

# Benefits for Carers

April 2017

Factsheet 3

**Anyone considering giving up work in order to care for someone who is sick or disabled has to think hard about the financial implications. They need to appreciate how they and the person they care for will be affected in the long, as well as the short term.**

When assessing the benefit position, you need to think about the person with the disability and their carer, individually and together. This is because the benefits that are claimed by one person could affect the rights and benefits of another person.

In this factsheet we will try to answer some of the questions that carers often ask us about their own income and rights and also give some information on benefits that people with disabilities can claim.

For more information on benefits for disabled people, please see our factsheets on Personal Independence Payment, Attendance Allowance or Employment and Support Allowance.

## Welfare Rights Unit

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## Is there a special allowance paid to carers?

Yes, if you care for someone for 35 hours or more a week that gets either Attendance Allowance (AA), the middle or highest rate of the care component of Disability Living Allowance (DLA), or the daily living component of Personal Independence Payment (PIP), you can claim Carer's Allowance (CA).

## What is Personal Independence Payment?

Personal Independence Payment (PIP) has now replaced Disability Living Allowance for adults aged 16-64. There are two components, a daily living component and a mobility component, each with two rates:

### Daily Living Component

- Standard rate      £55.65
- Enhanced rate    £83.10

### Mobility Component

- Standard rate      £22.00
- Enhanced rate    £58.00

If the person you care for claims either the standard rate or the enhanced rate of the daily living component of PIP you will be able to claim CA.

### **For more information on PIP see our factsheet No 2.**

CA is £62.70 per week and is taken into account when assessing other benefits. CA is also an 'overlapping benefit'. This means that it can't be paid at the same time as other national insurance benefits already paid to you at a higher rate, for example Retirement Pension or Contributory ESA.

You can work at the same time as claiming CA, but you mustn't earn more than £116 per week. Carer's Allowance can be paid to people over the age of 65 but not normally in addition to state retirement pension. However it could help two groups of older carers:

- carers whose pension is less than £62.70 could receive CA instead
- carers who receive Pension Credit could qualify for the Carer's Premium of £34.95 a week

The Carer Premium can be paid to both members of a couple if they both can show they substantially care for one another and they both receive DLA, AA or PIP at the appropriate rates. Carers will continue to receive CA for up to eight weeks after the death of the person they cared for.

### **Claim on form DS700 from the DWP.**

## **I'm on my own. I couldn't live just on Carer's Allowance of £62.70**

If you have savings of less than £16,000 and can't work because you are caring for someone, you may be able to claim Income Support to increase your income. If you are a carer receiving CA your Income Support is increased by the 'Carer Premium' of £34.95 per week

If you are a carer and you can't get CA because the person you are looking after doesn't qualify for AA, DLA care component at the middle or higher rate or the daily living component of PIP, you may have to 'sign on' to claim Jobseeker's Allowance (JSA). You have to be available and looking for work.

You may limit the hours you are available for work to 16 hours per week if you can show that you are caring for the rest of the time.

### **Claim Income Support or JSA from Jobcentre Plus if you are under pension age or Pension Credit from the Pension Service if you are over pension age.**

## **Can I get any help with my housing costs?**

If you receive Income Support or Pension Credit, you are entitled to full Housing Benefit towards your rent or help with mortgage interest. If you cannot claim IS, but you have a low income, you may be entitled to Housing Benefit for help with your rent.

If you or a member of your family, need night time care you can increase your local housing allowance rate by an extra room to accommodate a non-resident carer. However, you do have to provide evidence that the disabled person requires night time care.

### **Claim Housing Benefit on a form from your local council. For more information on help with mortgage costs go to [www.gov.uk](http://www.gov.uk)**

## **What about Council Tax?**

If you have made adaptations to your home to make life easier for a person with a disability you can apply for a reduction to your bill. People on a low income may get help towards their council tax by claiming Council Tax Reduction.

**Claim on a form from your local council.**

## **I'm living with a partner. If I gave up work to be a carer there would only be my partner's wages. Is there anything else we could claim?**

If you are entitled to CA and have children who are under 16 (or under 20 and still in further education) and your partner is working for at least 24 hours per week, you may be entitled to Working Tax Credit (WTC) and/or Child Tax Credit (CTC). The Inland Revenue administers these Tax Credits. Unlike Income Support, there is no help with mortgages for people on WTC or CTC. From 6 April 2017 most new claims for Child Tax Credit will be limited to payments for the first two children only.

