



Experiences of unpaid carers and welfare rights advisers navigating the complexity and inflexibility of the welfare benefits system

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PURPOSE OF THIS BRIEFING

“One of the reasons why benefits are so complex is that they are not generally there to do just one thing - such as helping people who are poor, or redistributing income... The aims of social security are many. They overlap, and on occasion they pull in different directions.” (Spicker, 2017).

In the wake of the [Independent Review of Carer’s Allowance overpayments](#), this briefing explores whether complexity and inflexibility undermine the ability of [Carer’s Allowance](#) to fulfil its main aims, 50 years after it was first introduced.

It summarises key findings from [Centre for Care research](#) which included interviews with:

- 50 unpaid carers exploring risks to their financial wellbeing (Overton and Watkins, 2026)
- 20 welfare rights advisers exploring their experiences of supporting carers to access the benefits system across England and Wales

You may also be interested in reading our [Case for Change on Carer’s Allowance](#).

INDEPENDENT REVIEW OF CARER'S ALLOWANCE OVERPAYMENTS (SAYCE REVIEW)

Background

Following award-winning [investigative journalism](#) led by the Guardian which exposed the scale and impact of Carer's Allowance overpayments, the Government commissioned an [independent review](#) led by Liz Sayce OBE (Sayce, 2025). The review had a tightly defined scope, seeking to i) establish how overpayments of Carer's Allowance linked to earnings occurred; ii) recommend how to support carers who accrued them; and iii) recommend how to avoid these problems occurring in the future.

Prior to this, a 2019 House of Commons Work and Pensions Select Committee [inquiry](#) heard [evidence](#) from carers experiencing "significant distress and anxiety" as a result of overpayments. It made several recommendations to address this; however, five years later, a [National Audit Office](#) investigation found that little meaningful action was taken to implement change (NAO, 2024).¹

How do overpayments of Carer's Allowance happen?

- Carer's Allowance allows carers to earn up to £204 a week after tax, National Insurance and certain other deductions (from April 2026).
- When earnings exceed this threshold, the carer must notify the Carer's Allowance Unit of the Department for Work and Pensions (DWP).
- Earning a penny over the limit means that you are not entitled to receive the benefit - the 'cliff edge'. DWP classifies this as an overpayment, which must be repaid.
- Unpublished DWP analysis shared with the Sayce review finds that from 2019-2024 one in five claimants in paid work had an earnings-related overpayment detected.
- Until April 2025, the earnings threshold was not pegged to the National Minimum Wage, which meant that every time it increased, claimants would need to reduce their working hours in order to remain below the threshold.

Main conclusions

- The review is clear that "the prevalence of overpayment related to earnings has been caused not by widespread individual error by carers in reporting their earnings but by systemic issues preventing them from fulfilling their responsibility to report" (Sayce, 2025).
- It also concludes that the scale and impact of overpayments have undermined the core aims of Carer's Allowance. For example, it finds that "carers' [employment] opportunities are curtailed by the complexity of the earnings rules and the unforgiving nature of the earnings limit", and discusses wider calls for reform.



CENTRE FOR CARE RESEARCH FINDINGS: EXPERIENCES OF COMPLEXITY AND INFLEXIBILITY

Our research explored issues of complexity relating to Carer's Allowance as "[u]nderstanding complexity is essential before we can work out where some simplification might be possible" (Spicker, 2005). Our findings help to shed light on the ways in which complexity and inflexibility undermine the core aims of Carer's Allowance and contribute to very poor experiences for carers. It builds on our previous work that underpins a [Case for Change](#) for reform of Carer's Allowance.

As the Sayce Review notes, Carer's Allowance has been understood to have three core aims:

1. To provide partial income replacement for people whose caring role means they are unable to undertake full-time paid employment.
2. To recognise the societal importance of caring.
3. To enable carers to also undertake some paid employment if they can.

Our research findings highlight how complexity undermines the ability of Carer's Allowance to fulfill these aims.

Aim 1: partial income replacement

This is undermined by complexity of Carer's Allowance rules, interactions with other benefits, and management systems.

While applying for Carer's Allowance is a relatively straightforward process compared to other benefits, the person being cared for must be in receipt of a qualifying disability benefit - bringing additional complexity.

