

# BENEFITS FOR DISABLED STUDENTS



Child Poverty Action Group works on behalf of the one in four children in Scotland growing up in poverty. It doesn't have to be like this. We use our understanding of what causes poverty and the impact it has on children's lives to campaign for policies that will prevent and solve poverty – for good.

We provide training, advice and information to make sure low income families get the financial support they need.

# BENEFITS FOR DISABLED STUDENTS

## INTRODUCTION

If you are a full-time student with a long-term illness or disability you may be able to stay on benefits while you are studying. This factsheet explains the rules allowing you to do so. There are no special rules for part-time students, so if you are claiming benefits 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 full-time student with a disability depends in part on your age and level of course. How long you have been disabled, how your disability affects you, and what other income and benefits you have are also important factors.

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 full-time students. The main benefits for someone who is ill or disabled are **employment and support allowance** and **universal credit**. In addition, **disability living allowance** or **personal independence payment** can be paid to help with the extra costs of disability. Some full-time students with a disability can claim housing benefit to help with rent payments.

Note that before the introduction of employment and support allowance (ESA) in October 2008, people with a disability claimed **incapacity benefit** and/or **income support**. If you are already on these benefits because of disability you can stay on them until you are transferred to the ESA system.

## EMPLOYMENT AND SUPPORT ALLOWANCE

For more detailed information about ESA for students see CPAG in Scotland's factsheet *Employment and support allowance and studying*.

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. You claim ESA by phoning the national Jobcentre Plus contact centre number on 0800 055 6688. Both contributory and income-related ESA can be backdated for up to three months, if you satisfied the conditions of entitlement during that time.

### CONTRIBUTORY ESA

This type of ESA is time-limited to one year for most people, although the most severely disabled (those who are in the support group - see *Limited capability for work*, below, for what this means) can continue to get contributory ESA for as long as they stay in the support group.

Contributory ESA is not means tested, so it will not be affected by any loans or grants you are eligible for. To qualify, 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. See CPAG's *Welfare Benefits and Tax Credits Handbook* for details.

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## CONTRIBUTORY ESA AND STUDYING

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. 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 non advanced course in August 2017, aged 18. She gets contributory ESA and is in the support group. Her course does not affect her ESA and her ESA continues*

## INCOME-RELATED ESA

By 2022 income-related ESA is expected to be replaced by a new benefit, universal credit.

**Note:** in areas where universal credit is fully rolled out, you cannot usually make a new claim for income-related ESA.

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 can claim after seven days of ill health.

Income-related ESA and studying

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 disability living allowance (DLA) or personal independence payment (PIP).**

You are part-time if you do not meet the definition for full-time below.

In **further education (FE)** you are full-time if:

- you are under 19, or are 19 but were under 19 when you were accepted on, enrolled on or started the course, and your course is more than 12 hours a week during term time. These 12 hours include classes and supervised study, but not meal breaks or unsupervised study either at home or at college. If you fit these rules, you are termed a '**qualifying young person**'; or
- You are 20 or over, or are 19 and were already 19 when you were accepted on, enrolled on or started the course, and you are doing more than 16 hours of classes/workshops per week. If you are not doing more than 16 hours of classes/workshops, you are full-time if you are doing more than 21 hours per week when all study requirements are included.

In **higher education** you are full time if the college or university says that the course is full time.

### EXAMPLE

*Lewis is 26 and recently disabled. He has not paid enough NI contributions to get contributory ESA. He claims income-related ESA only. He starts a full-time course of study in October 2017. His income-related ESA stops because he does not get DLA or PIP. He may be able to reclaim income-related ESA when his course ends.*

# BENEFITS FOR DISABLED STUDENTS

## LIMITED CAPABILITY FOR WORK

One of the basic rules of entitlement to ESA is that you must be assessed as having 'limited capability for work'. This 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 ESA includes an extra amount called a 'support component', which is paid to the most severely disabled people. If you do not, you are placed in the work-related activity group. Your ESA includes a 'work-related activity component' if you claimed before 3 April 2017, but not if you claimed after this. If you are in the work-related activity group you are expected to attend work-focused interviews and may have to undertake work-related activity, and failure to do so may result in reduction of benefit.

