payable to a young person, rather than their family and it is important to note that there are a limited number of circumstances where a family will be better off continuing to claim for a young person, rather than them claiming themselves (see page 12 for more information).

Benefit rules can be complicated. If you have any doubt about possible entitlement, please seek expert advice.

2. DISABILITY LIVING ALLOWANCE (DLA)

DLA is a benefit paid to people who need help with their personal care or with getting around. It can be paid in two parts - a **care component** and a **mobility component**.

DLA is paid on top of other benefits such as Working Tax Credit, Income Support and Incapacity Benefit; it does not reduce these entitlements and will often increase them.

DLA can be paid even if you are able to work.

The Care Component:

This can be claimed from birth and is paid at one of three weekly rates:

- * **The higher rate.** This is paid if you need frequent care or continual supervision throughout the day and during the night.
- * **The middle rate.** This is paid if you need frequent care or continual supervision throughout the day or during the night.
- * **The lower rate.** This is paid if you are over 16 and are unable to cook a main meal for yourself (see page 4), or if you have lesser care needs but still need care for a “significant portion of the day.”

The Mobility Component:

This can be paid at one of two weekly rates:

- * **The higher rate.** This is paid if you are over the age of three and are either physically unable or virtually unable to walk, or deaf and blind, or a double amputee, or severely mentally impaired with severe behavioural problems.
- * **The lower rate.** This is paid if you are over the age of five and able to walk, but need somebody with you in unfamiliar places to guide or supervise you most of the time.

How much?

For details of the current amounts of benefits please refer to the Welfare Rights Service's '*guide to benefit rates*'.

Disability Living Allowance at 16

Although DLA can be claimed before the age of 16, there are two important changes to the rules when someone reaches this age which may mean a person can be paid this benefit even if they didn't qualify before.

Firstly, people under 16 have to show that the help they need is substantially more than that required by another person of the same age. This rule no longer applies once you are 16.

Secondly, at 16 there is a way of qualifying for the lower rate care component under the "cooking test". This may help people who are not disabled enough to qualify for the middle or higher rate, but who still have difficulties because of their disability.

You will qualify for the lower rate care component if you "cannot prepare and cook a main meal for yourself from basic ingredients using traditional cooking methods." This can take into account anything that limits your ability to cook. For example, eyesight, balance, strength, memory, comprehension, dexterity, etc. It does not matter if you would not normally cook for yourself or can make yourself a snack, the test is whether you would be able to cook a main meal.

The DLA rules are covered in greater depth in our Briefing Note "Disability Living Allowance - What is it? How to claim".

How to Claim

Telephone 0800 882200 for a claim form. Provided you return the form within six weeks DLA will be paid from the date you asked for it.

3. WORKING TAX CREDIT (WTC)

WTC is designed to supplement the income of people who work full time. If you have a disability you can qualify if you are over the age of 16 and you work for at least 16 hours a week. In addition you also have to satisfy two other tests: the 'disability' test, and the 'qualifying benefit' test. For details of the 'disability' test please see appendix two at the end of this briefing note. You will pass the 'qualifying benefit' test if you receive DLA (either component, at any rate) when you claim WTC, although there are several other routes to passing the test.

How to claim

Claim on form TC600, available from the Tax Credit helpline (0845 3003900), Jobcentre Plus, an Inland Revenue office, or an advice agency. Alternatively claim online at www.inlandrevenue.gov.uk.

If you are thinking of starting work you might wish to ask for a "better off" calculation to see what your new income would be. This can usually be done by staff at your local Jobcentre Plus or by phoning the Benefit Enquiry line (0800 882200). A local advice agency might also be able to help. The better off calculation involves calculating how much benefit you would be entitled to in different situations, and gives you the opportunity to find out what would be your best course of action.

4. INCAPACITY BENEFIT (IB)

Before April 2001 young people with disabilities could claim a benefit called Severe Disablement Allowance but this has now been replaced by Incapacity Benefit, and young people claiming for the first time now need to satisfy the 'Incapacity in Youth rules'.

Incapacity in Youth Rules

You can qualify for IB if you are aged between 16 and 20 and can show that you have been incapable of work for 28 weeks. This 28-week period can start before the age of 16, allowing IB to be paid from your 16th birthday. Once you have qualified for IB you will continue to receive it beyond the age of 20 as long as you still meet the qualifying conditions, but you can't usually claim for the first time if you are over 20, unless you have worked since leaving school.

