



BENEFITS FOR DISABLED STUDENTS

October 2023

Child Poverty Action Group works on behalf of the more than one in four children in the UK growing up in poverty. It doesn't have to be like this. We work to understand what causes poverty and the impact it has on children's lives, and how it can be prevented and solved – for good.

We provide training, advice and information to make sure hard-up families get the financial support they need.

INTRODUCTION

If you are a student with a long-term illness or disability you may be able to continue getting benefits while you are studying. This factsheet explains the rules allowing you to do so. Apart from for universal credit, there are no special rules for part-time students, so if you are getting benefits other than universal credit because of disability or illness and start studying part-time, then as long as you continue to satisfy the rules for those benefits, your benefits can continue.

Whether or not you can get benefits if you are a student with a disability depends on various factors including your age, the level of the course, how long you have been disabled, how your disability affects you, and what other income and benefits you have.

There are a number of benefits that can be paid to a student who is ill or disabled. Some of these have special rules for students. The main benefit for someone who is ill or disabled is now universal credit. Some people may still get income-related employment and support allowance together with housing benefit to help with rent. In addition, adult disability payment (ADP), personal independence payment (PIP) or disability living allowance (DLA) can be paid to help with the extra costs of disability. Students who have been working recently can claim contributory employment and support allowance (ESA).

Note that most new claims are for universal credit, rather than the 'old' benefits (income-related ESA, housing benefit). See below for an exception. This factsheet provides brief information about the benefits that disabled students can claim. For further details of the rules for each benefit, please see CPAG in Scotland's online Benefits for Students in Scotland Handbook (details on page 8).

UNIVERSAL CREDIT

Universal credit (UC) is due to replace older means-tested benefits by the end of 2029. If you need to make a new claim, this must normally be UC, instead of income-related ESA and housing benefit. There is an exception that allows you to claim housing benefit for your rent if you live in certain types of supported or temporary accommodation (you may still need to claim universal credit as well for your living costs). See the section on housing benefit below.

If you are an ill/disabled student, you are eligible for UC if you have been assessed as having limited capability for work before your course starts, and you also get ADP, PIP or DLA. Limited capability for work is assessed by the Department for Work and Pensions (DWP) (see *Limited capability for work* below, for what this means).

If you have not already been assessed as having limited capability for work, you can claim (new-style) contributory ESA (see below). If you have not paid national insurance (NI) contributions, you will not receive any ESA, but you will be assessed for limited capability for work. Once you have been assessed as having limited capability for work, and have left education, or are between courses of education (and are not a qualifying young person – see below), you can claim UC.

If you are a full-time further education student over 19 (and are not a qualifying young person – see below), and you are not awarded a bursary maintenance allowance, and your work-related requirements are not incompatible with your course, then you do not count as a student and can claim UC. This may allow you to get UC more easily than going through the process in the paragraph above, particularly if your disability or illness means you are not expected to look for work.

If you are a part-time student and can meet any work-related requirements you are expected to do while on your course then you can claim or continue to get UC. If it is decided that you cannot meet your work-related requirements on your course then you are treated as a full-time student, and therefore the full-time student rules for UC apply.

You are a full-time student ('receiving education') for UC if you are:

- a qualifying young person – ie, under 19 and accepted or enrolled on a further education course which is more than 12 hours per week; or aged 19 if you were under 19 when you were accepted, enrolled on or started such a course, and you have not yet passed the 31st of August following your 19th birthday; or
- on a full-time advanced / higher education course; or
- on a full-time course and receiving a loan or grant for maintenance; or
- (if none of the others apply) on a course which is not compatible with your work-related requirements

Examples

Lewis is 26 and has mental health problems. He has not paid enough NI contributions to get contributory ESA, nor does he get ADP, PIP or DLA. He is getting UC. He starts a full-time advanced course of study. His UC stops because he does not get ADP, PIP or DLA. He can reclaim UC when his course ends as he is no longer in education then.

Kayleigh is 21 and starts a full-time non-advanced course. She gets PIP. She is not awarded a bursary maintenance allowance. She claims UC and her work coach agrees she should not have any work-related requirements due to her disability. Therefore she does not count as a full-time student and can get UC while on her course.

