



## BENEFITS IF YOUR CHILD IS IN RESIDENTIAL ACCOMMODATION

This factsheet looks at what happens to benefit payments where a disabled child is in residential accommodation. If your child has overnight stays away from home in a residential care or a residential educational setting, some of the benefits you receive are likely to be affected.

This factsheet will explain what happens to your benefits if your disabled child is away from home in any of the following settings:

- **residential school or college**
- **residential care home**
- **respite or short break placement in a residential setting.**

### HOW WILL IT AFFECT MY BENEFITS?

There are different rules for each benefit. Some may stop altogether, some may be reduced, while others may continue to be paid as usual. It is important that you tell the relevant benefit and Tax Credit offices when your child goes into residential care even if they only go in for a few nights each month.

### WHO SHOULD I TELL?

You need to tell each office separately as they do not always pass on information. No one else will do this on your behalf, so tell them as soon as you can to avoid any overpayments.

### Disability Living Allowance (DLA) or Personal Independence Payment (PIP)

If you get either of these benefits for your child, contact:

 DLA Unit: **0800 121 4600**  
PIP office: **0800 121 4433**

### Carer's Allowance

If you get Carer's Allowance, contact:

 Carer's Allowance Unit: **0800 371 0297**



### Child Tax Credit

If you get Child tax Credit contact:

 Tax Credits Office: **0800 371 0297**

### Child Benefit

If you get Child Benefit contact:

 Child Benefit Office: **0300 200 3100**

### Income Support, Universal Credit or another benefit

Tell the relevant benefit office.

### Housing Benefit or Council Tax reduction

Tell your local council.

The rules for each benefit are explained overleaf.

## DISABILITY LIVING ALLOWANCE (DLA) AND PERSONAL INDEPENDENCE PAYMENT (PIP)

If your child is in:

- *a residential care home, including for respite breaks, or*
- *in residential school or college and this is being paid for out of public funds*

then payment of the care component of DLA and the daily living component of PIP is suspended after 28 days.

The 28 days do not have to be consecutive, so that overnight stays in a residential setting separated by 28 days or less are added together (see Linking Rule box opposite). The day your child goes into residential care and the day they leave do not count as days in care.

The mobility component of DLA and PIP should continue as normal.

### What are public funds?

'Public funds' usually means funding provided by your local authority's social care or education departments. If your child's care is fully funded by the NHS different rules may apply – see page 3.

If someone else (for example a charity) meets the costs or if you meet the costs yourself different rules apply, call our free helpline for advice.

### What if my child comes home for visits?

Even if the care component of DLA/daily living component of PIP is suspended when your child is in a residential setting, you are still entitled to payments at a daily rate for any days that they come home.

These payments are normally made in arrears after you have returned forms to the DLA Unit/PIP office confirming details of the days your child has spent at home. The DWP sometimes call these 'boarders payments'. Make sure that you tell the DLA or PIP office about any days that your child comes home.

### Counting the number of days away from home

The day your child enters residential accommodation and the day they leave are both treated as days at home. For example, if your child goes into a residential school on a Monday and comes back on a Friday, then only Tuesday, Wednesday and Thursday will count as days away from home. This is a total of three days, so you would receive 4 days' worth of the care component of DLA or daily living component of PIP in that week.

### LINKING RULE

When working out whether your child's care component or daily living component payments will stop, it is important to know that any stays in residential accommodation that are separated by 28 days or less at home will be added together. This is known as the 'linking rule'.

This means that if your child has regular short breaks in a residential setting, the number of days in each of these separate breaks can be added together. Once your child has spent a total of 28 'linked days' in a residential setting, they will stop being paid the care component during any subsequent days in care. They will still get payments as normal for the days they spend at home.

If at any point your child spends a continuous period of more than 28 days (or at least 29 days) at home in between stays in a residential setting, the 'link' is broken. If they go back into residential accommodation after breaking the link, they will be allowed another 28 days in care before their daily living/care component is once again suspended.

### Spending at least 29 days at home

The linking rule also applies to longer stays in residential settings. For example, if your child is in residential school but comes home for holidays, the link would be broken if they were home for at least 29 days. On return to school, the care or daily living parts of DLA or PIP would be payable for 28 days before once again being suspended.

### The mobility component of DLA and PIP

The mobility component of DLA and the mobility component of PIP continue to be paid to your disabled child as normal, despite the fact that they are in a residential setting.

### Can I keep the Motability car?

If you use your child's higher rate mobility to pay for a car through the Motability scheme, you may be able to keep the car if it is being used for the benefit of your

child, for example, if you visit them regularly and use the car to take them out or if they come home for weekends or holidays.

