Carer’s Allowance Call for Evidence

Ministerial Foreword

Unpaid carers make a vital contribution to our communities and our country, providing care and support to family members and loved ones, often alongside other responsibilities. Carer’s Allowance plays an important role in recognising that contribution.

But we know the system has not always worked as well as it should. We inherited a system where some carers, already managing significant caring responsibilities, found themselves with unexpected overpayments and uncertainty about how the rules applied to them.

The Independent Review into Carer’s Allowance overpayments showed us that mistakes were made by the previous government, and we are determined to put them right. Carer’s Allowance was introduced in 1976. While it has supported carers and their loved ones, it hasn’t kept up with changes in how people work today. Many carers want the flexibility to combine some paid work with their caring responsibilities.

We have already taken steps to improve the system, including linking the Carer’s Allowance weekly earnings limit to 16 times the hourly National Living Wage, updating decision maker guidance, and improving customer letters and communications. This Call for Evidence is an important next step.

We want to build our evidence base to understand better how Carer’s Allowance can support carers to balance work and caring responsibilities, while remaining clear, fair and sustainable. We are seeking views and evidence to help us consider how Carer’s Allowance could be modernised, including through an earnings taper, the role of the earnings rules and how they operate in practice..

We want to hear from carers, representative organisations and others with relevant experience. Your insights will be central to building the evidence base for any future decisions.

Background and purpose

Carer’s Allowance provides a measure of financial support to people in England and Wales who are not able to work full time because of their caring responsibilities. For most, but not all people, it is complemented by support from Universal Credit or Pension Credit. To receive Carer’s Allowance, claimants must meet a number of conditions, including providing a minimum of 35 hours of care per week. Carer’s Allowance is not means-tested but applies an earnings limit of 16 times the hourly rate of the National Living Wage, (currently £204 per week), as an indirect way of ensuring that the disabled person is receiving the care they need.

Universal Credit and Pension Credit also provide additional support for carers. Where someone receives more than one benefit, the interaction between them can affect overall entitlement. In practice, this can make the system complex and difficult to understand. The Government has recently taken action to address issues identified in the Independent Review of Carer's Allowance overpayments, including improving guidance and reviewing past overpayments. These issues included a lack of clarity in how earnings rules operated in practice, particularly for those with fluctuating incomes, which meant some carers were unaware they had exceeded the earnings limit.

The Government accepted or partially accepted 38 out of 40 of the Review's recommendations and has begun implementing changes to improve the operation of the system.

Aim of this Call for Evidence

This Call for Evidence asks for information and views to build on the Department's existing evidence. What we hear will help shape future thinking about how Carer's Allowance can be modernised to support carers. We want to hear how you think we can:

- reflect modern patterns of work and earnings;
- support carers to balance paid work and caring responsibilities;
- ensure the system is clear and easy to understand;
- maintain fairness and value for money for taxpayers.

The Department is particularly interested in views on potential reform options for the Carer's Allowance earnings limit, and whether a more predictable approach to how earnings are averaged would better support carers, compared to the current case-by-case approach. Currently, where earnings vary from week to week, the Department may look for a pattern and average earnings over a period of time. This approach is intended to reflect fluctuating work but can be difficult for carers to understand and predict, particularly when their earnings change.

Responding to this call for evidence

This call for evidence is open from 7 July 2026 and will close at 11:59pm on 18 August 2026.

Online

Please respond to this call for evidence using the online form here Carer's Allowance Call for Evidence – Fill in form Responses are submitted anonymously. If your response includes attachments, or exceeds the character limit of the online form, please email your response to us at carer.callforevidence@dwp.gov.uk

By post

If you would like to respond by post, please mail your response to the Department for Work and Pensions at the following address:

Carer's Allowance Reform
Devolution, Pensioner Benefits & Carer's Allowance Directorate
Department for Work and Pensions
Floor Two
Caxton House
London
SW1H 9NA

By email

You can email us at carer.callforevidence@dwp.gov.uk to find out about alternative ways of submitting a response (for example, by audio). You can also use this email address if your response includes attachments or exceeds the character limit of the online form. Please note that this inbox is for call for evidence responses only, and we are unable to respond to queries about individual benefit claims or personal circumstances.

You can submit a video in British Sign Language to carer.cfebsl@dwp.gov.uk

Please ensure that call for evidence responses are submitted before the closing date of 18 August 2026.

Accessibility

This call for evidence is available in accessible versions including British Sign Language, Easy Read, audio, Braille, large print and Welsh translation.

To request a Braille version or physical copies of other accessible versions of this call for evidence, please email us at carer.callforevidence@dwp.gov.uk

Data protection and confidentiality

The Department for Work and Pensions will analyse and summarise responses and may use artificial intelligence to assist with the handling of responses – this will be under human oversight and will not replace human judgement in the consideration of evidence. An anonymised version of your response may be published in a list of responses, in a summary of responses received, and in any subsequent review reports. We may also share your personal data where required to by law, for example in relation to a request made under the Freedom of Information Act 2000. We will remove information which could identify you, such as email addresses and telephone numbers from these responses, but apart from this we may publish responses in full. You can leave out personal information from your response entirely if you would prefer to do so.

Next steps

The call for evidence closes at 11.59pm on 18 August 2026. A summary of responses received will be published shortly after the call for evidence closes.

Further information about Carer's Allowance, and how to claim, is available at Carer's Allowance: How it works on GOV.UK.

Call for Evidence Questions

This section asks for some information about you. This will help us understand who is responding to the call for evidence.

Section 1: About you / experience

Q1. Which of the following best describes you? *(Select one)*

- Carer receiving Carer's Allowance
- Carer not receiving Carer's Allowance
- Person receiving care
- Organisation / representative body
- Other (please specify)

Q2. If you selected one of the first three options above, please tell us a bit more about yourself (optional).

