Factsheet 55

Carer's Allowance

May 2020

About this factsheet

This factsheet explains what Carer’s Allowance is, the eligibility criteria, and how to make a claim.

It explains how Carer’s Allowance may affect any other benefits you or, the person you care for, are receiving, and what to do if you have a change of circumstance.

The information in this factsheet is correct for the period May 2020 – April 2021. Benefit rates are reviewed annually and take effect in April but rules and figures can sometimes change during the year.

The information in this factsheet is applicable in England, Scotland and Wales. If you are in Northern Ireland, please contact Age NI for information. Contact details can be found at the back of this factsheet.

Contact details for any organisation mentioned in this factsheet can be found in the Useful organisations section.
Glossary

AA – Attendance Allowance
CA – Carer’s Allowance
DLA – Disability Living Allowance
DWP – Department for Work and Pensions
EEA – European Economic Area
ESA – Employment and Support Allowance
JSA – Jobseeker’s Allowance
PIP – Personal Independence Payment
UC – Universal Credit
1 What is Carer’s Allowance?

Carer’s Allowance (CA) is a benefit paid to people who are caring for a disabled person for at least 35 hours a week.

You do not need to have paid any National Insurance contributions to qualify and you are credited with Class 1 National Insurance contributions while receiving it. It is taxable.

Entitlement to CA exempts your household from the benefit cap, whether you live with the cared for person or not.

2 Current rate

The Carer’s Allowance rate for 2020/21 is £67.25 a week

For claimants in Scotland, a Carer’s Allowance Supplement is also payable. See section 7.2 for more information.

3 Who can claim?

You can only claim CA to care for one disabled person, even if you care for more than one person. If more than one person is caring for a disabled person, only one of them can claim. The other carer can claim Carer Credits which pays a credit to their National Insurance record (see section 8.1).

You can claim for looking after your partner, a relative, or a friend or neighbour, as long as you satisfy the qualifying conditions. You do not have to share accommodation with the person you care for.

3.1 How do you qualify?

To qualify, you must spend at least 35 hours a week looking after someone who receives a ‘qualifying benefit’ which includes:

- Attendance Allowance (low or high rate)
- Disability Living Allowance care component (middle or high rate)
- Personal Independence Payment daily living component (standard or enhanced rate)
- Armed Forces Independence Payment
- Constant Attendance Allowance (of £72.80 a week or more paid with an industrial injuries disablement, war, or service pension).

It does not matter whether care is given during the day, evening, night or weekend, as long as it comes to at least 35 hours a week. A week is a period of seven days beginning on a Sunday. There is no firm definition of the type of care that must be given.
Age
You must be at least 16 years old to claim. There is no upper age limit for claiming, although if you receive a State Pension or certain other benefits, you may not receive any, or all, of the Carer’s Allowance. Instead, you may be awarded an ‘underlying entitlement’ (see section 7).

Work
If you work, you cannot get CA if you earn more than £128 net a week (after deducting allowable expenses, such as tax, National Insurance contributions and some pension contributions).

You can do voluntary work, as long as you provide care for 35 hours. If you pay someone to look after the disabled person you care for while you are working, up to half of your net earnings may be ignored.

Other income (such as an occupational pension) and savings do not affect your entitlement.

Education
If you are in full-time education, you cannot receive CA. A course that is described as full-time by the educational institution providing it counts as full-time education.

If the institution does not say whether a course is full-time or part-time, the hours of attendance are calculated and supervised study of 21 hours a week or more counts as full-time education.

Residence and presence in UK
There are presence and residence conditions that apply. You must be habitually resident in the UK, not subject to immigration control, and you must have physically been in Great Britain for 104 weeks out of the 156 weeks prior to your claim.

These rules may not apply to members of the armed forces and some people who live in, or have lived in, EEA states or Switzerland.

4 Making a claim
You can claim CA online at www.gov.uk/carers-allowance/how-to-claim or use a paper claim form which you can get from the Carer’s Allowance Unit or your local Jobcentre Plus office.

If you claim online, you may have to send documents to support your claim by post. Paper claims should be made on form DS700, unless you receive a State Pension in which case, use form DS700(SP). This form has been designed to make the claims process shorter and easier.

The person you care for, or their appointee or attorney, has to sign one part of the form to confirm you care for them for at least 35 hours a week.
4.1 Backdating and advance claims

CA can usually only be backdated for 3 months, so it is important to claim as soon as you think you might be entitled.

If the person you look after has recently been awarded a qualifying benefit (see section 3.1), you can get CA backdated to the date of the award of the qualifying benefit, even if this was over three months ago. You must claim CA within 3 months of the award of the qualifying benefit being notified to the person you care for, otherwise you could lose out.