However, this age limit is extended for those in education or training. If you begin a course of education or training at least three months before your 20th birthday you can claim IB up to the age of 25. The details of these rules are complicated, so seek advice in these situations.

How much?

The amount of IB you will receive increases over the first year. For details of the current amounts of benefits please refer to the Welfare Rights Service's '*guide to benefit rates*'.

First 28 weeks = short term lower rate

Next 24 weeks = short term higher rate

After one year = long term rate + age allowance

People who receive DLA care component at the highest rate can be paid the long-term rate after 28 weeks rather than one year.

Incapacity for Work

In order to qualify for IB, you must be "incapable of work". This requires you to get a medical certificate (sick note) from your GP and to satisfy the 'Personal Capability Assessment'. Under the new rules for Incapacity in Youth there is no specific exemption from this test. The general exemptions are listed in the Appendix on Page 16. The Personal Capability Assessment (previously called the 'all work' test) is described in more detail in our briefing note about Incapacity Benefit. It consists of a set of questions about your abilities, and you score points depending on the answers. You need to score a certain number of points to satisfy the test.

Incapacity Benefit and Education

Young people under 19 cannot normally claim IB if they are in 'ordinary' full-time education. Full-time education means 21 hours or more each week of supervised study (not private study, lunch breaks, etc.).

However, this rule does not apply to many young people with disabilities as any hours of *special* education or tuition are ignored. When calculating hours of supervised study, do not include time spent on any course or lessons that would not be suitable for people without a disability. This can apply to both ***what*** is taught and ***how*** it is taught. If special teaching methods or support are used then this should be sufficient for the lessons to be ignored when calculating the 21 hours.

Once you are 19 you can qualify for IB regardless of the amount or type of education you receive, unless you are claiming under the age exception for under 25 year olds, and as long as you meet the other conditions of entitlement.

Remember, if you are at school or college you will still need to provide sick notes and have your incapacity for work accepted to qualify for IB.

Even if you do not qualify for IB whilst you are at school or college you might still be able to claim Income Support (see page 7).

How to Claim

If you are aged 16 or 17 you should claim on form IB(Y)1. This should be available from your local Jobcentre Plus office.

If you are aged 18 or over you will need to telephone the Contact Centre to make a claim. They will take a few details from you and arrange a convenient time for them to ring you back. They will tell you what details you will need to have with you for when they ring. On the return call they will ask you all the questions that they need to process the claim, then they will print off your answers and post them to you. This is called the customer statement. You should read through it carefully to make sure everything is correct, and then sign the declaration. If you have been told to go for an interview (see page 11) you should take your customer statement with you. If you are exempt from an interview or it has been waived you should post the statement back.

Claims can be made in advance - up to 3 months before you become 16.

5. INCOME SUPPORT (IS)

IS can only be paid if you satisfy certain conditions. The main rules are:

- * **You must not be working, or work for less than 16 hours per week** (there are certain exemptions to this rule - e.g. if your earnings capacity, or hours of work, are reduced because of a disability, you are not excluded from Income Support);
- * **You must have less than £8,000 in savings** (£16,000 if you normally live in a Residential Care Home or Nursing Home); this does not include your parents' or carers' savings.
- * **You must satisfy the "means-test"**. This is an assessment of how much you need to live on, based on your particular circumstances compared to how much money you, rather than your family, have coming in. If you do not have enough to live on, then Income Support can 'top up' your income.

Special Rules for 16/17 Year Olds

To qualify for IS people under 18 have to satisfy special rules, however most young people with disabilities should qualify.

If you are not at school or college you are entitled to IS from the age of 16 if:

- * you are registered blind; **OR**
- * you are incapable of work because of illness or disability. You will then have to satisfy the "Personal Capability Assessment".

Income Support and Education

If you are still in full-time education, then the rules for claiming IS are slightly different. If you are under 19 you just have to show that, because of your mental or physical disability, if you left school and signed on for work you would be unlikely to get a job in the next 12 months. You will probably need a letter from your GP or another doctor confirming this. Unlike Incapacity Benefit, you do not have to prove that you are incapable of work.

This may help if you cannot get IB because you are considered to be in full-time education. However, unless you get DLA you will receive a lower rate of benefit. You may be better off therefore if you can claim both IS and IB.

How Is Income Support Calculated?

The amount of your IS depends on your circumstances. First of all the Jobcentre Plus office will calculate how much you need to live on. Everybody entitled to IS will receive a basic amount called a personal allowance. There are two rates of personal allowance for 16/17 year olds, higher rate and lower rate.

