Telford & Wrekin Co-operative Council

Protect, care and invest
to create a better borough

The Management of Disability Benefits – Children Looked After & Care Leavers 2024-2025

Children's Social Care

Published	1st April 2024
Review	1st April 2025

Policy Governance

Title	The Management of Disability Benefits - Children Looked After & Care Leavers 2024-2025
Purpose/scope	Policy and process for DLA and PIP for Children in Need and Children in Care
Subject key words	Disability, DLA, PIP
Council Priority	• Every child, young person and adult lives well in their community
Lead author & contact details	Marie Hatton
Date Established	1 April 2024
Date of Next Review	1 April 2025
Service Improvement & Efficiency Validation	Laura Moore
Legal Sign Off	n/a
Finance Sing Off	n/a
Approver	Darren Knibbs

Background

The following information sets out guidance for social workers, personal advisers, foster carers, supervising social workers, residential social workers, and independent reviewing officers regarding the management of benefits for children looked after and care leavers who have a disability and claim - Disability Living Allowance (DLA) or a Personal Independence Payments (PIP) and/or Universal Credit (UC) or Employment and Support Allowance (ESA).

Where children are looked after within either the Disabled Children Service or the Children in Care Service, an assessment should be undertaken of any disability benefit entitlement and a claim made accordingly. As a corporate parent it is a requirement to assess and maximise any universal service and benefit entitlement.

Since 2019 all new claims for means tested benefits come within Universal Credit (with a small number of exceptions), so children/young people who have ‘limited capacity for work’ will be directed towards UC rather than ESA. In addition, there may be some unemployed young people who are already on UC who may then become unfit for work, and they too will remain on UC. Existing ESA claimants will not transfer to UC until 2023-2024 at the earliest, unless found fit for work, or they move home and claim housing costs in a new district council area.

Recording

The child’s social work team, the fostering service, the residential service, the independent review team, as appropriate, should record all benefit and financial interactions and notes on the child/young person’s personal case file (LCS), for example:

- all decisions about what benefits are claimed, and received or refused;
- details of all bank accounts in the child/young person’s name, or in an adult’s name who is acting as an appointee on behalf of the child/young person;
- all documents stored on LCS that account for expenditure on the child/young person, including the ‘Disability Benefits - Expenditure - Monitoring and Audit Sheet’ & (bank statements);
- all scrutiny of the accounts and by whom and when – the ‘Disability Benefits - Expenditure - Monitoring and Audit Sheet’ & (bank statements) should be signed and approved on a three-monthly basis by the social worker or personal adviser, the foster carer and the foster carers supervising social worker or the residential social worker / keyworker.

This document should be read in conjunction with – Guidance on the use of DLA/PIP/UC/ESA – 2024-2025.

Practice Guidance Note:

Prior to children becoming looked after, social workers should explain to parents the Department for Work and Pensions (DWP) benefit appointeeship arrangements and transfer requirements:

1. Benefit appointeeship should transfer to whoever the child is resident with, within 12 weeks of a move or residence (becoming looked after);
2. As a result, parents will need to transfer the child's DLA (and/or other disability benefits) to the local authority (or foster carer as a representative of the local authority);
3. Where children are living in foster care, both DLA Care and Mobility can be claimed, where children are living in residential care, only the DLA Mobility can be claimed;
4. Parents who are using a child's DLA Mobility to access a 'Motability Car' will need to relinquish the contract for the car as the parents will no longer be eligible to claim the DLA if the child has ceased to be resident with them.
5. In exceptional circumstances, the recipient of the DLA (the local authority) can agree for the DLA to be paid to a third party. This should only be agreed in very exceptional situations. Where parents are using the DLA Mobility to access a Motability Car, leaving the car with the parents may put additional liabilities on the local authority depending on the Motability Car contract and should not be agreed.
6. Where it has been agreed in the past that the DLA will continue to be paid to the parents, it may be appropriate to leave these arrangements in place until the child ceases to be looked after and/or reaches age 16 (and DLA transfers to PIP) or the child transfers to an Adult Service at age 18.

Using DLA/PIP/UC/ESA

In principle all DLA/PIP should be used to meet any disability related needs of the child/young person and all UC/ESA (16 & 17 year olds) should be used to meet day to day needs; once UC/ESA is in payment, pocket money and clothing allowances cease (provided via the foster carer or residential placement). How the DLA/PIP/UC/ESA is to be used should be set out in the child/young person's placement plan and must be agreed by the social worker with the foster carer/supervising social worker/residential social worker/keyworker, taking account of any 'delegated authority'.