EMPLOYMENT AND SUPPORT ALLOWANCE

Employment and support allowance (ESA) is for people who are ill or disabled and have 'limited capability for work' (see below). There are two types of ESA - contributory and income-related. It is possible to receive one or both types of ESA. Contributory ESA is for people who have paid national insurance (NI) contributions. Income-related ESA is means-tested and is for people who are on a low income.

New claims can only be made for 'new-style' contributory ESA (see below). You must usually claim online – go to www.gov.uk/guidance/new-style-employment-and-support-allowance#how-to-apply

If you are already getting 'old-style' contributory ESA or income-related ESA then see the sections below on old-style contributory ESA and income-related ESA.

New-style contributory ESA

To qualify for new-style contributory ESA, you must have paid NI contributions. You can claim after seven days ill health if you have paid enough NI contributions. To be eligible, you would usually have to have been working and paying NI contributions for the past 2 or 3 years. As mentioned above, you can also apply for new-style contributory ESA on a credits-only basis, even if you have never worked, in order to have your limited capability for work assessed.

Contributory ESA is time-limited to one year for some people, although the most severely disabled (those who have limited capability for work-related activity (LCWRA) (also called being in the support group - see *Limited capability for work* below, for what this means) can continue to get contributory ESA indefinitely.

Contributory ESA is not means tested, so it will not be affected by any loans or grants you are eligible for. However, getting it may affect the amount of further education bursary you can get.

Contributory ESA can continue if you study part-time or full-time. You must continue to satisfy the medical test of limited capability for work (see below). Note that starting a course may trigger the DWP to ask you to undergo a medical re-assessment, to check that you still qualify.

Example

Rowan is disabled and starts a full-time advanced course, aged 28. She gets new-style contributory ESA and is in the support group. Her course does not affect her limited capability for work and her ESA continues.

Old-style contributory ESA

This type of ESA is almost identical to the new-style contributory ESA explained above, but is for those who claimed before UC was fully rolled out in their area. It is claimed together with income-related ESA, rather than UC. New claims can no longer be made for this.

Income-related employment and support allowance

By the end of 2029 income-related ESA is due to be fully replaced by UC, by a process called 'managed migration'. Managed migration is where DWP get in touch to say you must now move to UC. People on income-related ESA without tax credits will migrate last – expected to be complete by 2028/29. Before that (DWP say in 2024/25), people on tax credits and income-related ESA will be asked to migrate.

You cannot usually make a new claim for income-related ESA. There is an exception if you get old-style contributory ESA. Old-style contributory ESA and income-related ESA are one benefit, therefore if you get old-style contributory ESA and are also eligible for income-related ESA, you can add income-related ESA to your existing contributory ESA award.

Income-related ESA is means tested, so any student funding you receive may count as income and reduce your entitlement. You claim this together with your partner, if you have one, and any income they have will also affect how much you can get.

You are eligible if you are a part-time student and have limited capability for work and meet the other basic conditions.

If you are a full-time student, you are only eligible if you get ADP, PIP or DLA.

Example

Christine gets old-style contributory ESA in the support group, and PIP. She was living with her partner who worked full time, and they didn't get any other benefits. She has split up with her partner and is starting a full-time course of education. She is now eligible for income-related ESA to top up her contributory ESA, and can add this to her existing award. She will continue to be eligible for income-related ESA while on her course, as long as any student income is low enough.

Limited capability for work

In order to get UC as a disabled student, and to get ESA, you must be assessed as having 'limited capability for work' (in the case of UC, this must be before your course starts). Limited capability for work means that because of your mental or physical condition it is unreasonable to require you to work. This is normally assessed at a medical known as the 'work capability assessment'.

The work capability assessment also assesses whether you have 'limited capability for work-related activity'. If you do, then your UC or ESA includes an extra amount for limited capability for work-related activity (called a 'support component' in ESA), which is paid to the most severely disabled people. If you have limited capability for work only, your UC or ESA includes an extra amount if your limited capability for work began before 3 April 2017. If you have limited capability for work you are expected to attend work-focused interviews and may have to undertake work-related activity, and failure to engage may result in reduction of benefit.

Full-time students who get ADP, PIP or DLA and who are getting income-related ESA are treated as having limited capability for work, so do not have to satisfy this part of the work capability assessment. If you are claiming contributory ESA you still have to have your limited capability for work assessed - even if you get ADP, PIP or DLA.