The higher rate is paid if:

- * *you have to live away from your parents, or anyone acting in place of your parents;*
or
- * *you qualify for the Disability Premium*

Most young people with disabilities will be paid this at the higher rate, as they will qualify for the Disability Premium. This is awarded if you:

- * *receive DLA (at any rate); or*
- * *receive long-term IB; or*
- * *are registered blind; or*
- * *have been incapable of work for more than 52 weeks (28 weeks if “terminally ill”).*

In addition, if you qualify for DLA care component at the higher rate, you are entitled to an Enhanced Disability Premium.

You may also be entitled to the Severe Disability Premium. This is paid if:

- *you qualify for the middle/higher rate of DLA care component;*

and
- *no-one receives Carer’s Allowance for looking after you;*

and
- *you are treated as “living alone”(see next page).*

In some circumstances you can be treated as living alone even if you live with other people. This is because certain people living in the same house are ignored. These include other people who receive the middle/higher rate of Disability Living Allowance care component or any rate of Attendance Allowance, anyone registered blind, and anyone under 18. You should also be treated as living alone if you are a boarder in another person's house or you have boarders in your house. Finally, if you are a joint tenant, then the other tenant should not be treated as living with you either, provided this person is not a close relative, or, if the person is a close relative, the joint tenancy began before you moved in.

Therefore, most disabled young people's Income Support will be calculated as follows:

Personal Allowance + Disability Premium

However, if you are entitled to the Severe Disability Premium then your IS will increase:

Personal Allowance + Disability Premium + Severe Disability Premium

For those in receipt of DLA care component at the higher rate, IS will include the Enhanced Disability Premium in addition to the amounts above:

Personal Allowance + Disability Premium + Severe Disability Premium + Enhanced Disability Premium

Income / resources

Having calculated how much IS you need the Jobcentre Plus office then compare this with your existing income. If your income is less than your needs, the balance is paid as IS. However if your income is more than your needs, then IS is not payable.

What income is taken into account?

Most income, including other benefits, is taken into account when calculating IS. There are a few exceptions:

- * DLA and Housing Benefit are ignored completely.
- * The first £20.00 of any charitable/voluntary payments are ignored.
- * If you are able to do a limited amount of work the first £20.00 of your earnings are ignored if you qualify for the Disability Premium. **However before starting any work you should see our Briefing Note 'Claiming benefit and working' and seek further advice.**

In addition if you have savings between £3,000 and £8,000 this is assumed to give you extra income, known as 'tariff income'.

How much is paid - example

Stuart is a 16 year old with disabilities who lives with his parents. He has just qualified for Incapacity Benefit and receives the short-term lower rate of IB, plus DLA lower rate mobility component and middle rate care component. His entitlement to IS is calculated as follows:

$$\text{Personal Allowance} + \text{Disability Premium} - \text{Incapacity Benefit} = \text{amount of IS payable}$$

After 28 weeks Stuart's Incapacity Benefit increases. The formula is the same as before, with the result that Stuart's overall income remains the same but the amount of IS payable is reduced.

After 52 weeks Stuart is transferred to the long-term rate of Incapacity Benefit. This exceeds his IS entitlement, so no further IS is paid.

Note: If Stuart is treated as living alone and qualifies for the Severe Disability Premium his total IS payable will increase, and IS will not be lost after 52 weeks.

$$\text{Personal Allowance} + \text{Disability Premium} + \text{Severe Disability Premium} - \text{Incapacity Benefit} = \text{amount of IS payable}$$

If both Income Support and Incapacity Benefit are payable they will usually be paid together.

How to Claim

If you are 16 or 17 you should claim Income Support on form A1 which is available from your local Jobcentre Plus office.

If you are aged 18 or over you will need to telephone the Contact Centre to make a claim. They will take a few details from you and arrange a convenient time for them to ring you back. They will tell you what details you will need to have with you for when they ring. On the return call they will ask you all the questions that they need to process the claim, then they will print off your answers and post them to you. This is called the customer statement. You should read through it carefully to make sure everything is correct, and then sign the declaration. If you have been told to go for an interview (see page 11) you should take your customer statement with you. If you are exempt from an interview or it has been waived you should post the statement back.

Claims can be made in advance - up to 3 months before you become 16.