The decision on whether you can retain the Motability car or not is made by the Motability Unit itself. If you have to give up the Motability car before the end of the agreement you could be liable for charges.

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 Contact Motability on **0300 456 4566** or go to [motability.co.uk](https://www.motability.co.uk) to discuss your situation.

If you stop using the Motability scheme you will receive payments of the mobility component instead. Normally the Department for Work and Pensions (DWP) are happy to continue making these payments to you as your child's appointee for benefits purposes. However, sometimes another person, such as the manager of your child's care home, may be made their appointee instead. This means that they are then responsible for receiving your child's DLA/PIP payments and spending it on their needs rather than you. The decision on whether someone should replace you as your child's appointee is made by the DWP.

### What if my child's care is funded by the NHS?

Different rules can apply if your child's residential care is funded by the NHS and they receive care from, or under the direct supervision of, qualified doctors or nurses who are employed by the care home. In these cases, your child falls under the hospital rules rather than the care home rules. Under DLA rules your child can only fall under the hospital rules if the costs are met in full by the NHS. However, if your son or daughter gets PIP there is a risk that they could fall under the hospital rules even if the NHS is only meeting part of the costs.

If your child is:

- **Aged 18 or over** when they first go into a residential care setting funded by the NHS and they fall under the hospital rules – both the care and mobility parts of DLA and PIP, are suspended after 28 days. If your child receives another benefit in their own right, for example, Universal Credit (UC) or employment and support allowance (ESA), this will remain in payment indefinitely and is paid at the same rate.
- **Under 18** when they first go into residential care funded by the NHS and they fall under the hospital rules, their DLA or PIP payments should continue to be paid in full.

The hospital rules set out above only apply if your child gets NHS funding AND is in a placement where they receive care under the supervision of qualified nurses or doctors.

## SHORT BREAKS

When planning short breaks it is helpful to know about the 'linking rule'.

For example it may be possible for you to arrange two separate nights' of a short break which would mean that your child's DLA or PIP would not be reduced.

### Example

Amara has two nights per week short break, on a Friday and a Wednesday. When she goes to respite care on Friday, this is not counted as a day in care and when she goes back home on Saturday, that day is not counted as a day in care either. The same applies on the Wednesday. This means that her DLA is not affected by her short break.

If the short breaks were to be changed so that Amara spent Friday and Saturday nights in care, returning home on Sunday, then the Friday she goes in is not counted and the Sunday she returns home is not counted, but the Saturday is counted as 1 day in care. If the same pattern is followed every week, then the days link up and after 28 weeks, Amara will have spent 28 days in respite care. This means that the following week when she goes for a short break she will lose 1 days' worth of DLA care. If Amara had a break in her short breaks for at least 29 days then the link would be broken and she could continue with the Friday and Saturday nights respite care for a further 28 weeks without it affecting her DLA.

## **What if my child's care doesn't fall under the hospital rules despite being funded by the NHS?**

If your child is not receiving care supervised by doctors or nurses then they should fall under the normal residential care rules even if the costs are fully met by the NHS. This means they should continue to receive the mobility part of PIP and any other benefit they may be getting in their own right. However, the care or daily living components will stop after 28 days in the care home.

The rules are complex so seek further advice if you are not sure whether or not your child should fall under the hospital rules.

## **CARER'S ALLOWANCE**

If your child is in a residential setting, your Carer's Allowance could be affected. This is because you need to be providing at least 35 hours a week care to your child, and they also need to be getting payments of the care component of DLA or daily living component of PIP. If you no longer meet these tests, your Carer's Allowance will stop.

### **Can I still get Carer's Allowance?**

You may still be able to continue getting Carer's Allowance if your child regularly spends at least two days or more at home in one 'benefit week'. A benefit week for Carer's Allowance runs from Saturday midnight to the following Saturday midnight. In order to retain Carer's Allowance, you must provide at least 35 hours care during that week.

This does not have to be spread over the whole week. If you provide 35 hours care over a two or three day period, this should be sufficient. And time spent driving your child to and from their residential setting, preparing your home for their visit or cleaning up afterwards count towards the 35 hours' care.

### **What if my child comes home at weekends?**

Because the benefit week runs from Sunday to the following Saturday midnight, the care you provide over a single weekend is divided between two separate benefit weeks. If your child only comes home some weekends you are unlikely to qualify unless they come home on consecutive weekends.

If your child does come home every weekend, this will allow you to add the care you provide on the Sunday and Monday of one weekend to that provided on the Friday and Saturday of the following weekend.

