

Carer's Allowance – a benefit for carers

Carer's Allowance is the main benefit for carers. You might be able to claim if your child receives Disability Living Allowance (DLA) care component at the middle or highest rate or the daily living component of Personal Independence Payment (PIP).

For more information about DLA and PIP see our factsheets *Claiming Disability Living Allowance for children* and *Personal Independence Payment (PIP) - a new benefit for disabled people aged 16 and above*.

Carer's Allowance is not means tested. It does not matter what savings you have and most forms of income are also ignored. However, if you work you can only get Carer's Allowance if your earnings after deductions are no more than £110 per week.

How do I qualify for Carer's Allowance?

You can claim if you are aged 16 years or over and:

- you look after someone who gets DLA care component at the middle or highest rate or the daily living component of PIP, or a benefit for older people with disabilities called Attendance Allowance
- you look after that person for at least 35 hours a week
- you are not earning more than £110 a week. See below for more details about how your earnings are calculated.
- you are not in full-time education. Generally you're treated as in full time education if your course is described as full time by the educational establishment, although there can be exceptions (for example you've been granted an exemption from parts of your course, or the course is not a traditional university-type course requiring private study). Even if the course isn't described as full time, you'll still be treated as being in full-time education if it involves 21 hours or more supervised study per week
- you meet certain tests linked to your immigration status and the length of your presence in the UK.

You can only get one award of Carer's Allowance, even if you are looking after more than one disabled person.

If you share the care of your child with another person and you each provide at least 35 hours a week care, only one of you can get Carer's Allowance for that child.

How are my earnings assessed for Carer's Allowance?

Only your own earnings are counted. If you have a partner who works their earnings are ignored. In calculating your earnings, the Department for Work and Pensions (DWP) can make certain deductions from your gross wages. This includes not only any tax and national insurance you pay but also deductions for:

- any alternative care costs that you have. This includes any childcare costs that you have while you are working whether this is for a disabled child or any other children under 16. If the person you care for is aged 16 or over and you have to pay someone to look after them while you work then those care costs can also be deducted. There is a cap on the maximum amount that can be deducted in this way – this is half of your net earnings. There is no requirement that you pay a registered childcare provider. These costs can still be deducted so long as you pay someone other than a close relative.
- 50 per cent of any pension contributions that you make into a work or personal pension scheme, and
- an amount for any expenses you have that are 'wholly, exclusively and necessarily incurred' in carrying out your work and for which you are not re-imbursed by your employer. For example, if you have to buy equipment or specialist clothing, or have to pay for travel between work places (travel between work and home does not count).

If your earnings vary they should be averaged out, although the period over which they are averaged is at the discretion of the DWP. If you are self-employed your average earnings will normally be based on your most recent year's accounts, unless there has been a change in the pattern of your business.

Need advice?

Call our freephone helpline
0808 808 3555
helpline@cafamily.org.uk
Open Monday to Friday, 9.30am–5pm



How much is Carer's Allowance?

Carer's Allowance is paid at a basic rate of £62.10 per week from April 2015. Some people who claimed before 6 April 2010 receive additional amounts for a dependent adult or for children.

Carer's Allowance and other non means-tested benefits

You can't usually be paid Carer's Allowance at the same time as certain non means-tested benefits. These are Incapacity Benefit, contributory Employment and Support Allowance, Maternity Allowance, bereavement benefits, contribution-based Jobseeker's Allowance, Severe Disablement Allowance and State Retirement Pension.

However, making a claim for Carer's Allowance could still help you even if you can't be paid it because you get one of the above benefits. This is because it can help you to qualify for an extra payment, known as the carer premium, as part of certain means-tested benefits like Income Support, income-related Employment and Support Allowance, income-based Jobseeker's Allowance, Housing Benefit and Council Tax reduction.

Carers Allowance and means-tested benefits

If you are claiming a means-tested benefit such as Income Support or Housing Benefit, then any Carer's Allowance is taken into account as income when calculating these other benefits. However, to ensure that you are better off overall, an extra amount known as the carer premium (carer element for pension credit) is added to your means-tested benefit payments.

A carer premium is also included in a means-tested benefit calculation when you claim Carer's Allowance and the only reason it's not paid is because you're getting another non means-tested benefit instead. Qualifying for the carer premium could mean you're better off by up to £34.60 per week.

Carers Allowance and tax credits

Carer's Allowance is treated as income for tax credit purposes. Despite this you are usually left better off after a claim for Carer's Allowance. This is because the amount of Carer's Allowance you get is greater than any reduction

in tax credits. In order to avoid a tax credits overpayment it is important that you notify the Tax Credit Office if you are getting Carer's Allowance.

Carer's Allowance and Universal Credit

In some areas, Universal Credit is replacing new claims for means-tested benefits. The amount of any Universal Credit you receive is reduced by your Carer's Allowance payments. However, you will receive an extra carer element worth £150.39 per month in your Universal Credit calculation. You can also get a carer element in your Universal Credit award if the only reason you do not get Carer's Allowance is because your earnings are too high.

Claiming Carer's Allowance

You can apply online at:

- 🔗 www.gov.uk/carers-allowance/how-to-claim or in Northern Ireland at
- 🔗 www.nidirect.gov.uk/services/apply-carers-allowance

Or ask the Carers Allowance Unit for a claim pack:

- 📞 0345 608 4321
- 📞 0300 123 3356 in Northern Ireland.

Carers Allowance should be backdated to the start of the DLA/PIP award, as long as you claim within three months of the decision awarding your child DLA or PIP. You must have met the qualifying conditions during the whole period. Otherwise Carers Allowance payments can only be backdated for a maximum of three months.

Warning! In certain circumstances getting Carer's Allowance for looking after a disabled adult can affect the means-tested benefits paid to that disabled adult. Seek further advice if you care for a disabled adult.

📖 We have guides for parents on a range of topics, including:

- *Claiming Disability Living Allowance for children*
- *Personal Independence Payment and other benefits at 16*

A full list of our guides is at the link below. All our guides are free to download, and free to parents who contact our helpline

🔗 www.cafamily.org.uk/publicationslist

📞 **0808 808 3555**

✉️ helpline@cafamily.org.uk

Got a question?

Call the Contact a Family freephone

helpline: 0808 808 3555

helpline@cafamily.org.uk

www.cafamily.org.uk

