



Blow for parents of disabled children locked out of their Child Trust Funds as government says it's up to the courts to fix lock out affecting up to 200,000

- The Government was grilled for the third time in four months over the problems
- As many as 200,000 disabled children could be denied access to their savings
- Government has pledged since December to look for solutions
- Justice minister Lord Wolfson said he believed the right route was to make the Court of Protection application process quicker and easier
- There will not be any update on this for another month

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Hopes the Government would provide a simpler workaround to the courts for the parents of disabled children locked out of their Child Trust Funds appear to have been dashed after ministers said it was up to the judiciary to make the process easier.

Justice minister Lord Wolfson told peers in the House of Lords on Thursday the Ministry of Justice believed 'working through the Court of Protection' was the way to resolve problems affecting up to 200,000 disabled children.

Asked whether the Government had considered an alternative to the court, which can require parents to fill in up to 59 pages of forms and pay thousands in court and solicitors fees, Lord Wolfson said: 'I don't think there is (one).



Justice minister Lord Wolfson told peers the Government would focus on making the Court of Protection application process easier for the parents of disabled children

'The route I'm afraid is making sure people can get applications through the Court of Protection as quickly and cheaply as possible.'

He said the court planned to look at its application forms on 25 April at its next rules committee meeting, but insisted 'court processes are a matter for the judiciary.'

News that there will be a minimum of another month's wait before any action is taken is a blow for campaigners who want the rules to be changed and parents currently facing waits of up to a year to hear from the courts.

The Government on Thursday was questioned by peers for the third time in the last four months over its attempts to help disabled children locked out of their own savings, amid concerns little progress had been made.

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Around 6,000 trust funds of disabled children affected by this are believed to have matured since September 2020, according to The Investing and Savings Alliance, which represents trust fund providers.

Former Tory cabinet minister Lord Young, who [tabled the latest question on Thursday](#), expressed his 'disappointment' that 'no progress has been made since I raised this issue in January.'

The Government last December set up a working group comprising officials from HMRC, the Treasury, Department for Work and Pensions and the Ministry of Justice as well as industry bodies.

However TISA's Nigel Banfield said a long-term solution remained 'some way off' and 'little progress' had been made since the group last met in January.

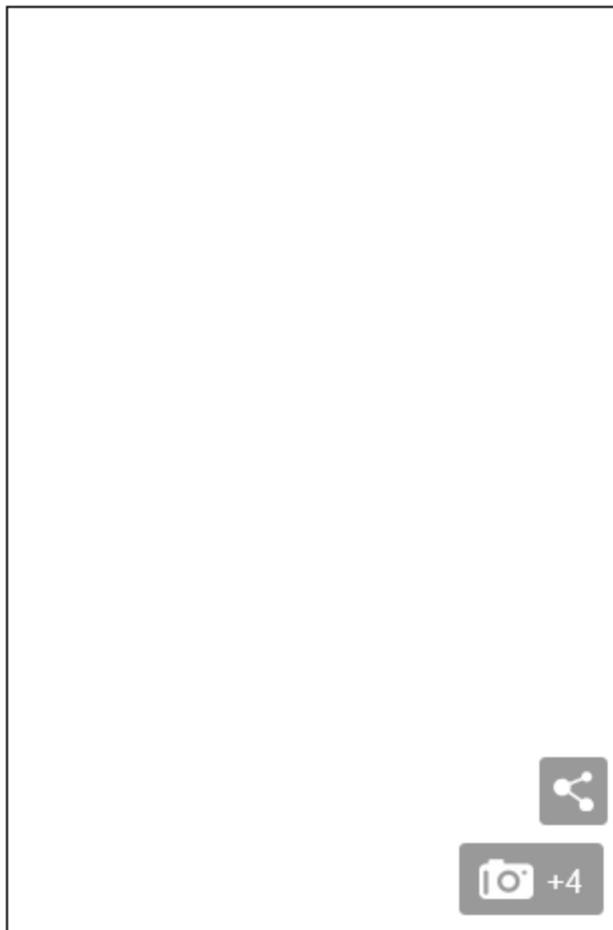
As a result, TISA and providers **have set up an alternative process** to make it easier for parents of children with £5,000 or less in the bank to get access to the money, but the Government has consistently refused to give it the green light.