Practice Guidance Note:

Where a foster carer or residential provision is looking after the child and requests an enhancement, an assessment of need should be undertaken. Where the assessment identifies that the child does have additional needs for items or services, any DLA/PIP that the child is receiving should be used in the first instance to meet these enhanced disability requirements. An enhancement should only be provided where the assessment identifies needs that require funding or support above the level of the DLA/PIP being received, as such the enhancement from the local authority would be the difference between the assessed need and the level of DLA/PIP being received.

In exceptional situations where there is an amount of unused or accrued DLA/PIP/UC/ESA, this could be added to the child/young person's Junior ISA. Where a child/young person has savings of £6000.00 or above, a financial planning meeting should be held to consider how the savings could be managed. In addition, consideration should be given to not exceeding the yearly Junior ISA savings limit (£9,000.00, 2024-2025). If it does, and the young person is 16 or 17, they can also contribute into the adult equivalent of a Cash ISA up to a £20,000.00, 2024-2025. This being in addition to any money paid into their Junior ISA.

Children/young people should be informed of the level of their savings (including Junior ISA's), accrued DLA/PIP/UC/ESA (if applicable) and CICA Award monies at each statutory review and at the end of each financial year. Prior to each statutory review the child's social worker should contact, a) the foster carer, or b) the senior finance officer, safeguarding (depending on who holds the appointeeship) to clarify the level of any accrued/unspent benefit income. This figure should be recorded at the statutory review and be added as a case note to LCS.

Practice Guidance Note:

The majority of backdated disability benefit payments (DLA/PIP/UC/ESA) are disregarded by the DWP for 52 weeks when calculating their impact on capital/saving levels and therefore eligibility for means tested benefits/Universal Credit.

Benefit Appointees and Accountability

Whilst the Department for Work and Pensions (DWP) is the agency that has the legal recourse to audit and check on the use of the DLA/PIP/UC/ESA, Telford & Wrekin Council also requires foster carers to keep records of the DLA/PIP/UC/ESA income and expenditure. These records should be shared with their supervising social worker and the child's social worker periodically. This is needed for the following reasons:

1. The child is looked after by Telford & Wrekin Council. The local authority has associated corporate parenting, safeguarding and oversight responsibilities for looked after children and is ultimately responsible for meeting the needs of the looked after child.
2. The foster carers provide a service to Telford & Wrekin Council (be they an in-house carer or a commissioned service foster carer) and as such are accountable to the local authority (Children's Services) for any support provided to any children looked after placed with them.
3. Telford & Wrekin Council has a responsibility to support foster carers so that children, young people and others are confident that the support and guidance being provided is appropriate and transparent.

Where the local authority is acting as the appointee the social worker and finance team will also use appendix one – Disability Benefits – Expenditure – Monitoring and Audit Form to evidence the decision making regarding the use of the disability benefit and to evidence how the benefit has been used.

For more detailed guidance on the process for agreeing the use of DLA/PIP/UC/ESA see – Guidance on the use of DLA/PIP/UC/ESA for CLA – Policy Document – 2024-2025.

Disability Living Allowance (DLA)

Disability Living Allowance (DLA) is paid to help meet the extra costs of a child under 16 who has a physical disability, learning difficulties or mental health problems.

DLA has two components: 'Care' and 'Mobility'. The 'Care' component is paid at three levels/rates (lower, middle, or higher) and the 'Mobility' component is paid at two levels/rates (lower or higher).

To claim DLA a child must have a care or mobility problem that has existed for the previous three months, and the disability or special need will continue for at least a further six months. This requirement is waived for children who are terminally ill.

Therefore, the lower age for DLA Care component is 3 months, unless a child is terminally ill.

However, the higher rate of DLA Mobility component cannot be claimed for a child under the age of 3 and the lower rate of DLA Mobility component cannot be claimed for children under the age of 5.

A claim can be made for a child with a physical disability (including sight, hearing, or communication difficulties), or for a child with a learning or mental health problem – even if the cause of the problem has not yet been formally diagnosed. Children with developmental delay, ADHD, Autism or Asperger's Syndrome can make a claim for DLA; what is important is the effect that the child's condition has on their care and supervision needs, and whether it amounts to more care or supervision than a non-disabled child of the same age would require. The child does not need to attend a special school, have a Statement of Special Educational Needs or an Education, Health and Care Plan.

Payments are made to a parent or guardian for a child under 16 (whoever the child is resident with).