Age

- **Under 25**
- **25–34**
- **35–44**
- **45–54**
- **55–64**
- **65+**
- **Prefer not to say**

What is your gender? (optional)

- **Woman**
- **Man· Non-binary**
- **Prefer to self-describe**
- **Prefer not to say**

Ethnicity

- Asian / Asian British
- Black / African / Caribbean / Black British
- Mixed / Multiple ethnic groups
- White
- Other ethnic group: [free text]
- Prefer not to say

Location

- England
- Scotland
- Wales
- Northern Ireland
- Living outside the UK
- Prefer not to say

Section 2: Modern patterns of paid work

Where carers have fluctuating earnings, the Department currently looks to see if a pattern of earnings can be found which allows the earnings to be averaged over a number of weeks. The period used can vary depending on individual circumstances.

We know that the current rules can be difficult to understand, particularly where earnings vary, and we want to understand how we can improve the way this is explained and applied. We are interested in what improvements, if any, could better support carers whose earnings fluctuate. This includes considering how the system balances **predictability** (being able to understand in advance how earnings will be treated) and **flexibility** (reflecting individual circumstances).

Q3. How well do you understand the current rules on how earnings might affect people's Carer's Allowance?

- Very well
- Somewhat well
- Neutral
- Somewhat poorly
- Not well at all

Q4: How could the system be improved to better support carers with fluctuating earnings? Should the Department look to put in place more predictable ways of averaging earnings or keep the current approach?

Q5: Would averaging earnings over short, fixed periods help carers? If yes, what might be the best period of weeks? For example, always averaging earnings over a period of 8 weeks or 16 weeks.

The Department is exploring options for replacing the current Carer's Allowance weekly cliff-edge earnings limit with an earnings taper. At the moment, Carer's Allowance payments stop if earnings go above the weekly limit. One possible alternative would be for the amount of Carer's Allowance to reduce gradually as earnings rise above a set amount, rather than stopping in full as now. This is known as an earnings taper.

There are different ways this could work. Decisions would need to be made on the rate of any taper and the level of earnings it is applied to, whilst maintaining value for the taxpayer.

Q6: If Carer's Allowance were reduced gradually as earnings increase (an earnings taper), which approach would you prefer?

- Allowing people to earn more before Carer's Allowance starts to reduce, but then reducing it more quickly
- Starting to reduce Carer's Allowance at a lower level of earnings, but reducing it more gradually
- Another approach (please explain)

Q7. What should matter most when designing any changes to how earnings affect Carer's Allowance?

Please rank in priority order what is most important to you.

- being simple and easy to understand
- being predictable (knowing in advance how earnings affect payments)
- allowing flexibility for different circumstances
- reducing the risk of overpayments
- keeping the system affordable

Q8: What factors should determine where an earnings taper starts and ends? For example, should it start at the Carer's Allowance earnings limit (currently £204) or below or above it? How much do you think someone could earn alongside caring before a taper end?

Q9: How should the Department communicate an earnings taper? What would help people understand how a gradual reduction in Carer's Allowance payment would affect them in practice?

Around two-thirds of people receiving Carer's Allowance also receive Universal Credit. This can include additional support for carers through a carer addition. Where someone receives both benefits, Carer's Allowance is taken into account as income, meaning the amount of Universal Credit is increased by the carer addition but then reduced by the income from Carer's Allowance.

Carer's Allowance gives rise to a more generous National Insurance contribution than Universal Credit, but Universal Credit is paid at a higher rate than Carer's Allowance and has more generous treatment of earnings. Carer's Allowance is an individual benefit which ignores capital or income other than earnings, whereas Universal Credit is a means-tested household benefit.

The Department is considering how best the two systems can work together in the future so that it is easier to understand.

Q10: How should the Department ensure that the support for unpaid carers through Carer's Allowance and Universal Credit works more effectively together for those who receive both?

<u>Section 3: Payment issues and other sources of support</u>

Currently, 60% of Carer's Allowance recipients are paid weekly in advance, whilst 40% are paid one week in advance and three weeks in arrears. Paying four weeks in arrears would allow more time for changes of circumstances to be reported and processed. This could help reduce overpayments. It would also allow the Department to make best use of earnings data from His Majesty's Revenue and Customs.

Q 11: What would be the benefits and disadvantages of paying Carer's Allowance four weeks in arrears?

Carer's Allowance is available to students on part-time courses of less than 21 hours a week. Full-time students who are providing care of 35 hours or more a week are supported through the student finance systems in England and Wales. This creates a distinction between those studying below and above this threshold.

Q12: How can we best identify and support unpaid carers to combine study with their caring responsibilities where they can? How does the 21-hour influence decisions around study?

Section 4: Wider views on experience of Carer's Allowance

Q13 We recognise that people may have wider views on Carer's Allowance and the way it works. Are there other aspects of Carer's Allowance that you think it would be helpful for the Department to understand?

Glossary

- Averaging of earnings: looking at earnings over a set period (for example several weeks) to work out an average, rather than assessing each week individually.
- Earnings limit: the maximum amount someone can earn each week and still receive Carer's Allowance.
- Cliff edge: where Carer's Allowance stops completely if earnings go above the limit.
- Earnings taper: an alternative where Carer's Allowance would reduce gradually as earnings increase, instead of stopping all at once.
- Discretion: where the Department applies judgement to individual circumstances rather than fixed rules.
- Predictability: being able to understand in advance how earnings will affect entitlement.
- Flexibility: allowing the system to reflect different individual circumstances.
- Payment in arrears: Carer's Allowance is payable in arrears, meaning payment is made after the end of the period for which entitlement has been established.