



BENEFITS FOR CARE-EXPERIENCED STUDENTS

September 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

This factsheet looks at when students who have been in local authority care and are eligible for a care-experienced bursary might also be eligible for social security benefits, and how the bursary interacts with these benefits.

The factsheet covers:

- the care-experienced bursary
- eligibility for universal credit – care-experienced students
- eligibility for other means-tested benefits – care-experienced students
- how the care-experienced bursary affects benefits
- local authority support

If you need advice, speak to your college or university student services adviser, or go to your local citizens advice bureau or other advice agency.

The care-experienced bursary

A care-experienced bursary is available in full-time non-advanced education (further education) and in full-time advanced education (higher education). It is for students who have previously been in local authority care (sometimes referred to as 'looked after') at any time in the UK. It doesn't matter if this was for a very short period. It can also include some other arrangements, for example a student who grew up in an informal kinship care arrangement with some social work involvement.

Before the 2020/21 academic year students had to be under 26 at the start of the course to qualify, but this age limit no longer exists.

Students in advanced education who are eligible can get a [grant of £9000](#), paid instead of a student loan. In non-advanced education the care-experienced bursary is part of the discretionary bursary maintenance allowance, and is a grant of £225 per week. [Guidance](#) (para 50 onwards) of the FE bursary guidance 2023-24: Award Assessment advises 'the optimum funding award' should be made for the student, which may be to award an education maintenance allowance, or a lower award of bursary maintenance allowance if the student is getting social security benefits.

In both advanced and non-advanced education the care-experienced bursary is not income-assessed, so it is paid regardless of household income.

Students in receipt of a care-experienced bursary in higher education have the option to be paid over 12 months, instead of the usual 8 or 9 payments over term-time. Students on a one-year course or in the final year of their course are not eligible to apply for this payment option.

Eligibility for universal credit – care-experienced students

16/17-year-old students

Universal credit (UC) is restricted for 16/17-year-old students who are care leavers. You count as a care leaver if:

- you were looked after by the local authority at your 16th birthday or after that date;
and
- you were looked after away from home by the local authority for at least three months since the age of 14. The three months don't have to be a continuous period;
and
- you are no longer looked after by the local authority.

If these rules apply, then while you are 16 or 17 you are only eligible for UC if you have a child, or are ill/disabled (see below for what that means). Even if you qualify on this basis, your UC cannot include help with rent when you are 16 or 17, as local authorities have a duty to provide you with, or pay for, accommodation.

Students aged 18 or over

If you are a part-time student aged 18 or over you should be able to get UC in the same way as anyone else, as long as you can still do any required job search.

The rules allow full-time non-advanced students under 21 who are 'without parental support' to get UC. If you are a care-experienced student aged under 21 in full-time non-advanced education then you may be eligible for UC under these rules.

You must be under 21 (or are 21 but were under that age when you started your course) on a full-time non-advanced course and 'without parental support' (see definition, below), eg, you are estranged from your parents or living away from them in other specified circumstances.

Definition

‘Without parental support’ means you:

- have no parent; *or*
- are living away from parents because you are estranged from them, or because there is a serious risk to your physical or mental health, or you would suffer significant harm if you lived with them; *or*
- are living away from parents who cannot support you financially because they are ill or disabled, in prison, or not allowed to enter Britain.

‘Parent’ includes someone acting in place of a parent.

[UC guidance](#) confirms that such students are eligible for UC:

‘Whilst claiming universal credit care leavers are able to undertake full-time non-advanced education, up to the age of 21 or the end of the academic year in which they reach the age 21 (or at the end of the course if earlier).’

If you don’t fit these rules, then you may qualify for UC because you are in one of the other groups of full-time students who can claim. These are:

- you are responsible for a child who is under 16, or is 16-19 in full-time non-advanced education - most commonly this will be because you are a parent and your child lives with you;
- you are ill/disabled. You must have limited capability for work (assessed by the DWP’s work capability assessment) before your course starts, and also get adult disability payment (ADP), personal independence payment (PIP) or disability living allowance (DLA);
- you are a single foster parent, or a student couple and your partner is a foster parent (this includes some kinship carers);
- you are over pension age (age 66) and your partner has not yet reached that age (note: since 15 May 2019 such couples must usually claim UC);
- you have taken time out because of illness/disability or caring responsibilities and have now recovered or your caring responsibilities have ended, and you are not eligible for a grant or loan;
- you are a student but your partner is not a student, or your partner is also a student and would be entitled to UC him/herself while in education.