DLA is paid on top of any other income and is not means tested. If a child is awarded DLA and is living at home or in any other family setting if they are not 'looked-after' it may entitle the parent, carer or guardian to a higher level of child tax credit, housing benefit or council tax support or universal credit. It may also mean that the parent, carer or guardian may begin to qualify for one of these benefits as a result of the DLA claim. If the child is in foster care, this will not happen as the child is not seen as part of the foster carer's family, but the carer may still become entitled to Carers Allowance (see below).

If a child getting DLA becomes a CLA, the parent is required to notify the relevant DWP and local authority.

Disability Living Allowance – 2024-2025 – Rates (per week)

Care Component:

Higher Rate	£108.55
Middle Rate	£72.65
Lower Rate	£28.70

Mobility Component:

Higher Rate	£75.75
Lower Rate	£28.70

A claimant (child or adult) who is in receipt of the 'Higher Rate' Mobility component can use this through the 'Motability' Scheme to pay for a car by leasing or buying a car. To qualify for the 'Motability' Scheme the claimant must have at least 12 months or more of their award remaining.

DLA is only payable to a child up to the age of 16. From age 16, clients in receipt of DLA will be reassessed regarding eligibility for a Personal Independence Payment (PIP). All people over the age of 16 will be transferred from DLA to PIP in a phased re-assessment, to be completed over the coming period.

Other Support

Motability – Foster carers can use the mobility component of DLA or PIP to pay for a car, by leasing or buying it through hire purchase. Foster carers can also use it to buy a wheelchair on hire purchase. To qualify, the child must be getting DLA higher rate mobility or the enhanced rate of PIP mobility component and have 12 months or more of the award remaining. Contact Motability on 0300 456 4566 or visit https://www.motability.co.uk/

Exemption from Car Tax – Foster carers can apply for this if their car is used for the benefit of a disabled person who is getting the higher rate mobility component of DLA or the enhanced rate of PIP mobility component. Foster carers can get a 50% discount if the child /young person receives the PIP standard rate mobility component. See www.gov.uk/financial-help-disabled/vehicles-and-transport

Disabled Person's Parking Badge (Blue Badge Scheme) – Foster carers can apply for a Blue Badge from their local council which will help with parking.

Your child qualifies automatically if s/he is aged two or over and one of the following applies:

- they are registered blind;
- they get DLA higher rate mobility component;
- they have been awarded 8 points or more in the PIP 'moving around' activity.

There are also special rules if the child is under the age of three and they have a specific medical condition which means they:

- must always be accompanied by bulky medical equipment which cannot be carried around with the child without great difficulty and/or
- need to be kept near a motor vehicle at all times so that, if necessary, treatment can be given in the vehicle or the child can be taken quickly to a place where treatment can be given

Otherwise, they will need an assessment.

Changes to the Blue Badge scheme in August 2019 now make it easier for disabled adults and children to qualify for a Blue Badge if they have non-visible disabilities such as autism or mental health problems.

See https://www.gov.uk/government/publications/blue-badge-can-i-get-one/can-i-geta-blue-badge#what-you-need-to-apply-for-a-blue-badge

The Disabled Person's Railcard – The card allows a person accompanying a disabled child / young person to travel at a reduced rate. A leaflet is available from a railway station. More information is available on www.disabledpersons-railcard.co.uk or call 0345 605 0525.

Children Becoming Looked After in Receipt of DLA

When a child with a disability becomes looked after, the development of the initial care plan and placement plan (which, in most cases should be developed prior to the child becoming looked after) should clarify the arrangements for the transfer (from the parent) and management of the DLA being paid for the needs of the child.

Children in residential care cannot make an initial claim for DLA Care Component but can claim DLA Mobility Component.

Where a child under 16 who already gets DLA becomes looked after and is placed in a residential care setting, the 'Care' component may cease after 28 days in the placement, but the 'Mobility' component will continue.

Where a child is placed in foster carer both the 'Care' component and the 'Mobility' component will continue. However, the DWP take the view that the appointeeship should be switched from the parent to another appropriate person unless the stay in care is intended to be for less than 12 weeks.

Where a child is placed in a school with accommodation, discussion should take place with the Department for Work and Pensions (DWP) Disability Benefits Centre (DBC) regarding the status of the school and whether it is primarily designated as a residential care setting or a school with accommodation. This will often depend on whether the school is a 36, 42 or 52 week setting (residential or boarding). So long as DLA is actually payable, it will be paid to the original appointee for up to 12 weeks, in cases of temporary separation, and without a limit if the child is at a school with accommodation, as opposed to a residential care home (school).