**To apply for WTC/CTC phone the Tax Credit Helpline on 0345 300 3900 or go to HMRC and check entitlement by filling in the tax credit questionnaire.**

## **Is it worth me working part-time and paying for help with the caring?**

This depends on how much you earn and how much care the person with a disability needs. You may be able to claim Income Support to top up your wages if you and/or your partner work part time and your income is very low.

A carer claiming Income Support and entitled to the Carer Premium will have the first £20 of their earnings ignored. Any money earned over this will start to reduce Income Support pound for pound. If you claim CA, (but not Income Support as well), you can earn £116 before you lose CA.

## **When will I need to Claim Universal Credit?**

Universal Credit is a new benefit that is replacing most means tested benefits, including Income Support for carers. Under UC there will be a carer's element included if you have 'substantial and regular caring responsibilities' for a 'severely disabled person'. This will apply to you if you satisfy the eligibility rules for CA and if the person you care for gets either AA, the middle or higher rate of the care component of DLA or the daily living component of PIP. Universal Credit full service is due to start in Brighton and Hove from autumn 2017. UC includes your housing costs. Existing claimant on legacy benefits will not be affected straight away. New carers from the autumn 2017 will be directed to claim UC on top of carers allowance instead of claiming income support and housing benefit.

## **If I stop work to be a carer what happens about my pension?**

For each week that you receive CA, you will normally get a NI contribution credited to your NI record. If you are caring at least 20 hours a week for someone, you can receive a Carer's Credit. This is a National Insurance credit which helps carers build up qualifying years for their state pension. It replaces Home Responsibilities Protection. If the person you care for does not receive either AA, the daily living component of PIP or at least the middle rate of Disability Living Allowance care component you can still claim Carer's Credit but you will need a medical or care professional to sign a care certificate, confirming that you are providing the care.

**Download a Carer's Credit application pack from [www.gov.uk](http://www.gov.uk) or contact the Carer's Allowance Unit on 0345 608 4321.**

## **Can I take early retirement?**

Pension age for both men and women equalised at 65 between April 2016 and November 2018. You may be able to cash in your works pension or private pension earlier. Talk to your employer or private pension scheme about this. You can obtain a state pension forecast BR19 from the Pension Service, available by post or download.

## **The person with the disability**

Someone who is ill and can't work may be already claiming a benefit to provide them with a weekly income. This could be Employment and Support Allowance or Pension Credit. They may also be entitled to extra benefit because of their disability, for example Disability Living Allowance (DLA), Attendance Allowance (AA) or Personal Independence Payment (PIP).

## **Attendance Allowance**

This is a benefit for people over 65 who have needed a lot of looking after for at least six months. You don't have to have a carer to qualify and it is usually paid in addition to any other income. It is paid at two rates depending on how much help you need, a lower rate of £55.65 and a higher rate of £83.10

See our factsheet on Attendance Allowance for further advice on how to complete the form.

## **Disability Living Allowance**

PIP has now replaced DLA for adults so you cannot make a new claim for DLA. People who are already claiming DLA will be sent a letter sometime after 2015 inviting them to claim PIP. It is important to respond to this letter because transfer onto PIP will not be automatic.

## **People who are terminally ill**

People who are terminally ill and expected to live less than six months can get PIP or AA straight away. The highest rate of the daily living component of PIP or the higher rate of AA is automatically given. However, to get the mobility component, they must still show that they have difficulty walking. The claimant need not be informed of the prognosis.

**Ask your GP for a DS 1500 form.**

### **Other sources of help or advice:**

- **The Carers Centre for Brighton & Hove**  
18 Bedford Place, Brighton, BN1 2PT  
Tel: 01273 746222 Website: [www.thecarerscentre.org](http://www.thecarerscentre.org)
- **Citizens Advice Bureau - Brighton & Hove**  
Hove Town Hall, Tisbury Road Offices, Hove Town Hall, Tisbury Road, Hove.  
Tel: 03003309033 Website: [www.citizensadvice.org.uk/local/brighton-hove/contact-us](http://www.citizensadvice.org.uk/local/brighton-hove/contact-us)
- **Possability People - Disability Advice Centre**  
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