

Carer's Allowance earnings limit to increase from April

Carer's Allowance is the only state benefit specifically aimed at carers. However in order to get Carer's Allowance one of the rules is that your earnings must be no more than £95 per week. This earnings limit has been unchanged since October 2007. However from 6th April 2010 the government is to increase this figure to £100 per week.

How are my earnings calculated for Carer's Allowance?

In working out your weekly earnings certain deductions can be made from your gross wages. For instance any tax and national insurance you pay is deducted, alongside half of any pension contributions you make.

What about if I have to pay someone to look after my children while I am at work?

If because of your work you have to pay someone else to care for the person you look after, or to look after your children, you may also be able to deduct these costs from your earnings. However the maximum amount that you can deduct for alternative care costs is 50% of what would otherwise have been your earnings. No deduction is allowed if the person you pay is a close relative.

These rules may allow some carers to qualify for Carer's Allowance even though they are earning slightly more than £100 per week.

What are the other Carers Allowance rules?

You must be at least 16 to claim and you can only get Carer's Allowance if the person you look after is in receipt of the care component of Disability Living Allowance at the middle or highest rate or Attendance Allowance (a benefit for elderly people). You cannot claim if you are a student involved in 21 hours or more supervised study.

If you are looking after a disabled adult then in certain circumstances an award of Carer's Allowance could lead to a reduction in that disabled person's benefits.

Parents with disabled children who are working and who want to know if the change in the earnings rule will help them claim Carer's Allowance should call Contact a Family's free Helpline on 0808 808 3555.