If the child's 'looked after' episode is likely to be less than 12 weeks, the DLA payments should remain with the parent. The care plan should set out the mechanism for parents to continue to use the DLA to meet any of the specific needs of the child. Discussion should take place with the DBC regarding the child's DLA claim. The discussion with the DBC should be undertaken by both the parent and the social worker.

If the child 'looked after' episode is likely to be longer than 12 weeks, or turns out to be longer than 12 weeks, the DLA payment should be transferred from the parent to a foster carer or local authority representative.

The initial care plan and placement plan should set out who will take responsibility for transferring the DLA payment from the parent to the local authority representative and who will manage the DLA on behalf of the child.

Discussion should take place between the local authority legal section, the finance section, the social worker and foster carer, supervising social worker regarding the process of appointing a person to manage/oversee the child's benefits and finances.

Children Aged Under 16

Where a child is under the age of 16, consideration will need to be given to who will act as the 'appointee' for the child. If the child is in foster care this could be the carer who will manage both the child's claim and the expenditure of the DLA (with support and guidance from the local authority). The foster carers will need to open a bank account in their name to manage the DLA.

If the child is in residential care, they will still be eligible for DLA Mobility Component, and if they are in a school setting that is not designated as residential care, they may be eligible for both DLA Care and Mobility Components. As an individual member of staff cannot act as a child's 'appointee' or hold a bank account in their name for the child's DLA payment, the local authority will need to consider the appointment of a 'Corporate Appointee'.

Children Aged 16 and 17

From age 16 all benefits for children aged 16 and 17 should be paid directly to the child and into an account in their name. Where a 16 or 17 year old has 'limited' ability, a 'Capacity' assessment (Mental Capacity Act 2005) must be undertaken to ascertain if the child's benefit is to be paid to them, or someone acting on their behalf. The 'Capacity' assessment should focus on the child's ability to manage a benefit claim and the associated income and not be based simply on whether they will spend the money wisely. If a child lacks 'Capacity' they will require an 'Appointee' and/or 'Corporate Appointee'. Depending on the child's circumstances before their 16th birthday an 'Appointee' and/or a 'Corporate' Appointee may already have been appointed. See Mental Capacity Act 2005 - Code of Practice.

Where a young person aged 16 / 17 has 'Capacity' they can request that support is provided to assist them to manage their benefit claim and benefits, in these situations the foster carer or local authority can act as an appoint, with written and signed authorisation from the young person, the authorisation can be withdrawn at any point by the young person.

Carers Allowance

Foster carers can claim Carer's Allowance if they are looking after an ill or disabled person (child looked after) for at least 35 hours per week. The disabled person (looked after child) must be getting the middle or highest rate of DLA, or either rate of the daily living component of PIP. In addition, the foster carer must not be earning over £151.00 per week (2024-2025). Foster carers' income is based on their taxable *profit* from fostering, as calculated by HMRC (which may well be nil), not their income. Carers Allowance 2024-2025 - £81.90 per week.

https://www.gov.uk/carers-allowance-unit

Foster Carers Acting as 'Benefit Appointees'

Where a foster carer is prepared to manage the child's DLA claim and payment, they should contact the DLA claim unit and arrange to be designated the 'benefit appointee' for the child. The local authority will need to assist and verify the request. As an 'appointee' the foster carer is responsible for all aspects of the child's DLA claim and management of the payment. For example, the foster carer will need to inform the DLA unit of any change of circumstance of the child. The DLA claim unit will undertake a home visit to the foster carer to assess that it is appropriate for the carer to act as an 'appointee' and that it is in the child's best interest.

To ensure there is a separation of the child's DLA allowance from the foster carers benefits or finances, it is expected that the foster carers set up a bank account in their name, into which the DLA (and any other finances being paid for the child) is paid. Having a separate account will ensure that the foster carers can demonstrate an audit trial and highlight how the DLA is being used. The audit trail is important if the Department for Work and Pensions want to check on the use of the child's DLA or the foster carer's benefits (if they are in receipt of a benefit in their own right).

Any money or savings in an account in the name of the foster carer that is entirely belonging to the child, and from the child's DLA (or other benefits), is not counted by the DWP as part of the foster carer's own benefit/savings threshold.