Claiming CA may entitle you to other benefits for the first time, for example Pension Credit (PC). It is a good idea to claim PC while waiting for your CA decision to ensure you do not lose out. Ask that a decision is not made until you have the CA decision. If you are not sure of your position, get help from a local advice agency, as they may be able to check your entitlement and help you with any claims.

If you know you are going to become entitled to CA in the future, you can claim up to 3 months in advance. This gives the DWP time to deal with your claim and pay you as soon as you qualify.

5 Decisions and payments

You receive a decision on your claim in writing. The decision letter includes information about appeals, reporting changes of circumstances, and payment details.

5.1 Challenging decisions

If you think a decision on CA is wrong, you can challenge it by asking for a mandatory reconsideration. If the mandatory reconsideration decision remains unchanged, you can appeal.

There are time limits for submitting mandatory reconsideration requests and appeals, so it is important to act quickly. See factsheet 74, Challenging welfare benefit decisions, for more information or contact an independent advice agency for help.

5.2 Payment

CA is usually paid directly into your bank, building society, or Post Office account.

If you are unable to open or manage an account, you can use the Payment Exception Service, which allows you to withdraw your benefits from PayPoint outlets.

If unable to use any of these methods of payment, contact the Carer’s Allowance Unit.

You can choose to be paid either weekly in advance, or four-weekly or 13-weekly in arrears.
6 Change of circumstances

You should inform DWP promptly if your circumstances change as it may affect your CA entitlement. You can do this in writing, by telephone, or online if the DWP accepts electronic communications from you.

If you do not inform the DWP of a change in circumstances and you are overpaid as a result, you may have to pay the money back. DWP might also impose a civil penalty if you fail to notify them of a change of circumstances. You can challenge a decision as described in section 5.1.

If you receive CA when you reach State Pension age, see section 7 to find out how claiming State Pension affects your CA entitlement.

6.1 If the person you care for goes into a care home or hospital

Your CA entitlement depends on the person you care for receiving a qualifying benefit (see section 3.1). If they go into hospital and the stay is arranged by the NHS, payment of their qualifying benefit stops after four weeks (12 weeks in the case of a disabled child under 16). Your CA stops at the same time.

If the person you care for is terminally ill and DWP know this, their qualifying benefit may continue if they go into a non-NHS hospice. CA remains payable as long as you still provide care for 35 hours a week.

If a person you care for enters a care home, their qualifying benefit and your CA stop after 28 days, if their care home fees are met in full by NHS Continuing Healthcare funding, or in full or part by the local authority (or in Scotland if they receive free personal and nursing care payments).

If the person is self-funding (responsible for paying all of the care home fees), their qualifying benefit and your CA may still be payable, as long as you still provide care for 35 hours a week.

If you claim Income Support, this continues to be paid for up to eight weeks after CA stops, including the carer’s premium. The extension of the carer’s premium also applies if your underlying entitlement to CA stops and you receive a means tested benefit such as Pension Credit, Housing Benefit, or Council Tax Support.

If the person you care for has regular periods of respite care, it may be possible to plan these periods so their qualifying benefit and your CA are not affected. Seek advice if this applies.

Note

Age UK, Age Scotland and Age Cymru have factsheets on disability benefits and care home funding. See page 15 for details of how to obtain these.
6.2 If the person you care for dies

If the person you care for dies, CA can continue to be paid for up to eight weeks after their death. You still need to satisfy other rules around work and education. The eight weeks period runs from the Sunday after the death, or from the day of the death if it occurred on a Sunday.

6.3 Breaks from caring

Once you have cared for someone for a while, you can have short breaks from caring without affecting your CA. The usual qualifying period before you can have a break is 22 weeks, but it can be up to eight weeks shorter if you or the person you care for have been in hospital.

Weeks you spent caring before you claimed CA can count towards the 22 weeks, as long as the person you care for received a qualifying benefit.

You can have up to a four week break from caring, for any reason, in any 26-week period. If you are in hospital, your CA can continue for up to 12 weeks. You cannot have more than 12 weeks break from care in any 26-week period.

6.4 Going abroad

6.4.1 Temporary absence abroad

If you go abroad, you remain entitled to CA if your absence is temporary and does not exceed four weeks. If you are not abroad with the person you care for, you must satisfy the conditions for a break in caring, as noted in section 6.3.

If your main purpose in going abroad is to care for the disabled person, and they remain entitled to a qualifying benefit, the four week limit does not apply.

6.4.2 Exporting Carer’s Allowance

Some benefits can be paid if you leave the UK to live in another EEA country or Switzerland.

If you have already moved and your CA stopped when you left, you may be able to get it reinstated. You may be able to make a claim for CA, if you have a genuine and sufficient link to the UK.

For further information and/or to request a claim form write to: Exportability Co-ordinator, Room B201, Pension, Disability and Carers Service, Warbreck House, Warbreck Hill Road, Blackpool FY2 OYE or email exportability.team@dwp.gsi.gov.uk.

