

Factsheet 55

Carer's Allowance

May 2024

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Glossary

AA – Attendance Allowance
ADP – Adult Disability Payment (Scotland)
CA – Carer’s Allowance
CSP – Carer Support Payment (Scotland)
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 non-means tested 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 National Insurance contributions to qualify and you are credited with Class 1 National Insurance contributions while receiving it. It is taxable.

Competent state

If you receive a State Pension from an EEA country, that country is normally your competent state for paying sickness benefits (which in the UK includes CA). An exception to this is where you receive a State Pension from another EEA country, as well as a UK State Pension and you reside in the UK, in which case your competent state is the UK.

If you are unsure, you can claim CA and if your competent state is not the UK, the DWP should

5 Decisions and payments

You should receive a decision on your CA 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

6.2 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 (unless aged under 18 at time of admission in which case their

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 are covered by the Withdrawal Agreement

7.1 Overlapping benefits

There are various benefits that overlap with CA as described above:

State Pension

Jobseeker's Allowance (contribution-based or $\frac{1}{2}$, $\frac{1}{2}$)

Employment and Support Allowance (contributory or $\frac{1}{2}$, $\frac{1}{2}$)

Widowed Parent'

7.2 Carer's Allowance Supplement (Scotland)

This is an additional payment for claimants in receipt of CA or CSP who live in Scotland.

There are two annual lump sum payments of £288.60 made to people receiving CA or CSP on qualifying dates (8 April 2024 and 7 October 2024). Payments are made in June and December. The payment is ignored as income in means tested benefits such as PC and HB

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

7.3 The benefits of the person you care for

In some situations, the person you care for can have their benefit payments reduced if you are paid CA, CSP or the UC carer element.

This happens if the person you care for receives a severe disability premium (SDP) or addition as part of their Pension Credit, Housing Benefit, Income Support, ESA, JSA, or Council Tax Reduction/Support. This is worth an extra £81.50 a week.

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

7.4 Universal Credit

UC can include an extra amount or '*element*' if you are a carer. You do not have to claim CA or CSP to qualify for the UC carer element, but you must satisfy all the CA/CSP conditions, apart from the earnings condition. This means you can get the UC carers element if you earn more than £151 per week.

Action

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

If you qualify for the UC carer element (£198.31 per calendar month), you are exempt from the benefit cap, but the person you care for loses their severe disability premium or addition (£81.50 a week). Think carefully before claiming a UC carer element as the overall impact can be a significant loss of benefit overall.

7.5 Benefit cap

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

10 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 women's reduced-rate contributions.

If you are under State Pension age and you become sick, you may qualify for *Class 1A* 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.

If you claimed CA prior to April 2016, you may be entitled to Second State Pension with any State Pension claim you make. Contact the Pension Service if you think this applies to you. For more information, see section 11.2 of factsheet 19, *State Pension*.

10.1 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 from the Carer's Allowance Unit or online at: www.gov.uk/carers-credit/how-to-claim

11 Carer's Assessment

If you care 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. After the 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 the Age Scotland guide, *A guide for carers: mental health and wellbeing in later life*. In **Wales**, see factsheet 41w, *Social care assessments for older people with care needs in Wales*.

12 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 www.gov.uk/government/publications/decision-makers-guide-vol-10-benefits-for-incapacity-disability-maternity-and-bereavement-staff-guide and selecting *DMG Vol 10 C60: Carer's Allowance*.

Guidance on competent state rules (page 5) can be found in Appendix 3
at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/910763/dmgch0702.pdf

Social Security Scotland Information on Carers Support Payment (CSP)
can be found at: www.mygov.scot/carers-support-payment

Useful organisations

Carer's Allowance Unit

Disability Law Service

www.dls.org.uk

Telephone 0207 791 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.

Pension Service (The)

www.gov.uk/contact-pension-service

Telephone 0800 731 0469

State Pension claim line 0800 731 7898

Future Pension Centre 0800 731 0175

Details of State Pensions including forecasts and how to claim.

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 publications are available in large print and audio formats

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

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