## **Example**

Julie's son is at residential college. He comes home every Friday at 6pm and returns to college on Monday morning. The hours between Friday evening and all day Saturday up to midnight don't add up to 35 but if Julie's son was home the previous weekend she can add the hours from Sunday and Monday of that week, giving her over 35 hours in the benefit week. This means she would continue to qualify for Carer's Allowance.

## **INCOME SUPPORT**

This is a benefit which no longer exists for new claimants, but some existing claimants continue to receive it. Income Support is only paid if you fall into certain groups, such as:

- *being a lone parent for a child aged under five, or*
- *being a full-time carer for a disabled person.*

Because your child is in a residential setting, you might stop being treated as a carer for Income Support purposes. This may happen if you stop getting Carer's Allowance, or it is no longer accepted that you are providing regular and substantial care to a disabled person. It is worth checking to see if you can continue to qualify on other grounds, such as being a lone parent of a child aged under five.

### **Can I still get Income Support?**

Even if you don't fit into one of the other groups who can claim Income Support, you may be able to continue being treated as a carer if your child comes home regularly. If your Carer's Allowance stops, you can continue to get Income Support as a carer for a further eight weeks. This is known as the 'run-on'. If your child comes home before the eight week 'run-on' has ended you may be able to reclaim Carer's Allowance during the short period they spend at home and continue to get Income Support. The rules are complex so seek further advice.

### **What if my child does not come home within the eight weeks?**

Then your Income Support will stop unless you qualify on some other ground. If you get Housing Benefit, this will automatically stop if your Income Support stops. You should contact your Housing Benefit office to continue with your claim. You should get advice about what other benefits you may be able to claim.

If you are still getting amounts for your child within your Income Support, instead of Child Tax Credit, then your Income Support will be reduced when your child goes into a residential setting.

## WARNING!

If you claim Universal Credit your Child Tax Credit will end. The rules about payments for a child in care are much less generous under Universal Credit than tax credits and you may not receive any Universal Credit payments for your disabled child. This means you could be worse off if you claim so it is important to get advice.

## CHILD BENEFIT

Child Benefit normally continues for a child who is in residential school. It can also continue for a child in residential care, but only if their parent continues to spend money on them of at least the same amount as the Child Benefit. For example, if your child comes home or you visit them regularly or if you buy them clothing, food, games or pay for their activities. Otherwise payments normally stop after 12 weeks in care.

## CHILD TAX CREDIT

Child Tax Credit payments can continue to be paid for a disabled child who is in a residential setting so long as:

- *your child is in care solely for reasons of disability, and*
- *you were treated as responsible for your child immediately before their admission into care.*

As a result, it's common for parents to continue getting Child Tax Credit payments for a disabled child who is away from home in a residential setting.

Although you might continue to get tax credits for a child in residential school or residential care, in some cases the amount paid might reduce. This will depend on the rates of DLA or PIP that your child gets.

### When would Child Tax Credit reduce?

If your child has been awarded the highest rate care component of DLA or the enhanced daily living component of PIP then your tax credit award should include a 'severely disabled child element'. When the care or daily living parts of DLA or PIP are suspended after 28 days in care, you no longer qualify for this element in your Child Tax Credit award.

You should let the Tax Credit Office know when your child comes home for holidays or weekends as the care and daily living parts of DLA and PIP are payable for days at home and the 'severely disabled child' element should be added back into your award.

## WORKING TAX CREDIT

If you get Working Tax Credit as well as Child Tax Credit, this isn't likely to be affected by a stay in residential accommodation unless your childcare costs reduce because your child is away from home.

## UNIVERSAL CREDIT

If your child is in a residential setting and is treated as 'looked after' by the local authority, they will stop being treated as part of your claim unless they are only in care as part of a planned short break. This means that you'll stop receiving any Universal Credit payments for that child.

Your child is likely to have looked after status if they are in a residential care home. Some children in residential school can also have looked after status. This will depend on the reason that the local authority is funding that residential school or college placement.

If your child doesn't have 'looked after' status, you can continue to receive Universal Credit payments for them so long as their temporary absence from home is expected to last for less than six months. The regulations are a bit vague on this matter but we hope that if a child returns home for a weekend or longer holiday within six months that will mean their absence was for less than six months and Universal Credit can continue to include an amount for them.

### What does 'looked after' mean?

For Universal Credit purposes, a looked after child is one who has been accommodated under a specific section of the Children or Children (Scotland) Acts. If the Universal Credit amounts for your child stop you should call our helpline for further advice.

### Can I continue to get Universal Credit if Carer's Allowance stops?

Once you stop being treated as a carer you will lose a carer element from your Universal Credit award. However, your award can continue as long as you satisfy the conditions about work or can be exempt from the conditions. For example, you might be a carer for someone else.

