

CARER'S ALLOWANCE

This fact sheet has been written by parent carers for parent carers.



What is Carer's Allowance?

Carer's Allowance is a benefit for people who care for someone for at least 35 hours a week and meet certain criteria. The rate is £81.90 per week for 2024/25 and will increase to £83.29 from 6 April 2025. It's not means-tested and therefore, is not based on you or your partner's income or capital. However, you can only claim Carer's Allowance if you earn less than £151 per week after deductions (see below). This will rise to £196 per week from 6 April 2025. Carer's Allowance can affect other means-tested benefits and is classed as taxable income so you can be taxed on it if your income is over the personal tax allowance – currently £12,570.

How to claim Carer's Allowance

- Visit www.gov.uk/carers-allowance/how-to-claim to apply online or download a claim form to complete at home and post. Details of disability friendly applications are also given here.
- Alternatively, call the Carer's Allowance Unit to request a form on 0800 731 0297.
- Carer's Allowance can normally be backdated for up to three months, if you are eligible for that period. You can request for backdating on the claim form.

Who Can Claim Carer's Allowance?

You can make a claim if you are over the age of 16 and you meet ALL of the following criteria:

1. You look after someone who gets a qualifying disability benefit.

They must be in receipt of one of the following:

- Disability Living Allowance (DLA) with middle or higher rate care component or Personal Independence Payment (PIP) – with daily living component at either rate.
- Or one of the other qualifying disability benefits listed here: www.gov.uk/carers-allowance/eligibility.

2. You look after that person for at least 35 hours a week for each week you claim Carer's Allowance for. These hours can be at any time of the day or night and can include:

- Time spent physically helping the person.
- Time spent keeping an eye on the person, e.g. preventing them from coming to harm by leaving the house.
- Time spent doing practical tasks for the person e.g. cooking.
- Time spent doing practical tasks for the person even when they're not there may count e.g. preparation time or cleaning up for the person you care for to visit you.

These hours can't be averaged out over several weeks, you can't add together time you spend caring for different people to total 35 hours and if you care for more than one person, you can only claim Carer's Allowance for one of them.

If you share the caring role with someone else only one of you can claim Carer's Allowance (or Carer's element of Universal Credit). But the other can claim Carer's Credit. For further information on Carer's Credit visit www.gov.uk/carers-credit. If the person you care for also looks after someone else (including if you are caring for each other), you can both claim Carer's Allowance, but it may affect Universal Credit if this applies.





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3. You are NOT in full-time education

You cannot claim Carer's Allowance if you are in full-time education – which is likely to apply if:

- Your university, school or college describe the course as full-time even if your supervised study is less than 21 hours a week.
- It requires supervised study for 21 hours or more a week even where your university, school or college does not describe your course as full-time.

If you are in full-time education, you cannot get Carer's Allowance during holidays or 'temporary absences' from your course. A temporary absence is where you've stopped attending your course but not abandoned it or been dismissed from it. If you have agreed with your place of study to have a break, a Carer's Allowance decision maker will have to decide whether this agreed break is sufficient to mean you are no longer actively taking part in your course and would then not be a 'temporary absence'.

If you are in part-time education you can apply for Carer's Allowance, but your place of study will need to provide written evidence that your course requires less than 21 hours of supervised study per week.

4. You don't earn more than £151 per week after deductions (for 2024-25)

If you are in paid work, including self-employment, you cannot receive Carer's Allowance if you earn more than £151 a week. From 6 April 2025, this will rise to £196 per week. Certain deductions from your gross salary can be made in calculating your earnings including:

- Income tax and National Insurance deductions.
- 50% of any contributions towards an occupational/personal pension.
- Alternative care costs that allow you to work. You are allowed to deduct up to half your net earnings to reflect any payments you make to someone (that qualifies and cannot be a close relative) to look after the person you normally care for while you are at work. This may reduce your earnings to a level where you qualify.
- Any expenses that are 'wholly, exclusively and necessarily incurred' in carrying out your work such as tools or specialist equipment or travel expenses between work sites can also be deducted.
- If your earnings after these deductions are below the limit, you keep all your Carer's Allowance. If you earn 1p more, you will lose all your Carer's Allowance – although this is due for review by the UK Government..

How this is worked out:

- **Fixed monthly wage:** earnings are multiplied by 12 months for the yearly figure, then divided by 52 weeks to get your weekly income.
- **Earnings fluctuate:** your earnings are likely to be averaged out over a recognisable cycle of work or over five weeks, or another period if this means a more accurate weekly amount can be calculated. This is discretionary and you should discuss your specific circumstances with the Carer's Allowance Unit.
- **Self-employed:** your average weekly earnings are calculated by looking at a specific trading period, normally a year (but can be a different period representative of weekly earnings if you are recently self-employed).

5. You satisfy UK residence and presence conditions.

You must:

- Not be subject to immigration controls
- Normally live in England, Scotland or Wales (or live abroad as a member of the armed forces) and have been present in these areas for 2 of the past 3 years (unless you are a refugee or have humanitarian protection).





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Carer's Allowance and Other Benefits

The way Carer's Allowance works with other benefits can be complicated. If you are in receipt of other benefits, you should check how claiming would affect you using a benefits calculator such as Turn2us: www.reachingfamilies.org.uk/benefits-calculator.html.