There is more information at www.gov.uk/exportability-team. You can seek advice from your local Age UK or another independent organisation. In Wales, contact your local Age Cymru.
6.5 Invalid Care Allowance

There are special rules that apply to people who were entitled to Invalid Care Allowance (the old name for CA) on 27 October 2002 and who were aged 65 or over at that time. If this applies to you, you can still get ICA (or maintain an underlying entitlement to it), even if you stop caring for the disabled person for any reason, or if you start to exceed the earnings limit. See section 7 for an explanation of underlying entitlement.

7 Other benefits and underlying entitlement

CA has a complicated relationship with other benefits and because of this, some carers miss out on their full entitlement. It is possible your CA claim can affect the benefits entitlement of the person you care for.

You cannot normally receive CA and another ‘earnings replacement’ benefit such as State Pension because of overlapping benefit rules. If the other benefit pays less than the weekly CA rate of £67.25, you are entitled to a top-up of CA to that amount.

If the other benefit pays more than £67.25 a week and you qualify for CA, you are awarded an ‘underlying entitlement’ only. You are not paid any CA, but the underlying entitlement might help you to qualify for higher rates of means-tested benefits like Pension Credit, Housing Benefit, and Council Tax Support (or Council Tax Reduction).

These benefits can include an extra amount called a carer’s premium or addition. An underlying entitlement to CA can be worthwhile if you have a low income, because it may allow you to claim these benefits, or get an increase, for the first time. Many carers, especially over State Pension age, could be helped by the underlying entitlement rules.

Example

Olive is 68 and has an income of £175.00 a week, from State Pension (£130.00) and private pension (£45.00). She does not qualify for Pension Credit as her income is more than £173.75 – the basic Pension Credit rate. Olive cares for her mother who gets Attendance Allowance.

She applies for CA but only gets an underlying entitlement because her State Pension is more than the rate of CA, £67.25 a week. As she has CA entitlement, her overall Pension Credit entitlement is now £211.25 a week – the basic rate of £173.75 plus a carer addition of £37.50. This means she is now entitled to Pension Credit of £36.25 a week to bring her income up to the Pension Credit rate.

See factsheet 48, Pension Credit, for more information.
7.1 Overlapping benefits

There are a number of benefits that overlap with CA as described above:

- State Pension
- Jobseeker’s Allowance (contribution-based or ‘new style’)
- Employment and Support Allowance (contributory or ‘new style’)
- Widowed Parent’s Allowance
- Bereavement Support Payment
- Maternity Allowance
- Incapacity Benefit
- Severe Disablement Allowance
- Widow’s Pension.

If you receive any of these benefits at a rate of less than £67.25 a week, your CA is topped up to this amount.

If the other benefit is more than £67.25 a week, you are not paid any CA but you are awarded an underlying entitlement.

**Action**
If you are awarded CA or an underlying entitlement, make sure you check whether you can get other means-tested benefits. Ask your local Age UK or another independent advice agency to check. In Wales, contact your local Age Cymru.

7.2 Carer’s Allowance Supplement

The Scottish Government introduced the CA Supplement in 2018. The increase applies to people in receipt of full or partial CA payments in Scotland. It raises the overall level of benefit to that of Jobseeker’s Allowance (currently £74.35 a week).

The DWP continue to pay the main CA and the Scottish Government will pay the Supplement as a six month lump sum payment.

For more information about this, contact Age Scotland or Social Security Scotland at www.mygov.scot/carers-allowance-supplement.

7.3 Benefit cap

If you are entitled to CA, or you have an underlying entitlement to it, you are exempt from the benefit cap, which limits the overall amount of benefits that you can be paid.
7.4 The benefits of the person you care for

In some situations, the person you care for can lose benefit if you start to receive CA or UC carer’s element.

This happens if the person you care for receives a severe disability premium or addition as part of their Pension Credit, Housing Benefit, Income Support, ESA, JSA, or Council Tax Support. This is worth an extra £66.95 a week.

Their severe disability premium or addition is not affected if you are awarded an underlying entitlement to CA only i.e. CA is not being paid.

7.5 Universal Credit

Universal Credit (UC) is a new benefit for working age people. UC can include an extra amount or ‘element’ if you are a carer. You do not have to claim CA to qualify for the UC carer’s element, but you have to satisfy all the CA conditions, apart from the earnings condition. This means you can get the UC carers element if you earn more than £128 per week as long as you meet the other CA conditions.

If you qualify for the UC carer’s element (£37.60 a week), you are exempt from the benefit cap, but the person you care for loses their severe disability premium or addition (£66.95 a week).

Think carefully before claiming a UC carer’s element as the overall impact can be a significant loss of benefit overall.

Action
Get advice on how a CA claim might affect the benefit entitlement of the person you look after, as well as your own entitlement.