Foster carers are required to keep a record of all DLA income and all expenditure on the child from the DLA. This is a relatively straight forward process if the carers have a bank account solely for the DLA income and expenditure. All DLA income and direct expenditure/payments from the account will be evidenced on the bank statement. Foster carers should also record any cash expenditure from the account on the 'Disability Benefits – Expenditure - Monitoring and Audit Sheet' (see appendix one).

All DLA (PIP) income should be spent and used to meet any disability or special needs requirement of the child. For example, extra laundry, clothing and equipment, clothing and equipment wear and tear, travel or supervisory costs, domestic cleaning/gardening costs that enable additional time to be provided to the child.

In any specific or exceptional circumstances where DLA (PIP) is unused, foster carers and staff should be mindful of the thresholds for means tested benefits (£6000.00) and that all children looked after will have savings/Junior ISA that may contain several thousand pounds.

Whilst all children looked after should have some savings for future needs, DLA (PIP) should be used to meet their needs stemming from their disability rather than be saved.

In circumstances where a claim for DLA is made when a child is already looked after the care plan and placement plan should set out who will manage the money on the child's behalf (benefit appointee or corporate appointee). See above.

Where the DLA claim relates to a young child placed with their parent in a parent-and-child placement, a decision by the social worker in liaison with the Finance Team needs to be made about who should be the appointee if the child is 16 or over. If DLA is awarded, the parent should also notify the tax credit office (or UC office if on that benefit) to ensure they receive the additional tax credit/UC that is also paid in respect of a disabled child.

If a child or young person returns to the parental home, the parent should be informed of any DLA/PIP in payment and arrangements be made to transfer appointeeship to that parent if necessary and any unused DLA/PIP.

Junior Individual Savings Accounts

Looked after children who have been in care for 12 consecutive months are eligible for a government-initiated scheme whereby they are given a Junior ISA account with an initial payment of £200.00. The scheme is administered by the Share Foundation, the current link in Telford is Alex Hood April 2024

For more information see www.sharefound.org

Foster carers should ensure any savings accruing in the bank account or any unused DLA/PIP, ESA/UC is added to the child's Junior ISA account. The annual limit for each Junior ISA is £9,000.00 (2024-2025) and a child can have a new Junior ISA each year.

Sixteen and seventeen year-olds can also contribute into the adult equivalent of a Cash ISA up to a £20,000.00 per year (2024-2025). This is in addition to any money paid into their Junior ISA. The main advantage of Junior ISA's is that they convert to an Adult ISA when the child reaches the age of 18, therefore keeping the savings amount tax free into adulthood. Junior ISA's can be transferred between providers.

Children/young people will normally be informed of the level of their savings (including Junior ISA's), accrued DLA/PIP/ESA (if applicable) and CICA monies at each statutory review and at the end of each financial year See above).

Children Looked After in Receipt of DLA Reaching Age Sixteen

All **new** claims for those aged 16 and above will be for PIP not DLA. Young people will receive a letter inviting them to apply for PIP, the letter will contain a date by which they will need to have submitted a claim for PIP (usually within 4 weeks).

When a child in receipt of DLA reaches the age of 16 they will be re-assessed regarding their eligibility for a **Personal Independence Payment** (PIP). Unlike DLA, this assessment is based on a specific 'point-scoring' system.

Between mid-2022 and mid-2023, all people aged between 16 and 64 claiming DLA will be re-assessed for PIP.

Young people need to claim PIP when invited. Their DLA will continue until a decision is made on the PIP claim. However, if they don't claim PIP when invited to do so, their DLA will stop.

PIP has two components: 'Daily Living' and 'Mobility'. The 'Daily Living' component is paid at two levels/rates (standard and enhanced), which are the equivalent of the top two rates of DLA Care. The 'Mobility' component is also paid at two levels/rates (standard and enhanced), which mirror the DLA Mobility rates.

Personal Independence Payment - 2024-2025 - Rates (per week)

Daily Living Component

Enhanced Rate £108.55

Standard Rate £72.65

Mobility Component

Enhanced Rate £75.75

Standard Rate £28.70

PIP should be paid to the claimant unless they lack 'Capacity'. In circumstances where it has been demonstrated that a 16 year old lacks 'Capacity' the allowance can be managed on behalf of the child by a representative of the local authority. Where a foster carer has been acting as the 'Benefit Appointee' for the child prior to the child's 16th birthday, this can continue after they reach 16, where it has been demonstrated that the child lacks 'Capacity'. See DLA section for advice on managing PIP.