DISABILITY BENEFITS

These benefits are paid to meet the extra costs associated with your illness or disability. Adult disability payment (ADP) is a new disability benefit in Scotland, and will replace other disability benefits for working-age adults in the next few years. Personal independence payment (PIP) and disability living allowance (DLA) are the existing disability benefits which will gradually be replaced by ADP. In Scotland, any new claims are now for ADP.

ADP, PIP and DLA are paid at different levels depending on your care and mobility needs. ADP, PIP and DLA are not affected by studying as long as you have the same care and mobility needs as before. If your needs increase, for example if you need a scribe at college or university, you may be entitled to a higher level of benefit. You should get advice before asking for an award to be looked at again, as you could put your existing award at risk.

ADP, PIP and DLA are not means-tested, so they are not affected by any other income you have coming in. They can be paid in addition to other benefits, and may increase the amount of income-related ESA or housing benefit you are entitled to. To claim ADP, telephone 0800 182 2222 or claim online at mygov.scot/adult-disability-payment/how-to-apply

HOUSING BENEFIT

Housing benefit (HB) helps with the cost of rent if you are on a low income. You can only make a new claim for HB if you live in certain types of temporary or supported accommodation (otherwise, you get help with rent through UC - the housing cost element). For example, if you live in certain types of temporary accommodation that are provided because you are homeless, you must claim HB if you need help with your rent. The same applies if you live in accommodation provided by a voluntary organisation or housing association to meet your need for, and where you get, care, support or supervision.

Contact your local authority to claim HB. You usually get maximum HB if you are entitled to income-related ESA or UC. In order to be eligible for HB you must be liable for rent, so you cannot claim this if you live with your parents in their home.

HB is affected by most other income and capital that you have, so you will only get benefit if your income is low enough. Most student funding that you have is taken into account as income, so even if you are eligible for HB you may not receive any or receive only a small amount (see *Student funding and benefits*, below).

You may already be getting HB when you start studying. Or you may be applying for HB during your course because you are in temporary or supported accommodation. In either of these cases, you must be in one of the following groups of disabled student to be able to remain on HB during your course.

Note that all young full-time students on non-advanced courses are eligible for HB. To be eligible, you must be under 22, and under 21 when you started the course. Some other students are eligible too, such as lone parents – see CPAG in Scotland's online Benefits for Students in Scotland Handbook (details on page 8).

You are eligible for HB as a full-time disabled student if you:

- get income-related ESA (or UC, where you cannot get a housing cost element); *or*
- qualify for a disability premium (eg, you get ADP, PIP or DLA or are registered blind) or for a severe disability premium. Note that you are not eligible for a disability premium if you are also claiming ESA, or credits for limited capability for work; *or*
- have had limited capability for work (see *Limited capability for work* section, above, for what this means) for at least 28 weeks. You may need to get a backdated medical certificate to satisfy this condition; *or*
- (higher education only) get a disabled students' allowance because of deafness.

Example

Stacey is 22 and rents a local authority flat. She has cerebral palsy and gets income-related ESA, HB and PIP. She can continue to get income-related ESA because she gets PIP, and she is treated as having limited capability for work. She is still eligible for HB and PIP while on the course.

STUDENT FUNDING AND MEANS-TESTED BENEFITS

Most student funding that you receive will reduce the amount of UC, income-related ESA or housing benefit that you are entitled to.

Universal credit

In higher education, a student loan normally counts in full for universal credit (UC) if you are eligible for one, even if you do not take it out, as it is money that is available to you. You may be entitled to a reduced amount of UC during the academic year. In the summer vacation student funding usually does not count, so you can get maximum UC over the summer.

On a non-advanced/further education (FE) course you may be awarded a small bursary maintenance allowance, which will reduce your UC a little every month (note: the bursary maintenance allowance is discretionary, and there is no guarantee of getting it, therefore the amount taken into account is the amount awarded, not an assumed amount). If you are entitled to an Education Maintenance Allowance it is ignored, so you can get this in addition to your UC.

Note that £110 per month of student funding is disregarded from UC.

Income-related ESA and housing benefit

In higher education, a student loan normally counts in full if you are eligible for one, even if you do not take it out, as it is money that is available to you. A parental contribution usually counts as income but, for disabled students claiming income-related ESA, it only counts if it is actually paid to you. Income-related ESA usually stops due to student funding during the academic year, and housing benefit (HB) reduces or stops. In the summer vacation student funding usually does not count, so you can get income-related ESA and HB over the summer (assuming you are getting these already, otherwise you may have to claim UC for income instead – if you are eligible).