8 National Insurance Credits

If you are entitled to CA and have not yet reached State Pension age, National Insurance contributions are credited to you automatically.

These increase your future entitlement to the State Pension, unless you have retained the right to pay married woman’s reduced-rate contributions.

If you are under State Pension age and you become sick, you may qualify for ‘new style ESA’ based on National Insurance credits from when you received CA.

An exception applies to carers, provided you have claimed CA for just one week in the last complete tax year before the year in which you claim ESA. This type of ESA is not means tested.
8.1 Carer’s Credit

If you are a carer, but do not qualify for CA (perhaps because the person you look after does not get a qualifying benefit or you do not care for them for 35 hours a week), you may be able to qualify for carer’s National Insurance credits.

These credits are available to people spending 20 hours a week or more caring for a severely disabled person. The application pack for Carer’s Credit, form CC1, can be obtained online from www.gov.uk/carers-credit/how-to-claim or from the Carer’s Allowance Unit.

9 Council Tax discounts for Carers

Some carers are entitled to Council Tax discounts. If you have left your usual home to go and live somewhere else to care for someone, your usual home may be exempt from Council Tax if you still own it and it is unoccupied.

Some carers can be ignored when assessing the Council Tax liability of the property they live in and this can lead to entitlement to discounts.

See factsheet 21, Council Tax, for more information or contact your local authority for details of the reductions available in your area.

In Wales, see 21w and in Scotland, see M9 Council Tax.

10 Carer’s Assessment

If you are caring for someone, you can ask the local authority social services department to undertake an assessment of your needs as a carer, to support you in looking after the other person. As a result of this assessment, you may have a right to receive support from the local authority.

For more information, see factsheet 41, How to get care and support.

In Scotland, see Care and support at home: assessment and funding and Older carers.

In Wales, see factsheet 41w, Social care assessments for older people with care needs in Wales.

11 DWP Guidance

The DWP provides a range of guidance documents with information about benefits which you may find useful.

CA guidance can be found at
Useful organisations

Carer’s Allowance Unit
www.gov.uk/carers-allowance-unit
Telephone 0800 731 0297
DWP office responsible for administering Carer’s Allowance. Issues claim forms, deals with new claims and change of circumstances.

Carers Trust
www.carers.org
Telephone 0300 772 9600
Offers practical help and assistance to carers.

Carers UK
www.carersuk.org
Telephone 0808 808 7777
Information and support for carers, including information about benefits.

Citizens Advice
England or Wales go to www.citizensadvice.org.uk
Northern Ireland go to www.citizensadvice.co.uk
Scotland go to www.cas.org.uk
In England telephone 0344 411 1444
In Wales telephone 0344 477 2020
In Scotland telephone 0131 550 1000 (for local details only, not advice)
National network of advice centres offering free, confidential, independent advice, face to face or by telephone.

Disability Benefits Helpline
www.gov.uk/disability-benefits-helpline
DWP helpline providing advice or information about claims for Disability Living Allowance, Personal Independence Payment or Attendance Allowance:

- Attendance Allowance (AA)
  Telephone 0800 731 0122

- Disability Living Allowance (DLA)
  If you were born on or before 8 April 1948
  Telephone 0800 731 0122
  If you were born after 8 April 1948
  Telephone 0800 121 4600

- Personal Independence Payment helpline
  Telephone 0800 121 4433
Disability Law Service
www.dls.org.uk
Telephone 020 7791 9800
Free legal advice to disabled adults, their families and carers.

Disability Rights UK
www.disabilityrightsuk.org
Telephone 0330 995 0400
Information and advice about issues affecting disabled people.

Gov.uk
www.gov.uk
Official website for government information and services. Includes information about State and private pensions.

Jobcentre Plus
www.gov.uk/contact-jobcentre-plus
Telephone 0800 055 6688
Part of the Department for Work and Pensions, providing help and advice on jobs and training for people who can work and financial help for those who cannot.

Social Security Scotland
www.socialsecurity.gov.scot
Telephone 0800 182 2222
Provides information about devolved benefits in Scotland, such as the Carer’s Allowance Supplement.
Age UK
Age UK provides advice and information for people in later life through our Age UK Advice line, publications and online. Call Age UK Advice to find out whether there is a local Age UK near you, and to order free copies of our information guides and factsheets.

Age UK Advice
www.ageuk.org.uk
0800 169 65 65
Lines are open seven days a week from 8.00am to 7.00pm

In Wales contact
Age Cymru Advice
www.agecymru.org.uk
0800 022 3444

In Northern Ireland contact
Age NI
www.ageni.org
0808 808 7575

In Scotland contact
Age Scotland
www.agescotland.org.uk
0800 124 4222

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The evidence sources used to create this factsheet are available on request. Contact resources@ageuk.org.uk