Applications for qualifying benefits are typically more time-consuming, stressful and more likely to involve mandatory reconsiderations and appeals. Long delays and the potential need to challenge DWP decisions can mean that it is months or even years before that is in place and carers are then able to claim Carer's Allowance. Carers may be able to get back-dated payments of Carer's Allowance - but this can mean struggling with day-to-day expenses for long periods of time. Experiences with the qualifying benefit can be so stressful that carers are deterred from claiming for themselves. Welfare rights advisers reflected that without the in-depth knowledge and persistence that they can offer throughout a complex process often lasting months, or even years, they thought that many carers would simply give up.

When a person has less than 12 months left to live, [Special Rules](#) mean that their disability benefits claim can be fast-tracked. However, this does not apply to their carer.

Our research highlighted that this can be very difficult for carers who have to suddenly reduce or give up work, and experience a sharp drop in income.

For carers on fluctuating incomes, it is very complex to calculate their average earnings and ensure that they comply with the earnings threshold; this can be near impossible in the modern world of 'flexible' work. Carers are responsible for notifying DWP of any changes, unlike with Universal Credit claimants. This results in a high administrative burden, especially for those who are self-employed, do seasonal work, receive higher bank holiday pay, cover for an absent colleague or simply do a slightly longer shift.

The interactions between Carer's Allowance and Universal Credit can cause overpayments and, as the Sayce review recommends, urgently need simplification.

Carers can claim both Carer's Allowance and [Universal Credit](#) (UC) at the same time. However, Carer's Allowance is treated as 'income' and deducted from their UC payment. Carers can apply for a [Carer's Element](#) to be added to UC (currently £209.34 per month); if they claim Carer's Allowance this should be applied automatically. There is no earnings threshold for Carer's Element, although UC is of course means-tested.


It can be complex for claimants to work out what would be best for their personal circumstances, as well as whether DWP has paid them correctly, or whether there is an error which needs challenging. **Even experienced welfare rights advisers find this highly confusing**, as Jeremy², one of our participants explains,

"One of the things we've sort of discussed as an office are the different pros and cons of claiming Carer's Allowance as well as Universal Credit, or just the Carer's Element within Universal Credit. And this is a bit of a minefield in itself for us." He elaborates that it is not

always as straightforward as calculating which option would result in higher income for the claimant, “you know, sometimes people effectively choose to make themselves worse off, just because it’s what they can manage at that period of time, really. It’s very simple for us, benefits caseworkers, to be like, “Yeah, financially, this is the way to go,” but we’re not necessarily in their shoes, thinking about all they have to manage on top of claiming benefits.”


Complex management systems also undermine its function as an income replacement benefit. When carers share information with the Carer’s Allowance Unit, this is not reliably communicated with other teams in the DWP - welfare rights advisers particularly highlight a lack of communication with Universal Credit. Welfare rights advisers often play a crucial role in following up and making sure that this happens.

Computer systems have introduced more complexity but are often framed as a means of streamlining processes. Correcting a simple error can be much more time-consuming due to inflexible systems, as Ciara explained:



“In the old days, there used to be actual people, so I would be an advisor and I would get to know the people in [benefits office]... I could phone them up. So, if there was a decision that I could see was not right, I could phone and say, “Oh, could you look at this decision again? It’s not right.” ... chances are, they would look at it and go, “Oh, yeah,” and change it, and we wouldn’t even get into the formal process,” *Ciara, welfare rights team manager in a local authority.*

These interactions between Carer’s Allowance and Universal Credit can trigger overpayments. Welfare rights advisers find this difficult to explain to claimants, and difficult to get DWP to resolve:



“Massive issue we find is Carer’s Allowance and Universal Credit. They do not speak to each other... For example, we had a case and they got a letter saying they’d been overpaid Carer’s Allowance, which was fine, they had gone over the earnings limit. And they wanted £3,000 back. But then that meant they’d have been underpaid to Universal Credit by £3,000 but no one... and I spoke to the advisor and they did not understand what I was trying to communicate to them. I was like, but you can still get the [Carer] element, it wouldn’t have been deducted as income, they would have just got it there. It’s caused a whole load of stress, when really, technically, they’ve not been overpaid or underpaid by anybody, it’s just that the money has come from two different benefits. ... I rang Universal Credit, they both were like, it’s Carer’s Allowance issue, it’s a Universal Credit issue. It was very... no one was taking responsibility...” *Evelyn, welfare rights team manager in a carers centre.*

Aim 2: recognition of the caring role

This is undermined by complexity in interactions between Carer’s Allowance and other benefits.