If you are found not to have limited capability for work / limited capability for work-related activity, your ESA claim ends. If this happens you can challenge the decision. You can ask first for a review of the decision and if it is not successful you can appeal to an independent tribunal. You can continue to get some ESA pending appeal. Many decisions are overturned at appeal, especially if you get help from a citizens advice bureau or other organisation, so it is well worth doing this if you disagree with the decision.

Full-time students who get DLA or PIP and who are claiming income-related ESA are treated as having limited capability for work so do not have to satisfy this part of the work capability assessment. However this does not apply to all full-time students. If you are a qualifying young person (see above) and claiming income-related ESA then you will have to be assessed. Similarly, if you are claiming contributory ESA, you still have to have your limited capability for work assessed - even if you get DLA or PIP. All students, unless they get the support component, may have to attend work-focused interviews and may be required to take part in work-related activity.

## UNIVERSAL CREDIT

Universal credit (UC) is a new benefit which is due to replace most means-tested benefits by 2022. If you live in a UC full service area, you usually have to claim UC instead of income-related ESA (see CPAG's factsheet 'Universal credit').

If you are a disabled student you are eligible for UC if you have limited capability for work (assessed by the DWP) and also get disability living allowance (DLA) or personal independence payment (PIP). The DWP say that if you are a student getting DLA/PIP and you claim UC, it will be refused if you have not already been assessed as having limited capability for work. To get round this problem, you can claim contributory ESA, even if you have not paid national insurance contributions. You will not receive any ESA but you will be assessed for limited capability for work. Once assessed successfully, you can claim UC.

## DISABILITY LIVING ALLOWANCE AND PERSONAL INDEPENDENCE PAYMENT

These benefits are paid to meet the extra costs associated with your illness or disability. Personal independence payment (PIP) was introduced in June 2013, and is the benefit you claim now if you have care or mobility needs, and are between aged 16 and 65. Before this you claimed disability living allowance (DLA). You can no longer make a new claim for DLA (unless you are under 16), but if you already get it you can stay on it until you are 'invited' to claim PIP. The process of reassessing DLA claimants for PIP is expected to be completed by 2018.

# BENEFITS FOR DISABLED STUDENTS

DLA and PIP are paid at different levels depending on your care and mobility needs. DLA and PIP 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 more DLA or PIP. You should get advice before asking for an award to be looked at again, as you could put your existing award at risk.

DLA and PIP 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 PIP, telephone 0800 917 2222.

## HOUSING BENEFIT

**Housing benefit** (HB) helps with the cost of rent if you are on a low income. In some cases you may need to claim universal credit instead - see CPAG's factsheet *Universal Credit*. Contact your local authority to claim HB. You usually get maximum HB if you are entitled to income-related ESA or income support. 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.

If you are a disabled full-time student you may be eligible to claim HB. The rules for whether you are full time or not are the same as the rules for income-related ESA, but note that all young full-time students in FE are eligible for HB. To be eligible, you must be under 22, and under 21 when you started the course. 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 are eligible for HB as a full-time disabled student if you:

- get income-related ESA or income support;
- qualify for a disability premium or severe disability premium (eg, you get DLA or PIP, long-term incapacity benefit or are registered blind). 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 limited capability for work and 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.

### EXAMPLES

*Stacey is 20 and is on an NC course, which is 18 hours per week. She has cerebral palsy and gets PIP. She rents a local authority flat. She can claim income-related ESA because she gets PIP, and she is treated as having limited capability for work. She is eligible for HB because she gets income-related ESA, and also because she is a young person on a further education course.*

*Carl is 27 and lost his job six months ago due to deteriorating eyesight. He starts a degree course, which is full-time. He does not get DLA or PIP so he cannot claim income-related ESA. He can claim housing benefit because he has had limited capability for work for at least 28 weeks. The amount he receives will be affected by any student loan he is eligible for.*

# BENEFITS FOR DISABLED STUDENTS

## OTHER BENEFITS FOR PEOPLE WITH DISABILITIES

### WORKING TAX CREDIT

Working tax credit (WTC) is paid to people in work who are on a low income. WTC can be claimed by certain disabled people who are working at least 16 hours a week.

**Note:** you may not be able to claim WTC if you are in a universal credit full service area (see CPAG's factsheet *Universal Credit*).

To claim WTC contact HM Revenue and Customs on 0345 300 3900. You must have a disability which puts you at a disadvantage in getting a job, and you must receive or have been recently receiving:

- employment and support allowance;
- incapacity benefit;
- severe disablement allowance;
- disability premium in income support, jobseeker's allowance or housing benefit;
- disability living allowance, personal independence payment or attendance allowance (you must be getting this on your date of claim, and, normally, continue to get it.)

There are some other qualifying benefits and circumstances.

WTC has no special rules for students and most student support is disregarded when calculating how much WTC someone can get. For example, any bursary, student loan, or disabled students' allowance is disregarded. Your work must be expected to last for at least four weeks.

## STUDENT FUNDING AND MEANS-TESTED BENEFITS

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

In higher education, a student loan 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 during the academic year. You may be entitled to a reduced amount of universal credit or housing benefit, or none at all. In the summer student funding usually does not count so you can claim income-related ESA again in the summer, and get maximum universal credit and housing benefit. Some students who have a high level of income-related ESA may continue to get some benefit during the academic year as well as full benefit in the summer.

On a further education (FE) course you should be able to stay on 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 get universal credit you may be awarded a small bursary maintenance allowance, which will reduce your universal credit a little every month. If you are entitled to an Education Maintenance Allowance 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.

## EXAMPLE

*Lydia is 22 and starting a four-year degree course. She is disabled and is getting universal credit and PIP. When she starts studying she is still eligible for universal credit because she gets PIP and has limited capability for work. However, her student loan means that her income reduces her universal credit. Over the summer her student loan does not count as income, and she gets the maximum universal credit.*

*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.

If you have worked recently and paid enough NI contributions, you can claim contributory ESA after seven days of ill-health. You may be eligible for PIP if you are disabled and have had care or mobility needs for three months or more, and you expect to have these needs for at least another nine months. If you get DLA or PIP you are then eligible for income-related ESA and usually HB. If you do not get DLA or PIP, after 28 weeks of ill-health you can claim HB. If you are in an area where universal credit is fully rolled out you usually have to claim universal credit instead of income related ESA and HB.

## EXAMPLE

*Corin is 22 and in his third year of a degree. He falls ill with ME and has to take time out from his course. After 28 weeks of ill-health he can claim HB. If Corin had worked and paid enough NI contributions, he could claim contributory ESA after seven days of illness.*

When you recover, ESA will stop. Instead, you can claim jobseeker's allowance and HB 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 an 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.

## CHILD POVERTY ACTION GROUP IN SCOTLAND

Advice line for frontline advisers and support workers  
0141 552 0552  
Monday – Thursday 10am – 4pm; Friday 10am – 12 noon

**Email:** [advice@cpagscotland.org.uk](mailto:advice@cpagscotland.org.uk)

CPAG in Scotland 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 college/university student welfare services, or your local Citizens Advice Bureau.

### FURTHER INFORMATION

- CPAG in Scotland's Benefits for Students Project go to [www.cpag.org.uk/scotland/students-and-benefits-project](http://www.cpag.org.uk/scotland/students-and-benefits-project)
- CPAG in Scotland's free online Benefits for Students in Scotland Handbook go to [www.onlinepublications.cpag.org.uk](http://www.onlinepublications.cpag.org.uk)
- View our full range of factsheets online at: [www.cpag.org.uk/scotland/factsheets](http://www.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. Find out more at: [www.cpag.org.uk/bookshop](http://www.cpag.org.uk/bookshop)
- We run a wide range of training courses on students and benefits for workers of different levels of experience. Find out more at: [www.cpag.org.uk/scotland/training](http://www.cpag.org.uk/scotland/training)
- Follow us on Twitter [@CPAGScotland](https://twitter.com/CPAGScotland)

### Lead Scotland

Lead Scotland (Specialists in Education and Disability) provide advice and information for disabled learners and carers [www.lead.org.uk](http://www.lead.org.uk)

Freephone helpline 0800 999 2568 or email [info@lead.org.uk](mailto:info@lead.org.uk)

**CHILD  
POVERTY  
ACTION  
GROUP  
IN SCOTLAND**

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