Lord Wolfson again on Thursday said he 'could not give any assurance that providers would not be sanctioned under the Mental Capacity Act 2005', which is designed to protect disabled and vulnerable children from financial abuse, 'as that is not a matter for the Government.'

But while providers have implemented that process, which could cover four in five trust fund balances, those parents who have saved more than £5,000 for their disabled children face having to go to the Court of Protection to apply to become a deputy.

This is despite the fact many were encouraged to save into their CTFs by the last Labour Government, who even handed extra payments to the parents of children in receipt of disability living allowance.

While the Government in December waived the £365 application fee for those who only needed to go to court to access their trust fund, parents still face solicitors' fees, up to 59 pages of forms and up to a year of waiting.



Former Tory cabinet minister Lord Young has repeatedly questioned the Government over its handling of the Child Trust Fund lock out



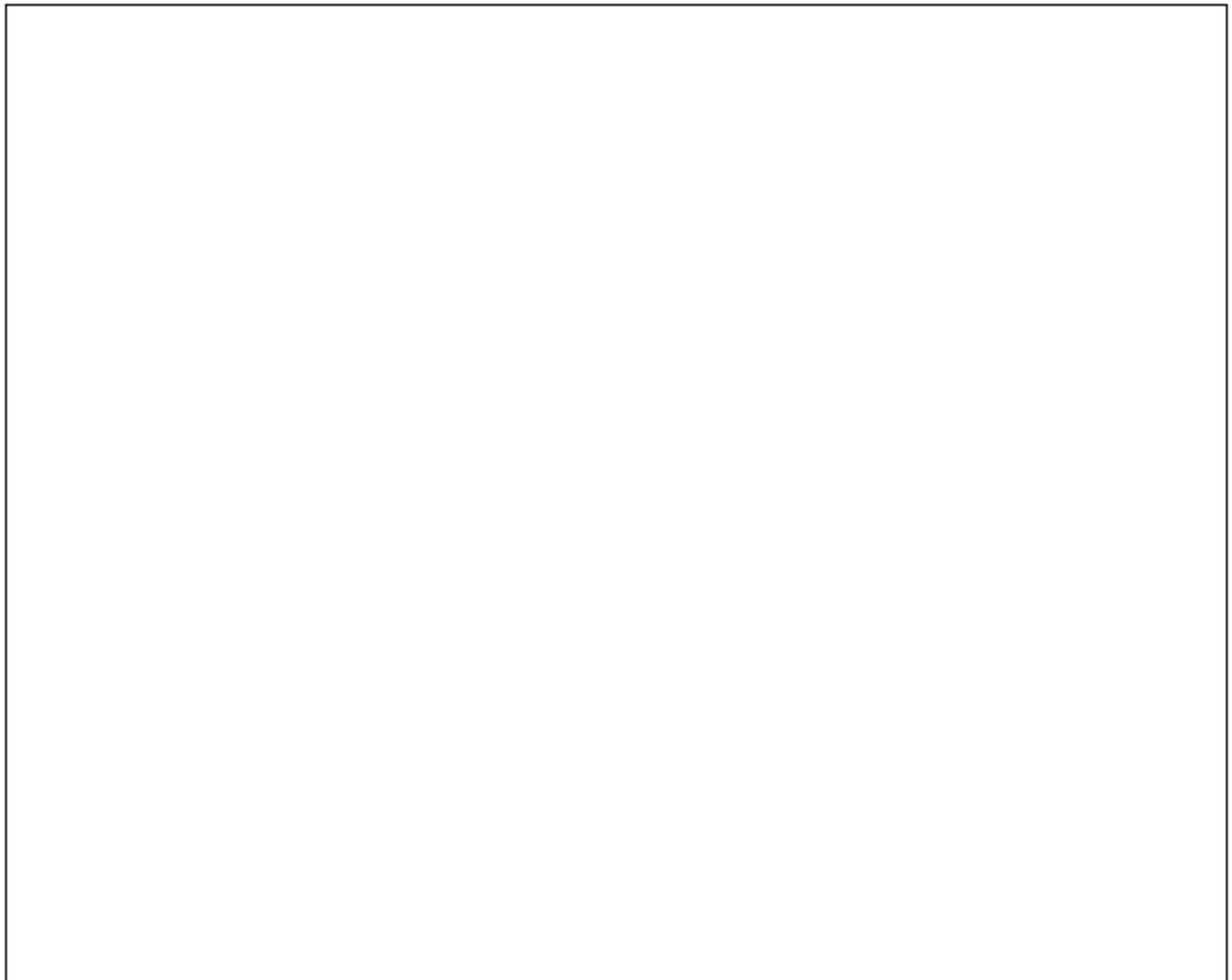
Former pensions minister Baroness Ros Altmann said she was also 'disappointed' there had been no 'easing of the red tape requirements for parents'