The ‘overlapping benefits rule’ means that carers cannot receive the full amount of both Carer’s Allowance and the State Pension at the same time.

This leads many pensioners to feel that their role as a carer is not recognised; they lose Carer’s Allowance when they hit State Pension age, but their caring responsibilities do not change. Sheila described this as “unfair”, explaining that caring for her dad “24/7” in her own home meant that she still faced additional expenses but neither she nor her husband were unable to increase their income due to being retired:



“...I applied for it. And in the first line they said ‘yes, you are granted Carer’s Allowance.’ So I were ‘thank you very much’. And the next line ‘because you have a pension, you’ll not get it.” *Sheila, 71, caring for her dad.*

Pensioners who otherwise meet the eligibility criteria for Carer’s Allowance are said to have an ‘underlying entitlement’. If they qualify for Pension Credit, then they are entitled to receive a Carer Addition (up to £48.15 per week). Again, this is complex to grasp, and means that many are likely to miss out without an adviser to guide them.

If a carer supports someone in receipt of the [Severe Disability Premium](#) in their means-tested benefits, then claiming Carer’s Allowance (or the Carer Element of Universal Credit) means that they would lose this.

Interactions between benefits can lead to a domino effect (since there are implications for Pension Credit, and therefore associated benefits including Winter Fuel Payment, the TV Licence council tax, and Housing Benefit), meaning they lose a significant sum - this usually leads the carer to decide not to claim for themselves.

Welfare rights advisers report that DWP increasingly does not recognise disabled carers or mutual/co-carers. Twenty-nine percent of carers also identify as disabled themselves (ONS, 2021), and 144,000 people receive both Carer's Allowance and PIP (DWP, 2025).

However, there are growing concerns about cases where a carer's own disability or health condition is used by DWP as a justification to deny awarding them carers' benefits.

In particular, many highlighted that advice for people migrating from legacy benefits to Universal Credit is especially complex for this group, with a welfare rights adviser explaining,

"if a person has had their transitional protection element³ calculated on the basis of them being a carer, that then when they've applied for Universal Credit, they've ticked to say that they have a health condition, they get an assessment done for limited capability for work, if this then gets paid at the higher rate, it can or it could at least sort of wipe out transitional protection element, and indeed could potentially have created a slight overpayment as well", **Jeremy, welfare rights adviser in a Citizens Advice Bureau.**

Aim 3: enabling people to work and care

The complexity of Carer's Allowance rules and its interactions with other benefits lead to counter-productive outcomes.

The Sayce review also reflects that Carer's Allowance rules can lead to 'counter-productive outcomes' when it comes to paid work. Our research supports this, finding that **the complexity of complying with the earnings threshold and fear of incurring overpayments deters some working carers from claiming at all, while for others it is a disincentive to take on part-time work.**

"The fact of the matter is that most self-employed people, their earnings, their takings fluctuate so much, it's hard to get a cycle. It's the same as seasonal workers: Where I live, where I'm working, there's a big seaside resort, and there's a massive caravan park. They do a lot of seasonal work, right? A lot of carers there, they cannot get their Carer's Allowance accurately paid, because of the type of work they're doing: temporary, cyclical. That, the inflexibility there is obviously dominated by their work practices. But, again, you've got school staff, don't work through the summer... And the time spent by these people trying to square the circle of the needs of the Carer's Allowance Unit, trying to reduce their hours to get under the hours limit, employers can be flexible to a point, but they've got their own needs as well. So, the inflexibility is built into the system". **Frank, welfare rights adviser in a local carers centre.**

Many working carers are simply not eligible for any benefits despite undertaking high intensity caring and being on relatively low incomes.

Welfare rights advisers identify a gap for many working carers. The risk of burn-out is exacerbated by trying to juggle care and paid work, without eligibility for benefits in recognition of their caring role.