Claiming Universal Credit for those in Education

Most people who are receiving education cannot claim Universal Credit unless they have a dependent child. However, young disabled people in education can claim if they get DLA or PIP and they are also assessed as unfit to work. This means that most young people in full time education need to go through a medical assessment known as the 'work capability assessment' before they can receive Universal Credit.

Since December 2021 the rules for children/young people making a new claim for UC/ESA have changed. New regulations for those claiming Universal Credit made on, or after, the 15th December 2021 set out that to receive Universal Credit whilst 'receiving education', students must have 'Limited Capacity for Work' on a date before starting to receive education. In effect, most children (aged 16 & 17) engaged in education will no longer be eligible to claim Universal Credit whilst undertaking education until their 18th birthday. Those who have finished a course of education (end of year 11) or those who have left education will continue to be eligible to make a claim from the cessation of the education course.

For more information on the Universal Credit claim process, see the link below.

https://contact.org.uk/wp-content/uploads/2021/03/universal_credit_young_person.pdf

A single person aged under 25 with no income except PIP, no capital, and no housing costs, will normally initially receive £311.68 per month initially (2024-2025).

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'. If the child /young person is found to have a 'limited capability for work' and for 'work-related activity'. The child /young person will see an increase in their Universal Credit payments of up to £416.19 per month (2024-2025) from the fourth month of their claim. The child /young person will then be exempt from looking for work or having to take part in any work-related activity.

Children/young people (section 20 and section 31) who are not receiving DLA or PIP and have 'limited capacity for work' can also claim Universal Credit from the age of 16 but will need a fit note/letter from a consultant to start the claim process.

Universal Credit (UC) and Employment and Support Allowance (ESA) for Children Looked After Aged 16 and 17

NB – except in exceptional circumstances, there are no new claims for ESA. The young person should claim Universal Credit instead (see above).

From their 16th birthday, young people who were not able to work due to ill-health can apply for Universal Credit (on limited capacity for work grounds) irrespective of their placement or legal status (section 31 or 20). There may be some CLA who continue to get ESA for the time being. All new claims would be for UC. New rules introduced from December 2021 limit the ability of those aged 16 & 17 who are undertaking education to claim Universal Credit. In essence, the child must have been subject to the 'Limited Capacity for Work' rules prior to commencing the education course. This would not limit 16 & 17 year olds from making a claim if they are not undertaking education.

If the child has 'Capacity' the UC (ESA) should be paid into a bank account in the name of the child. If the child lacks 'Capacity' the UC (ESA) should be paid into the same account as the DLA/PIP and should be managed in the same manner (i.e., account and benefit appointee process set up prior to their 16th birthday. UC (ESA) is provided to meet the basic needs of the child/young person, unlike DLA/PIP which is provided to meet the additional costs of a disability.

If the child has savings and/or money in their bank account amounting to more than £6000.00, the child's ESA will be reduced by £1.00 per week per £250.00 of capital above £6000.00 if on ESA. If on UC, this 'tariff income' £4.35 per month per £250.00 above £6,000.00. If the child's savings and/or money in their bank account is above £16,000.00 they will not be able to claim UC (ESA).

Employment and Support Allowance – 2024-2025 Rates (per week)

Personal Allowance:

Single Person under age 25

Assessment phase	£71.70
Main phase (after 13 weeks)	£90.50*Components:*
Work-related Activity	£35.95

(Note: this component will not be paid to new ESA claimants after April 6th 2017)

Support	£47.70
Enhanced Disability – single	£20.85

(Note: if in ESA Support Group or getting highest rate of DLA Care or PIP daily living)

Severe Disability – single	£81.50

When UC (ESA) is in payment, children looked after will cease to receive the prevailing pocket money and clothing allowance provided by the foster carers or the residential placement that they are living in, as UC (ESA) is provided to cover personal living expenses.

Foster carers should continue to provide evidence of the child's DLA/PIP and UC (ESA) income and record expenditure for audit purposes on the 'Disability Benefits – Expenditure - Monitoring and Audit Sheet'.

Where it is assessed, by Adult Services, that at the age of 18 the young adult will meet the 'Eligibility' criteria (Care Act 2014); case, placement and financial responsibility for the young adult should transfer to an Adult Service.

Note:

Existing claimants of ESA will not be transferred to Universal Credit until 2023 or later. Although the new benefit shares many characteristics with ESA (savings limit, need to prove ill-health if claiming on that basis etc.) it is paid per calendar-monthly not fortnightly, and may well include the young person's housing costs.