6. WORK FOCUSED INTERVIEWS

If you live in an area where Jobcentre Plus arrangements are in place, you will be allocated a personal adviser when you claim IS, IB, Jobseekers Allowance or Carer's Allowance. Your personal adviser will invite you to attend a work-focussed interview when you first claim. These interviews are compulsory, but some people are exempt and shouldn't be invited to attend. Most people who have an appointee are exempt. If you think you should be exempt from an interview because it is not possible for you to look for work then you should mention this when you first ring for an application form.

To pass the interview requirement you must not only turn up to the interview, but also take part in it. This means that you must give the information requested and answer questions about your education and employment history, your skills, and possibly about your medical condition if you feel that it puts you at a disadvantage in getting a job.

Once you have attended the interview there is no compulsion to follow up the advice given if you do not wish to. The requirement is only to attend and participate in the interview.

7. WHAT HAPPENS IF YOU START WORK?

WHAT HAPPENS TO Disability Living Allowance?

Disability Living Allowance can still be paid if you work. However, starting a job can suggest that your condition has changed, so you might find that your Disability Living Allowance is reviewed. If your needs remain the same, then Disability Living Allowance should continue to be paid.

WHAT HAPPENS TO INCOME SUPPORT?

If you work for less than 16 hours a week you can still claim Income Support, but your earnings will be taken into account. Usually the first £20 of your earnings is ignored. If you can show that the hours you can work, or your earnings, are 75% or less than those of someone without your disability in a comparable job, or if you are living in a care home, you can work for more than 16 hours a week and still claim Income Support. However, your wages will still be taken into account as described above.

WHAT HAPPENS TO INCAPACITY BENEFIT?

There are three types of 'permitted work' that you can do and still receive Incapacity Benefit.

- *Permitted work lower limit – you can earn no more than £20 a week, but you can continue in this work for as long as you like.*
- *Supported permitted work – you can do work that is supervised by someone employed by a public or local authority or voluntary organisation. The support must be ongoing and regular. You can earn no more than a set weekly limit, but again the period you can work is not limited.*
- *Permitted work higher limit – you can do any work for a maximum of 26 weeks, but you must earn less than a set weekly limit and work less than 16 hours a week.*

For details of the current permitted work earnings limit please refer to the Welfare Rights Service's 'guide to benefit rates'.

For further information about how benefits are affected by working and benefits you can claim if you are employed see our briefing note '**Claiming benefit and working**'

8. WHO SHOULD CLAIM?

If you claim Income Support or Incapacity Benefit at 16 this will affect your parents' benefits as Child Benefit and any other benefits being claimed for you will stop (except for DLA).

In some cases the family as a whole will be much better off if you claim benefits for yourself at 16. **However, there are circumstances where this is not the case.**

This mainly arises if your parent(s) claim Income Support, Income based Job Seekers Allowance, Widowed Parents Allowance, or Working Tax Credit and you are their only dependent child. In these circumstances the family could be worse off if you claim for yourself, so it is important to seek further advice.

9. HOUSING BENEFIT

If you pay rent for your accommodation, you might also qualify for Housing Benefit.

Housing Benefit can help to pay your rent in different types of tenancies, including:

- * *council and housing association properties*
- * *privately rented accommodation*
- * *bed and breakfast or hostels.*

If you receive Income Support, the whole of your 'eligible rent' should be met by Housing Benefit. However the eligible rent may not cover the full rent due, as it does not include service charges, heating costs, water rates etc and there are limits on how much Housing Benefit will be paid if your rent is high.

Even if you are not entitled to Income Support, you might still be able to claim Housing Benefit and get a proportion of your rent paid.

The calculation of Housing Benefit is similar in principle to that of Income Support. There are however some important differences:

- * *people in full-time work are not excluded*
- * *the savings limit is **£16,000** (not £8,000).*

Housing Benefit paid to people under 25, in privately rented accommodation, is restricted to the local cost of a single room with shared facilities. This reduces the help available to many young people, but should not apply if a person has been in care, has dependants, or non-dependants living with them, or has a disability and is entitled to the Severe Disability Premium (see pages 8 and 9). Given these potential difficulties, advice should be sought where a young person is considering living independently. The local council should be asked for a pre-tenancy determination to establish how much eligible rent they will allow when calculating Housing Benefit.

How to Claim

Contact your local council for a Housing Benefit claim form, or complete the claim form HCTB 1 that is included in Income Support and Jobseekers Allowance claim packs.