*"It ends up with this position where they reduce their hours or leave their work and that's the position for a lot of carers that ultimately their earnings from their job role, their jobs are mostly going to be so inflexible that they probably are going to leave and rely on benefits. The system has actually made that happen a lot sooner than it needed to because of things like that threshold. And a lot of those carers, some people will go, I'm quite happy to leave work and be a carer and some people will go no, the only contact I have with people outside the person I care for was in employment and now that's taken away from me because I want to keep ticking over and doing this number of hours and it's over the earnings threshold, so I'm stuffed." **Alan, welfare rights team manager for a local authority.***

The rules are also complex in relation to study, limiting carers' educational opportunities and thereby their future earning potential. A welfare rights adviser explained:

*"With Carer's Allowance, you're really restricted if you want to do a course, whether it's a part-time degree, postgraduate, whatever, FE college... even if you and I might think the course is part-time, so less than 15, 16 hours, if that course says, "full time", it's full time because the case law says that. So you're really restricted", **Stephen, welfare rights adviser in a Citizen's Advice Bureau.***

FINDINGS: BEYOND COMPLEXITY AND INFLEXIBILITY

Our data captures much more than complexity and inflexibility as issues that require the reform of Carer's Allowance in both its design and delivery. Our findings show that:

1. The rate of Carer's Allowance is inadequate

Carer's Allowance is a very low value benefit. The weekly amount plus the maximum earnings wages is £290.45 per week⁴ - a meagre income for a person to live on. The majority of claimants are high intensity carers. DWP's own research found that [52% of claimants spent 65 or more hours caring in a typical week](#) - significantly more than the minimum 35 hours required by the eligibility criteria.

Many carers feel that Carer's Allowance is not just inadequate but 'insulting' and does not recognise their contribution to society - arguing that it should be increased, and that the earnings threshold should be much higher or not exist at all.

"You do feel isolated and undervalued. And I think I worked out once that, you know there is a requirement for Carer's Allowance that you do 35 hours a week, caring, obviously I do a lot more than that, but I'm sure I worked it out with some like £1.89 an hour they give you, you know. So you're like well, that's slave wages you know." Robert, 49, cares for his mum and dad.

"The ones that strike me the most are those people that have been in pretty well-paid jobs, and then through circumstances, have to give up these jobs, sometimes without checking, and I know this sounds crazy, how much they'll be entitled to if they give up the job. And then, the harsh reality of, "How much?" they say, or words to that effect.. they cannot believe how people can survive on such a low level of income, and then have to jump through hoops to get it." Frank, welfare rights adviser based in a local carers centre

2. DWP culture and treatment of claimants

Our research finds that carers' abilities to claim their entitlements are undermined by cultural issues at DWP including high staff turnover, a lack of understanding about their needs, limited accountability and one-sided conditionality.

Interactions with the DWP cause a high degree of stress and anxiety for carers - but also affect the mental health of welfare rights advisers.

Our findings indicate the overall approach of DWP further serves to make carers feel that they are not recognised or valued. This is exemplified by the Government's rejection of the Sayce review's recommendation that error and fraud figures in published statistics be re-categorised so that the 'fraud' category does not include cases where no intention of fraud has been found. The review argues that DWP's broad definition of fraud "risks distorting the understanding of the level of fraud on Carer's Allowance overpayments related to earnings" (Sayce, 2025). This approach perpetuates damaging narratives in the media and public discourse about the level of benefits fraud, and **contributes to a climate where a deep sense of internalised shame deters people from claiming their entitlements.**

"That's the real barrier to anyone claiming, is because they don't think it's for them. You have to be a certain type of person. You have to have done something wrong, almost. (Laughs) Do you know what I mean? If you've done something wrong and you've been feckless in some way, then that's a benefit person, "But that's not me, so I'm not going to engage with that system at all." Ciara, welfare rights team manager in a local authority.

Our research also indicated **little support for carers with additional needs to make benefits claims or communicate accessibly with DWP** - for example, for carers with learning disabilities, who are digitally excluded, or with low literacy. More broadly, **a lack of compassion is baked into the eligibility criteria for Carer's Allowance, without recognition of the support carers need once their caring role ends.** Returning to work after bereavement can be hugely challenging for carers, who often experience an identity crisis at this point and need more flexible support. Carers can continue to claim Carer's Allowance for 8 weeks after the person they care for dies. Welfare rights advisers report that bereaved carers are then expected to search for jobs while they are still grieving.