The benefit rates are also different, as there are no support group, enhanced disability or severe disability components although there are 'limited capacity for work' and 'limited capacity for work-related activity' elements.

Unemployment and Employment

If a young person fails their ESA/UC assessment as having ‘limited capacity for work’, the Job Centre will expect them to seek work as a condition of getting Universal Credit (Jobseekers Allowance).

If a disabled young person in receipt of ESA gains employment of less than 16 hours per week, they can earn up to £183.50 a week (2024-2025) ‘permitted work’ and keep their full ESA and housing benefit. If on ESA and they work 16 or more hours a week, or earn over £183.50 per week, their ESA must stop, and they may need to claim Universal Credit.

If on UC, ‘permitted work’ does not exist, and the UC gets adjusted according to earnings, although part of the earnings can be ignored if the young person has only got limited capacity for work.

DLA/PIP can also continue to be paid in full if a disabled person starts work, even if full-time.

Given the complex nature of an UC (ESA) limited capacity for work claims where a disabled young person is also working, social workers/personal advisers should liaise with the CAB and DWP regarding the individual circumstances of the claimant.

Children Looked After with a Disability Reaching Age 18 and Ceasing to Be Looked After

Where it is assessed by Adult Services, that at the age of 18 the young adult will meet the ‘Eligibility’ criteria (Care Act 2014), case, placement and financial responsibility for the young adult should transfer to an Adult Service.

The ‘‘Eligibility’ assessment should be completed by the time the child reaches the age of 17½ in order to provide sufficient time to make the arrangements for case and placement transfer to Adult Services. The assessment of a foster carer as an adult placement carer (‘Shared Lives’ carer) is similar to a fostering assessment and will take about six months and therefore should commence no later than when the child reaches the age of 17½.

From the age of 18 young people will also need to claim housing benefit or UC housing costs as a contribution to their adult placement/shared lives/Staying Put arrangement. In addition, where a young person is living in a shared lives arrangement Adult Services will assess a young person’s income (including benefits) against the cost of the placement and will set the level of the contribution that the young person should make.

It is important to clarify any changes to ‘Eligibility’ and ‘Ordinary Residence’ stemming from the Care Act 2014 (implemented April 2015).

The Citizens Advice Bureaux (CAB), now known as Citizens Advice (CA) runs a free advice and support line to assist with benefit claims, contact 01952 567193.

Establishing a Disabilities Benefit Claim (Children in Residential Care and Where Foster Carers are Unable to Manage a Claim)

The Management of Disability Benefit Claims

Where a child looked after is living in a residential setting, or where the foster carer does not wish to act as the ‘Benefit Appointee’ the Telford & Wrekin Children’s Services will act as the corporate appoint for any benefits.

Children Becoming Looked After and New Claims

Where a child in receipt of Disability Living Allowance becomes looked after, or where an application for Disability Living Allowance is being made the social worker for the child should contact the Department for Work and Pensions to transfer the DLA from the parents to the local authority (or foster carer) or make a new claim. The DWP will need a bank account into which the DLA can be transferred and/or paid, the social worker should contact the Senior Finance Accountant who supports Children’s Safeguarding who will provide the account number into which the DLA (disability benefits) can be paid.

When transferring a claim or when making a new claim, social workers must use the following identifiers as a reference with the DWP in order that the payments can be identified and tracked: a) LCS Number, b) Date of Birth, c) National Insurance Number (if known).

The benefit award will be paid into an undesignated account (for the given child) and a record will be kept of all transactions (both income and expenditure). Social workers should use the following policy and accompanying expenditure and audit sheets to decide on how the benefits should be used and how the use is evidenced. (See Guidance on the Use of Disability Living Allowance (DLA), Personal Independence Payment (PIP) and Universal Credit / Employment and Support Allowance (UC/ESA) for Children Looked After – 2024-2025).

Where children are living in residential care and the cost of their transport needs is equal to, or higher than the Mobility award, the award will be transferred to the independent placement budget to help cover transport costs.

The Finance Team will provide a running balance for each child in receipt of a disability benefit at the end of each financial year which will be sent to the SDM for Children Looked After and

Care Leavers and the SDM for Disabled Children. The SDM should distribute the balance amounts to the relevant social workers who should ensure this is recorded on the child's LCS case file. The social worker should present information at the subsequent children looked after review as to the level of the balance and how the benefit/s are being used. Social workers should also check how much is being held in the child's Junior ISA and that the combined amounts do not take children/young people over the means tested benefit's threshold of £6000.00.

