

Fact Sheet 3

Welfare Benefits

Carers often worry about finances, due to loss of earnings or because of the additional expense which caring may involve. In many cases, you and the person you care for may be entitled to welfare benefits.

It can sometimes seem as if the benefits system is designed to be so complicated that you'll be put off applying for anything. Some of the forms are not easy to fill in, but the system is designed to cover many different individual circumstances.

However, it is always a good idea to get professional help when applying for benefits. The following will give you only a very brief guide to the main benefits that may concern you as a carer. For up-to-date information, friendly help and useful advice, contact a member of staff from one of the organisations listed at the end of this section.

Carers Allowance (CA)

Carers Allowance is a taxable benefit for people who spend 35 hours or more each week caring for someone.

- Carers Allowance is payable to carers over 16 years of age. It has no upper age limit.
- The person you care for must be getting Attendance Allowance or Constant Attendance Allowance or Disability Living Allowance (middle or higher care component).
- You can't claim Carers Allowance if you earn more than £82* per week after allowable expenses (*as at April 2005 increases by a small amount each year)
- To claim Carers Allowance you don't have to be related to the person you care for or live with them.
- You cannot claim Carers Allowance if someone else is already claiming it for looking after the same person. You also cannot claim Carers Allowance for looking after more than one person at a time.
- Carers Allowance is a "work replacement" benefit and overlaps with other benefits that are intended to replace earnings, such as Incapacity Benefit or State Pension. If you already receive a work replacement benefit, you won't be paid Carers Allowance but will have an "underlying entitlement" which might increase your entitlement to other benefits.
- If you are under state retirement age, income from a private pension does not affect your entitlement to Carers Allowance.
- Claiming Carers Allowance can increase your entitlement to other benefits but it can sometimes reduce the benefits of the person you look after.

Income Support

Income Support is a benefit for people who have a lower income than the government states they need to live on.

- Income Support is payable to people over 16 and under 60 years of age who are unable to work because of ill health, caring or child care responsibilities.
- Income Support is paid if your income falls below the level which the government says you need to live on. This is known as your “applicable amount” and will depend on your age, any disabilities, family circumstances etc.
- Receipt of Income Support entitles you to other benefits such as help with rent or mortgage interest payments, council tax benefit and free prescriptions.
- If you work for over 16 hours per week you cannot claim Income Support.
- Income Support is a means-tested benefit – whether you receive it or not depends on how much money you have coming in and on your savings.
- Income Support offers additional money – a “premium” for carers eligible for Carers Allowance or for those who have an underlying entitlement to Carers Allowance.
- Couples living as husband and wife are assessed together when Income Support is calculated.

Pension Credit

Pension Credit is a means-tested benefit for people over 60 years of age.

- It is in two parts: a guarantee credit similar to Income Support and a savings credit which provides extra income for people over 65 with modest savings or small private pensions.
- The method for working out entitlement to Pension Credit is the same as Income Support but with more generous allowances for income and savings.

Housing Benefit and Council Tax

- Housing Benefit helps people on a low income to pay their rent.
- Council Tax Benefit helps people on a low income or in certain other circumstances to pay their council tax.

These benefits may be available if you are on Income Support, Pension Credit or otherwise on a low income. Other reductions or discounts off your Council Tax may apply depending on your situation.

Council Tax Reductions for Carers

There are three ways in which your council tax bills may be reduced if you are a carer:

- The Disability Reduction Scheme
- Council Tax Benefit
- Discount Schemes

The Disability Reduction Scheme

You may pay council tax at the band below your current level if someone in your household is substantially or permanently disabled and at least one of the following conditions are met:

- A second bathroom or kitchen is needed by the disabled person
- A room (other than a bathroom, kitchen or toilet) is needed by and primarily used by that person
- There is enough space for that person to use a wheelchair indoors.

Council Tax Benefit (CTB)

If you are on a low income and don't have a lot of savings, you may get a reduction of your Council Tax. If you are getting Income Support or Pension Credit, you may not have to pay any Council Tax at all, although you will still have to pay water and sewerage charges.

If you are earning and have savings but the other person or people in your household are in receipt of welfare benefits, you may be eligible for a small Council Tax Discount called a "second adult rebate".

Discount Schemes

If you live on your own, you will get a 25% discount on council tax. Some people are "disregarded", so they don't count as living in the house for council tax purposes.

The people who are disregarded are:

- People who are "severely mentally impaired" e.g. people with dementia and getting a qualifying benefit such as Severe Disablement Allowance, Attendance Allowance, Disability Living Allowance (High/middle care component).
- Students and certain student nurses.
- Anyone under 18.
- Carers who fulfil **all** of the following conditions:
 - Provide care for at least 35 hours per week.*
 - Reside in the same dwelling as the person cared for.*
 - Is not the husband or wife or opposite sex partner of the person cared for.*
 - Is not the parent of the person cared for, if the person is under 18.*
 - Care for someone who is entitled to either Disability Living Allowance Care Component at the highest rate, the higher rate of Attendance Allowance or Constant Attendance Allowance.*

Applications forms for housing and council tax benefit, or any of the council tax reductions are available from East Lothian Council offices.

Disability Benefits

You or the person you look after may be entitled to disability benefits. If the person you are caring for is making a claim, they might need someone else to fill the forms in for them. Sometimes when you're in a caring situation, you get very used to someone's disability and certain caring tasks become automatic. Another person can help by bringing an outside view, asking questions and encouraging you to think about everyday things in more detail.

The person you care for should be present when the forms are completed and consulted as far as possible. The form should be filled in the person's own words, read back to them and signed by them if they are able to do this. Bear in mind that because disability forms essentially focus on the person's health problems and the things that they cannot do for him or herself, they can be upsetting to fill in.

There are a number of different disability benefits. Here are some details of the two main ones.

Disability Living Allowance (DLA)

Disability Living Allowance is a tax-free benefit for disabled people under 65 who need help with personal care (getting in and out of bed, washing, dressing etc) and/or who have problems getting around. You cannot make your first claim if you are over 65, but can continue to receive it if it was awarded before your 65th birthday.

- Disability Living Allowance is not just for people with physical disabilities, it is also for those with a learning disability or a mental health problem.
- You don't need to be getting help with these things to qualify for Disability Living Allowance.
- Disability Living Allowance has two parts – money for personal care (the care component) and money for problems with getting around (the mobility component).
- The care component can be paid at one of three rates depending on the amount and type of help that you need. The mobility component can be paid at one of two rates.
- Whether you qualify for Disability Living Allowance or not depends on the extent of your disability and the help you need. It is not means-tested which means that it is not affected by the amount of money you have coming in or any savings.

Attendance Allowance (AA)

Attendance Allowance is a benefit for people over the age of 65 who have a mental or a physical disability.

- Attendance Allowance is for people who need help with personal care or who need supervision to stay safe.
- Attendance Allowance is paid at one of two rates. The lower rate is for people who need help either during the day or at night. The higher rate is for people who need help during the day and at night.
- You don't need to be getting this help from anyone to qualify for Attendance Allowance.
- Your entitlement to Attendance Allowance depends on the level of your disability and the help you need. It is not affected by the amount of money that you have coming in or the amount of savings that you have.
- Getting Attendance Allowance can mean that you are entitled to an increase in your Pension Credit.

Help with Benefit Claims

The following organisations can offer help and advice. For contact details, see "Useful Contacts"

The Welfare Rights Team
Your local Citizens' Advice Bureau
Carers of East Lothian
The Local Pension Service
Disablement Income Group