An estimated one in four parents could give up on trying to gain access to their child's locked trust fund over the next decade, costing some of society's most vulnerable children as much as £107million.

Philip Warford, managing director of Renaissance Legal, which has campaigned on behalf of parents of disabled children, said: 'It's been seven months since the first CTFs matured in September last year and there's been a disappointing lack of progress in enabling thousands of disabled children and their families access to savings that were made for their futures.

'The impact the coronavirus has had on the Court of Protection is undeniable. We therefore have a situation where not only is the process of applying to the Court disproportionate in the vast majority of cases, but the delays we are seeing are severe.

'For those children over 18 with life-limiting conditions, the clock is against them and it may mean that they never see the money that was saved for them by their loving families.'





Tammie Squire's daughter Hollie turns 18 in October. She has £7,500 saved into a Child Trust Fund but won't be able to access it due to lacking mental capacity to manage money

Former pensions minister Baroness Ros Altmann told This is Money on Wednesday ahead of the debate in Parliament that she 'hoped there would be a proper easing of the red tape requirements for parents of disabled children to be able to use the money which has built up over the past 18 years to help their children, rather than having to apply to the Court of Protection and go through a raft of paperwork.'

Paul Bridgwater, head of investments at the mutual OneFamily, which runs one in four trust funds, said there were steps the courts could take to streamline the process without legislative change.

He said: 'We'd suggest a common-sense approach to the level of documentation that is required, in line with the existing TISA process, that relies on paperwork that parents and carers may already have.'

'This would remove a considerable burden in sourcing doctors' letters and reports at a time when the NHS is under pressure.'

One of those facing such a burden is Tammie Squire, whose case and that of her daughter, Hollie, **was reported by This is Money last month** and mentioned by Lord Young in Parliament on Thursday.

The mother-of-two from Wolverhampton has saved around £7,500 for Hollie over 18 years and is allowed to manage her benefits, but faces a trip to court to access her trust fund.

'If parents can be trusted with benefits from the taxpayer, why can't they be trusted with CTF money', he asked.

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Are you the parent of a disabled child unable to access their Child Trust Fund or Junior Isa?

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However, Lord Wolfson replied it was a 'question of law' rather than of trust. He added: 'The DWP appointee system only applies to benefits from the state, it does not apply to an individual's own assets.'

'That position is governed by the Mental Capacity Act, I have to work within the confines of that act. And that's why I'm working with the judiciary to make the legal route easier, quicker and cheaper.'

Mr Warford added: 'Any talk of a "simpler process" and a "review of the forms" must now be backed up by firm dates. Disabled children and their families deserve transparency on this issue.'