3. Capacity, resources and expertise of the welfare advice sector

Our research highlights the high level of knowledge (including policy changes, regulations and case law), emotional skills, and resilience needed by welfare rights advisers.


This important and skilled job is typically relatively low paid (even for those with years of experience) and on fixed-term contracts. Long-term funding for this non-statutory service is challenging to secure, which means many of the advice services we engaged with in the research had long waiting lists.

Not all welfare rights services offer the same level of advice and expertise - leading to geographical variation, for example, in access to advice on appeals. Worryingly, some carers services are reticent to advise on Universal Credit claims, because it is so complex and there are so many decisions which need challenging.

CONCLUSION AND RECOMMENDATIONS

Although Carer's Allowance may appear relatively simple compared to other welfare benefits, the reality experienced by carers is actually very complex. Carer's Allowance is only one part of the picture for carers. Carers encounter further complexity in the system when they apply for other benefits themselves (e.g. the Carer Element of Universal Credit, or Personal Independence Payment [PIP]), or if they are heavily involved in the process of claiming a benefit for the person they care for (e.g. PIP, Attendance Allowance, child DLA). Many welfare rights advisers highlighted the impact of the Green Paper proposals in summer 2025, saying that this had a chilling effect on the willingness of carers to apply for benefits they believed would be quickly taken away.

Our research finds that the concepts of complexity and inflexibility cannot fully explain the challenges experienced by carers trying to navigate the benefits system. Welfare rights advisers shared many troubling examples of poor treatment which had a financial, practical, and emotional impact on carers who are typically already time-poor and stressed. This also has an emotional impact on welfare rights advisers themselves. Importantly, our findings also highlight the knowledge, skills and value of this workforce, which plays a crucial role within the care ecosystem.



"It says something about a system where something is so complex that actually people are happy to rely on an allegedly expert advisor because that's the easy option ... There are some things that are fundamentally wrong if you need to rely on an advisor just to even explain what it is you're going for and to help fill in the claim pack." Alan, welfare rights manager in a local authority.

Our research underscores the urgent need for fundamental reform of the design and delivery of Carer's Allowance, as outlined in our [Case for Change](#). Specifically, to address issues raised by this research, **we recommend that the government should:**

- 1 Reform the Carer's Allowance earnings threshold:** complying with the current 'cliff edge' earnings threshold (£204 per week) is complex for carers on fluctuating incomes. It is incompatible with modern flexible working, traps carers in low-paid or zero-hour contracts, and prevents carers from taking on more work if they are able to. The earnings threshold should either be increased significantly or abolished completely.
- 2 Review and simplify the interactions between Carer's Allowance and Universal Credit:** this should be with the aims of i) making it clearer to carers whether it is more beneficial for them to claim CA, UC, or both; ii) making their communications with DWP more straightforward; and iii) preventing overpayments which arise from this complex interaction (echoing recommendations from the Sayce review).
- 3 Develop a publicly available policy setting out how DWP will safeguard the wellbeing of vulnerable claimants, including a commitment to cultural change** so that their wellbeing is centred in the design, planning and implementation of policy. Specialist training for DWP staff to understand caring would foster greater empathy and understanding of carers' rights.
- 4 Introduce a statutory duty to provide social welfare advice, which is available to all who need it and free at the point of delivery,** as called for by the [National Association of Welfare Rights Advisers](#) (NAWRA). Carers' ability to claim their entitlements hinges on an overstretched and underfunded advice sector, with variations in access to different levels of support geographically. A statutory duty would address inequity and unsustainability in current provision.

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ENDNOTES

- ¹ Since then, an additional £100m in overpayments was made to carers, and £47m of debt recovered from them.
- ² All names are pseudonyms.
- ³ A Transitional Protection Payment is added to a person's Universal Credit entitlement if they received more from legacy benefits (Income-based Jobseekers Allowance, Income-related Employment and Support Allowance, Income Support, Housing Benefit, Child Tax Credit, Working Tax Credit).
- ⁴ The earnings threshold of £196 per week equates to 16 hours of work paid at the National Minimum Wage.

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