You can read more about who counts as a full-time student for UC, and who is eligible for UC, in CPAG’s [factsheet ‘Universal credit and students’](#).

Eligibility for other means-tested benefits – care-experienced students

If you are a care-experienced full-time student already getting other means-tested benefits such as income support, income-related employment and support allowance or housing benefit, then you may be able to stay on these while you study. The rules are different for each of these benefits. The most common rules are outlined in summary, below, but if you are on one of these benefits and start studying you should seek independent advice.

Lone parents with a child under five who start studying can stay on income support. See CPAG's [factsheet 'Benefits and tax credits for lone parent students'](#) for more information.

If you get income-related employment and support allowance and start studying you can continue to be entitled if you also get ADP, PIP or DLA.

If you are on housing benefit and start studying you remain eligible in various circumstances, including if you are under 21 and in non-advanced education. See Chapter 6 of CPAG's *Benefits for Students In Scotland Handbook* for more information.

Note that you cannot usually stay on income-based jobseeker's allowance while you are studying.

If you have reached pension age and are getting pension credit and/or housing benefit, you continue to be eligible for these while you are studying.

If you are a care-experienced part-time student and getting any of these other means-tested benefits, you should be able to continue to get them while studying part-time.

How the care-experienced bursary affects benefits

The care-experienced bursary counts as a student grant. Most student grants count as income for UC and other means-tested benefits. Some student grants are disregarded, such as grants for course costs, travel costs or childcare costs. The care-experienced bursary counts as income for UC, with £110 disregarded in each monthly assessment.

Examples

Lewis is a 19-year-old care experienced student on a full-time non-advanced course. He is eligible for UC of £650 per month. He is awarded a care-experienced bursary. The care-experienced bursary counts as income for UC. The monthly amount of bursary taken into account is higher than his UC amount. Therefore he gets no UC during his course.

Karen is a 23-year-old care-experienced student on a full-time advanced course. She has a 3-year-old child. She is eligible for UC of £1300 per month. She is awarded a care-experienced bursary. The care-experienced bursary counts as income for UC. It reduces her UC to £600 per month during the course. In the summer vacation her UC goes back up to £1300 per month.

Note: if Karen chose to be paid the care-experienced bursary over 12 months, she would still get £600 UC during the course, but would get less care-experienced bursary each month, so her total income during the course would be lower. In the summer vacation her UC would go back up to £1300 per month, and she would also get care-experienced bursary payments over the summer. Total income is the same over the year, but less is paid in the academic year and more in the summer, if the bursary is paid over 12 months. She would have to decide if it is better for her to get paid the care-experienced bursary over term-time, or to take the option to get it over 12 months.

For more information about how student income affects benefits see CPAG's free e-learning course 'Scottish student income and universal credit', and part 3 of CPAG's *Benefits For Students In Scotland Handbook* (see the end of this factsheet for a link to these).

Local authority support

Some care-experienced young people can get support from the local authority. This varies depending on the young person's age and other factors. If you are a care-experienced young person aged 16 and 17 and you are excluded from universal credit (UC) because of the special care leaver rules, the local authority should be paying you at least the amount you would otherwise be able to get under UC and also providing you with or paying for your accommodation. The local authority is allowed to take account of other income you have.

More generally, the local authority has a responsibility towards care-experienced young people who were looked after by that local authority on or after their 16th birthday. This can be advice, guidance and/or assistance and can include financial help. The responsibility lasts up to when the young person is 26.

See Chapter 10 of CPAG's *Children's Handbook Scotland* for more details (see the end of this factsheet for a link to this publication).

Further information and advice

CHILD POVERTY ACTION GROUP IN SCOTLAND'S ADVICE LINE FOR 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.

WHO CARES SCOTLAND

whocaresscotland.org

Advice and support line for care-experienced people

Tel: 0330 107 7540 12 noon to 4pm Monday to Friday

Email: help@whocaresscotland.org

OTHER INFORMATION

- 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* and *Children's Handbook Scotland* 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
- 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 NEW students and benefits elearning course. See this and other elearning courses at cpag.org.uk/scotland/training/elearning-zone
- Follow us on Twitter @CPAGScotland

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