10. FURTHER ADVICE AND INFORMATION

Local Jobcentre Plus Offices

60 Wellington Street, Leicester
Tel. 0116 252 9000
Textphone 0116 252 9222

2 Lemyngton Street, Loughborough (Tel. 01509 831000)

Job Centre Plus Contact Centre **0845 6020175**

Social Services Welfare Rights Advice Lines

For **County** residents only:

Thursdays, 9.30 am-12.30 pm Tel. **0116 277 9496**

Provides specialist benefits advice and will send out any of our other Briefing Notes you need.

For **City** residents only:

Monday to Wednesday, 1pm – 4pm. Tel 0116 2543399

Department for Work and Pensions Benefit Enquiry line

0800 882200

Inland Revenue Tax Credit helpline

0845 300 3900
0845 300 3909 (minicom)

APPENDIX ONE:

EXEMPTIONS FROM THE PERSONAL CAPABILITY TEST

When claiming Incapacity Benefit, or any other benefit on the grounds that you are incapable of work, you will need to pass the personal capability test unless you:

- * *receive Disability Living Allowance Care Component at the higher rate or*
- * *are terminally ill. This is defined as a progressive condition from which the person may die within six months or*
- * *are registered blind or*
- * *have one of the following disabilities or illnesses:*
 - *tetraplegia*
 - *persistent vegetative state*
 - *dementia*
 - *paraplegia*

OR

- * There is medical evidence to show that you have:
 - a severe mental illness, which severely and adversely affects your mood or behaviour and which severely restricts your social functioning or your awareness of your immediate environment
 - a severe learning disability involving severe impairment of intelligence and social functioning caused by the arrested or incomplete physical development of the brain or severe brain damage
 - severe and progressive neurological or muscle-wasting diseases e.g. multiple sclerosis, Huntingdon's chorea, Parkinson's disease, muscular dystrophy
 - active and progressive forms of inflammatory polyarthritis
 - progressive impairment of cardio-respiratory function which severely and persistently limits effort tolerance
 - dense paralysis of the upper limb, trunk and lower limb on one side of the body e.g. from a stroke
 - impairment of function of brain or nervous system causing severe and irreversible motor sensory and intellectual deficits
 - severe and progressive immune deficiency states characterised by the occurrence of severe constitutional disease, opportunistic infections or tumour formation

You are also **deemed** to be incapable of work in the following circumstances

- * you are a hospital in-patient undergoing treatment
- * you have an infectious or contagious disease and a Medical Officer for Environmental Health has given you a certificate excluding you from work
- * on days when you are receiving regular treatment such as dialysis or chemotherapy

APPENDIX TWO:

WORKING TAX CREDIT

The 'disability' test

To demonstrate that you have a disability that puts you at a disadvantage in getting a job you need to satisfy the 'disability' test.

On an initial claim you will satisfy the test if you meet any one or more of the conditions in Parts 1 or 2. On a renewal claim you will satisfy the test if you meet any one or more of the conditions in Part 1.

Part 1

- When standing you cannot keep your balance unless you continually hold on to something
- Using any walking aid which you normally use, you cannot walk a continuous distance of 100 meters along level ground without stopping or without suffering severe pain
- You can use neither of your hands behind your back as in the process of putting on a jacket or of tucking a shirt into trousers
- You can extend neither of your arms in front of you so as to shake hands with another person without difficulty
- You can put neither of your hands up to your head without difficulty so as to put on a hat
- Due to lack of manual dexterity you cannot with one hand pick up a coin which is not more than 2.5cm in diameter
- You are unable to use your hands or arms to pick up a full jug of 1 litre capacity and pour from it into a cup without difficulty
- You can turn neither of your hands sideways through 180 degrees
- You are registered blind or partially sighted
- You cannot see to read 16 point print at a distance greater than 20cm, if appropriate, wearing the glasses you normally use
- You cannot hear a telephone ring in the same room, using a hearing aid if you normally use one.
- In a quiet room you have difficulty hearing what someone talking in a loud voice at a distance of 2 meters says, using a hearing aid if you normally use one.
- People who know you well have difficulty in understanding what you say
- When a person you know well speaks to you, you have difficulty in understanding what that person says
- At least once a year during waking hours you have a coma or fit in which you lose consciousness
- You have a mental illness for which you receive regular treatment under the supervision of a medically qualified person
- Due to mental disability you are often confused or forgetful
- You cannot do the simplest addition and subtraction
- Due to mental disability you strike people or damage property or are unable to form normal social relationships
- You cannot normally sustain an 8-hour working day or a 5-day working week due to a medical condition or intermittent or continuous severe pain

Part 2

- As a result of an illness or accident you are undergoing a period of habilitation or rehabilitation