On a non-advanced/further education (FE) course you should be able to keep getting benefits instead of applying for a bursary maintenance allowance (the bursary maintenance allowance is discretionary, and there is no guarantee of getting it, therefore it should not count as assumed income). If you are entitled to an Education Maintenance Allowance it is ignored, so you can get this on top of your income-related ESA.

Allowances for disability or additional support needs do not count as income for benefits. Nor do amounts for travel or study expenses.

Examples

Lydia is 22 and starting a full-time advanced course. She is disabled and is getting UC and ADP. When she starts studying she is still eligible for UC because she gets ADP and has limited capability for work. However, her student loan counts as income and reduces her UC. Over the summer her student loan is ignored, and she gets maximum UC.

Keith is an FE student on a one-year course. He has an acquired brain injury and is 25. He is on income-related ESA and PIP, and HB to pay the rent on his housing association flat. He stays on benefits rather than applying for a bursary, and his benefits continue at the same rate.

TIME OUT FOR ILL-HEALTH OR DISABILITY

If you fall ill or become disabled while you are studying then you may be able to claim benefits. You are still treated as a full-time student if you take time out of your course, unless you abandon or are dismissed from the course. If you do leave the course, then you are no longer treated as a student and normal benefit rules apply. This section deals with benefits for you if you are taking time out, but not abandoning your course.

While you are taking time out of your course, the normal rules apply for claiming benefit as a full-time student. For example, you can claim UC if you get ADP, PIP or DLA and have been assessed as having limited capability for work before your course starts.

You may be eligible for ADP if you are disabled and have had care or mobility needs for 13 weeks or more, and you expect to have these needs for at least another 39 weeks.

Example

Corin is 22 and in his third year of a degree. He falls ill and has to take time out from his course. He is awarded ADP after three months of illness. He applies for new-style contributory ESA and is assessed as having limited capability for work. When his course ends he can claim UC, and he will now be eligible for UC if he starts a further course

(subject to student income), because his limited capability for work will have been assessed before the next course starts.

If you have recovered from your ill-health and are waiting to return to your course you can claim UC until you return to your course, for up to one year.

OTHER SOURCES OF FUNDING

Disabled students in HE may be able to claim a disabled students' allowance for extra expenses that arise because of the course. A disabled student in FE may be eligible for help through the additional support needs for learning allowance, to help with study and travel expenses.

If you are a disabled student and you need support in order to be able to attend your course, you may be able to get help from the local authority's social work department in the form of services or a direct payment.

FURTHER INFORMATION AND ADVICE

LEAD SCOTLAND

Lead Scotland (Specialists in Education and Disability) provide advice and information for disabled learners and carers lead.org.uk

Freephone helpline 0800 999 2568 or email info@lead.org.uk

CHILD POVERTY ACTION GROUP IN SCOTLAND

Advice line for frontline advisers and support workers

0141 552 0552

Monday - Thursday 10 am to 4 pm; Friday 10 am to 12 pm

Email: advice@cpagscotland.org.uk

CPAG in Scotland's advice line is only for advisers. If you are a student or thinking of doing a course of education and are in need of advice, contact your local college/university student welfare services, or your local Citizens Advice Bureau.

- CPAG in Scotland's Benefits for Students Project go to cpag.org.uk/scotland/students-and-benefits-project
- CPAG in Scotland's free online *Benefits for Students in Scotland Handbook* go to askcpag.org.uk/publications/Scotland
- View our full range of factsheets online at cpag.org.uk/scotland/factsheets
- CPAG publishes the *Welfare Benefits and Tax Credits Handbook*, a comprehensive guide to benefits and tax credit for claimants and advisers, online at askcpag.org.uk and in print at [cpag.org.uk /shop/publications](https://cpag.org.uk/shop/publications)
- We run a wide range of training courses on students and benefits for workers of different levels of experience. Go to cpag.org.uk/scotland/training to find out more.
- We also have a free students and benefits elearning course: Scottish student income and universal credit. See this and other elearning courses at cpag.org.uk/scotland/training/elearning-zone
- Follow us on Twitter @CPAGScotland

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