The overlapping benefits rule means you CANNOT receive Carer's Allowance if you get one or more of these benefits – unless that benefit pays LESS than Carer's Allowance (you may receive a small amount on top of your other benefit):

- State Pension
- Contributory Employment and Support Allowance (ESA)
- Incapacity Benefit
- Maternity Allowance
- Bereavement or widow's benefits
- Severe Disablement Benefit
- Contribution-based Jobseeker's Allowance (JSA)

Means Tested Benefits

Carer's Allowance is counted as income for means-tested benefits. However, receiving Carer's Allowance can also mean you are entitled to additional payments, including:

- **Carer Premium:** An extra payment included in the calculation of Income Support, income-based JSA, income-related ESA, Housing Benefit, and Council Tax Reduction. It is worth £45.60 per week (2024/25 rate)
- **Carer Addition:** A similar payment included with Pension Credit, worth £45.60 per week (2024/25 rate)
- **Carer Element:** An equivalent payment provided under Universal Credit, worth £198.31 per month (2024/25 rate).

Although receiving Carer's Allowance may slightly reduce your means-tested benefits, you are likely to be better off overall by the amount of the Carer Premium or Carer Addition added to your claim. It is important to inform the DWP or HMRC when you are awarded Carer's Allowance to ensure you receive these additional payments. Even if you are not paid Carer's Allowance due to a benefit overlap, you may still qualify for Carer Premium or Carer Addition if you have an underlying entitlement to Carer's Allowance.

If you receive Universal Credit and meet the criteria for Carer's Allowance but are not eligible to claim it because you earn too much or are a full-time student, you can still receive the Carer Element of Universal Credit without claiming Carer's Allowance. Please note that Carer's Allowance is deducted pound-for-pound from any Universal Credit award.

The benefits of the person you are caring for

It is important to consider how your claim for Carer's Allowance might affect the benefits of the person you are caring for. If the person you are caring for receives any means-tested benefits, your claim for Carer's Allowance could affect what they get. If they are in receipt of the Severe Disability Premium, (or Severe Disability Addition in Pension Credit) they will lose this as you are paid Carer's Allowance.

Protecting your National Insurance contributions

Your National Insurance (NI) record contains all the NI contributions you have paid through work, or credits awarded when not in work. It is used to calculate your entitlement to some benefits including your State Pension and is, therefore, worth protecting:

- **Carer's Allowance** – you get a Class 1 NI credit for each week you claim Carer's Allowance. If you are not entitled to Carer's Allowance, you might be able to claim Carer's Credit.
- **Carer's Credit** – protects your pension rights if you are caring for someone and not paying NI contributions through paid work and don't get Carer's Allowance.





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Claiming Carer's Credit:

You must be caring for someone for a total of 20 hours or more - the person typically must be in receipt of one of the following:

- Middle or higher rate of the care component of DLA
- Daily living component of PIP at either rate
- Attendance Allowance, at either rate, or Constant Attendance Allowance
- Armed Forces Independence Payment

Challenging a Carer's Allowance decision

If you are refused Carer's Allowance, you can ask the Department for Work and Pensions (DWP) for a mandatory reconsideration to look at the decision again. If, after this, you still disagree, you can appeal their decision by lodging it with the Tribunal Service within one month.

Change of Circumstances

Inform the Carer's Allowance Unit as soon as possible to avoid any overpayment of benefit.

General enquiries: Telephone: **0800 731 0297** / Textphone: **0800 731 0317**

You can also write to: Freepost DWP Carers Allowance Unit

Ask about

- **Reaching Families Benefits Advice Service** – 1-2-1 benefits advice on applications for Carers Allowance, DLA and PIP. Includes support with editing draft applications. For further information visit: www.reachingfamilies.org.uk/benefits-advice.html.
- **Carers Support West Sussex Benefits Advice Service** – 1-2-1 advice on benefits, levels of entitlement and applications processes for carers registered with Carers Support West Sussex. For further information visit: www.carerssupport.org.uk/carers-benefits-advice-service.

Further information and useful links

- **Making Sense of it All: From Birth to Adulthood** – Reaching Families' handbook for parent carers of children and young people with SEND in West Sussex. This provides essential information on money matters, including claiming DLA and PIP, as well as social care, health, leisure, travel, education and employment. Go to: www.reachingfamilies.org.uk/guides.html.
- **Fact Sheets** – further information on DLA and PIP are available in Reaching Families fact sheet series can be downloaded from: www.reachingfamilies.org.uk/factsheets.html.
- **Benefit Enquiry Line** – for general benefit questions Tel: **0800 220 674** - Textphone: **028 9031 092**
- **Carer's Allowance Unit** – Tel: **0800 731 0297** - Textphone **0800 731 0317**.
- **Parliamentary and Health Service Ombudsman** – The government body responsible for dealing with complaints about state services – www.ombudsman.org.uk Tel: **0345 015 4033**, Textphone: **0300 061 4298**.
- **Turn2Us Benefits Calculator** – Use the Turn2Us Benefits Calculator to find out what other benefits you may be entitled to. Available at www.reachingfamilies.org.uk/benefits-calculator.html.
- **Welfare Changes Helpline** – for independent advice on benefit changes Tel: **0800 915 4604**.