Where children reach the age of 16, the benefit award can continue to be paid to and managed by Telford & Wrekin Children's Services, subject to a 'Capacity' assessment and a 'Best Interest' assessment.

DISABILITY LIVING ALLOWANCE (FOR CHILDREN)

There are two ways to claim Disability Living Allowance:

1. **Call the DLA Helpline –** to request a claim pack. The date you request a claim form will be the date the claim can be paid from if returned within 6 weeks. You can call Monday to Friday between 8:00am and 6:00pm.
    a. **Telephone:** 0800 1214600
    b. **Textphone:** 0800 1214523
2. **Download a claim form -** go to https://www.gov.uk/disability-living-allowance-children - this will provide a link to the claim form.

- The DLA form requires a **statement*** from someone who is involved in the child/ young person's care – there is space on the claim form to write this. This can be from a foster/adult carer, doctor, social worker or therapist.
- The application is completed via a DLA 1A Child Form.

PERSONAL INDEPENDENCE PAYMENT

To claim a Personal Independence Payment:

1. **Call the PIP claim-line –** to register a claim. Basic information will be required, such as details of the claimant's doctor, bank account, national insurance number, any recent periods spent in hospital, abroad or residential care. You can make a claim on the claimant's behalf if you have been officially appointed to deal with their claim ('appointee'). Otherwise they will need to be with you when you make the call. After registering the claim, a form will be sent to the claimant requesting details of the claimant's daily living and mobility needs. You can call Monday to Friday between 8:00am and 6:00pm. https://www.gov.uk/pip
    a. **Telephone:** 0800 917 2222
    b. **Textphone:** 0800 917 7777

UNIVERSAL CREDIT

To claim Universal Credit (UC)

1. **Apply on-line** on https://www.gov.uk/apply-universal-credit
2. Contact the **Universal Credit helpline** if you need to apply by phone or in person. Telephone: 0800 328 5644

To assist with a benefit, claim a number of the following documents will be required:

TWO forms of Identity (Three for Universal Credit):

- Birth certificate
- Passport
- Driving License
- UK residence permit
- Utility Bill in own name

ONE form of National Insurance:

- National Insurance Card
- Letter from DWP with National Insurance Number

ONE proof of Address:

- Utility bill in own name
- Bank Statements
- Letter from the local authority

Evidence of Disability or Illness

- Fit Note (Medical Certificated/Sick Note)
- Information from social worker/medical consultant
- Evidence of how the disability/illness effects daily living

DISABILITY BENEFITS - EXPENDITURE - MONITORING AND AUDIT TOOL

Appendix One

Child/Young Person Name: [LCS Ref]		[Add LCS Ref here]			Placement Start Date:	
Foster Carer(s) Name:					Placement End Date:	
Period Covered:		*From*	*To*		Balance in Hand at start of period:	£
Benefits received	DLA/PIP	Frequency of payment: Weekly/ 2 weeks /4 weeks *(delete as appropriate)*		£ Amount	Total Income in the period:	£
					Total actual outgoings in the period:	£
	UC/ESA	Frequency of payment: Weekly/ 2 weeks /4 weeks *(delete as appropriate)*		£ Amount	Balance in Hand at end of period:	£

Date of Planned/Actual Activity or Purchase	Brief Details of: Item/Activity/Service	One-off/ Recurring	Planned Cost	Actual Cost (in the period)	How does this meet positive outcomes? **1.** Be Happy 4. Be Safe **2.** Be Independent 5. Be Healthy **3.** Be Ambitious 6. Be Resilient
			£	£	
			£	£	
			£	£	
			£	£	
			£	£	
			£	£	

Date of Planned/Actual Activity or Purchase	Brief Details of: Item/Activity/Service	One-off/ Recurring	Planned Cost	Actual Cost (in the period)	How does this meet positive outcomes? **1.** Be Happy 4. Be Safe **2.** Be Independent 5. Be Healthy **3.** Be Ambitious 6. Be Resilient
			£	£	
			£	£	
			£	£	
			£	£	
			£	£	
			£	£	
			£	£	
Total Expenditure in the Period			£	£	

Foster Carer: *I confirm that this is the agreed planned/actual expenditure during the period*	Supervising Social Worker: *I have reviewed the actual/planned expenditure & confirm that this is the agreed plan*	Social Worker/Case Worker *I have reviewed the actual/planned expenditure & confirm that this is the agreed plan*
Name:	Name:	Name:
Signature:	Signature:	Signature:
Date:	Date:	Date: