

# INCAPACITY BENEFIT FOR YOUNG PEOPLE



## WHAT IS IT?

Incapacity Benefit for Young People is for young people who are unable to work.

## TO QUALIFY

- ◆ Aged over 16, but under 20 when first claim, or under 25 if in education, and
- ◆ Unable to work.

If the young person began a course of education or training at least 3 months before their 20<sup>th</sup> birthday, s/he may be able to make a first claim up to the age of 25.

## HOW MUCH?

The amounts payable are the same as those claimed by others under the National Insurance system, thus there is a *short-term lower rate* followed by a *short-term higher rate* at 28 weeks and ending with a *long-term rate* after 1 year.

## BUT BEWARE....

Some young people are able to claim Income Support (I.S.) as a top-up to Incapacity Benefit, and I.S. acts as a 'passport' to other help.

As the level of Incapacity Benefit will, from time-to-time exceed their I.S. entitlement, some young people may temporarily or permanently lose I.S.

As a result the following 'passport' benefits will be lost:

- Free prescriptions and other Health Benefits (e.g. travel to hospital)
  - Free school meals
  - Access to Community Care Grants
  - Housing and Council Tax Benefits
- i. They will therefore need to reclaim Housing Benefit/Council Tax Benefit, *and*
  - ii. claim any health benefits on low income grounds (see Factsheet Pb56), *and*
  - iii. know if, and when to re-claim Income Support.

These claimants will basically fall into 5 groups, which are:

Group A - Claimants not receiving any level of DLA - aged under 25

Group A1 - as A, but aged 25 and over

Group B - On DLA Mobility and/or lower or middle rate Care Component, not 'living alone', aged under 25

Group B1 - as B, but aged 25 and over

Group C - On highest rate DLA Care, not 'living alone' - aged under 25

Group C1 - as C, but aged 25 and over

Group D - On middle rate DLA Care Component, classed as living alone and for whom no-one claims Carers Allowance - aged under 25

Group D1 - as D, but aged 25 and over

Group E - On higher rate DLA Care Component .classed as living alone and for whom no-one claims Carers Allowance - aged under 25

Group E1 - as E, but aged 25 and over

### **Pattern of Income Support entitlement**

This chart shows who will gain and lose entitlement to I.S. (it relates to single claimants only). The actual rate of benefit will be different, depending on circumstances. The tick means successful I.S. entitlement.

<b>Aged under 25</b>	GROUP	0-28 weeks	29-51 weeks	52 weeks
	<b>A</b>	x	x	x
	<b>B</b>	✓	x	x
	<b>C</b>	✓	✓	x
	<b>D</b>	✓	✓	✓
	<b>E</b>	✓	✓	✓

<b>Aged 25+</b>	GROUP	0-28 weeks	29-51 weeks	52 weeks
	<b>A1</b>	x	x	x
	<b>B1</b>	✓	✓	x
	<b>C1</b>	✓	✓	x
	<b>D1</b>	✓	✓	✓
	<b>E1</b>	✓	✓	✓

### **POINTS TO REMEMBER**

- ◆ If the young person lives at home and his/her parents get Housing / Council Tax Benefit, this too could be affected by getting Incapacity Benefit.
- ◆ Any young person's savings over £6,000 will affect their entitlement to I.S.
- ◆ If I.S is lost it could also mean loss of free prescriptions, reduction in other health benefits, and loss of free school meals if still in relevant education.

**Because of the above, we recommend that claimants and parents/carers should seek advice on an individual basis.**

**The information in this factsheet is correct as of April 2008**

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***Produced by Warwickshire Welfare Rights Advice Service  
Funded by: Warwickshire County Council  
Charity Reg No: 1113524  
Company No. 5730678***