### When will I not be expected to look for work?

If you stop being treated as a carer you may find that your Universal Credit work coach starts to expect you to look for work. If you have a child under one year's old you will not be asked to look for work. Or if you have health problems which would affect your ability to work you can submit 'fit notes' from your GP stating that you have limited capability for work. You would be asked to undergo a 'work capability' assessment. You can call our helpline for more information on this.

## HELP WITH RENT VIA UNIVERSAL CREDIT

If you are in rented accommodation, the amount of help you get with rent continues to be calculated as if your child was still living with you for the first six months of their absence. After that you may get less help with rent.

### Housing Benefit and Council Tax Reduction

The Housing Benefit rules are complicated but, generally speaking, your child should continue to be treated as part of your claim so long as they are not 'looked after' by the local authority and their absence from home is expected to last for less than 52 weeks.

### When will my Housing Benefit be reduced?

If your child's absence is likely to last for more than 52 weeks or they are 'looked after' by the local authority, they will normally stop being treated as part of your Housing Benefit claim straightaway. How this will affect the amount of Housing Benefit you get will depend on your other circumstances. For example, if you get a means-tested benefit such as Income Support your Housing Benefit may not change. But if you have an extra bedroom because your child lives away from home this could mean a reduction to your Housing Benefit.

If your Housing Benefit is reduced leaving you to pay a shortfall towards the rent you can ask your local Housing Benefit Office to consider awarding a 'discretionary housing payment' (DHP). DHP awards are at the discretion of the local council and are usually made for short periods of time.

Whether a child's absence from home in a residential setting will impact on the help you get with Council Tax will depend on the Council Tax reduction rules that apply in your council's area. Seek advice from a local advice service.

### Household benefit cap exemption

The household benefit cap limits the amount of benefit you can be paid if you get Universal Credit or Housing Benefit. Some people are exempt from the cap, including those working sufficient hours or earning a set minimum amount, and those in receipt of disability or carers benefits.

If the only reason that you are exempt from the household benefit cap is because you have a child on DLA or PIP, you will lose that exemption if your disabled child is no longer treated as part of your claim for Housing Benefit or Universal Credit because they are in a residential setting. This could mean a reduction to your Universal Credit or Housing Benefit.

## WHAT HAPPENS IF YOUR CHILD CLAIMS BENEFIT AS A DISABLED ADULT?

If your son or daughter is a young adult and gets either Universal Credit or Employment and Support Allowance, they will continue to receive these benefits in full while in a residential setting.

However, if social services fund their accommodation, most of the benefits they receive will be used to pay charges for the care they receive, and they are likely to be left with only a small amount called the personal expenses allowance.

Your local authority can increase the amount of the personal expenses allowance your child gets to keep if they have certain needs relating to their disability or enjoys activities which help to increase their independence and which are not fully met by their care package.

### Does my child have to claim benefits as an adult in their own right?

You usually have the option of continuing to claim Child Tax Credit and Child Benefit for a young person up to their 20th birthday as long as they are in full-time, non-advanced education.

Likewise, Universal Credit can also continue to include them as a dependent child in your award up to the September following their 19th birthday, but only if they also satisfy the conditions described previously regarding 'looked after' children and temporary absence from home.

If you are your child's 'appointee' for benefits then it is your choice whether you continue to claim for them as part of your claim as a family or help them claim in their own right as a young adult.

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 Call our helpline on 0808 808 3555 to arrange a detailed benefit calculation before deciding what is best for your family, or see our [Benefits at 16](#) web page.

Different rules apply where a child is in hospital. For more information:

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 See our free factsheet on [Disability Living Allowance when your child is in hospital](#)

## HOW CONTACT CAN HELP

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Get in touch with our free helpline if you would like more information about how a stay in residential accommodation affects benefits:

**0808 808 3555** [helpline@contact.org.uk](mailto:helpline@contact.org.uk)

We have a range of free guides for parents, including:

- [\*Claiming Disability Living Allowance for children\*](#)
- [\*Money Matters – England, Northern Ireland and Wales - a checklist of financial help available\*](#)
- [\*Money Matters – Scotland - a checklist of financial help available\*](#)
- [\*Claiming Universal Credit for a young disabled person\*](#)

All our guides are free to parents who contact our helpline, or to download from [contact.org.uk](http://contact.org.uk)



FREEPHONE HELPLINE

**0808 808 3555**

[helpline@contact.org.uk](mailto:helpline@contact.org.uk)

[www.contact.org.uk](http://www.contact.org.uk)



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