EXPLANATORY MEMORANDUM TO

THE SOCIAL SECURITY (INVALID CARE ALLOWANCE) (AMENDMENT) REGULATIONS 2015

2015 No. 162

1. This Explanatory Memorandum has been prepared by the Department for Work and Pensions and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

The Social Security (Invalid Care Allowance) (Amendment) Regulations 2015 make provision for carers to earn slightly more than they can at present before triggering an earnings rule which would disentitle them from Carer's Allowance (CA). The earnings limit in CA is to be increased from £102 to £110 a week before it affects their entitlement to CA.

3. Matters of special interest to the Joint Committee on Statutory Instruments

None.

4. Legislative Background

These Regulations make minor changes to regulation 8(1) of the Social Security (Invalid Care Allowance) Regulations 1976 ("CA Regulations") relating to the earnings limit in CA. Amending this regulation will allow carers along with their caring responsibilities to maintain some contact with the labour market, have greater financial independence and continue to benefit from social contacts.

5. Territorial Extent and Application

These Regulations apply to Great Britain. A separate but corresponding provision will be made for Northern Ireland.

6. European Convention on Human Rights

As the instrument is subject to the negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy Background

What is being done and why?

7.1 Under regulation 8(1) of the CA Regulations the earnings limit, to be entitled to CA, is currently £102 a week.

7.2 Unlike the rate of payment for CA itself, which is uprated annually in line with the Consumer Prices Index, there is no fixed process for deciding when the earnings limit should be raised and, if so, by how much. The earnings limit was last increased in May 2014 to £102.

7.3 The policy rationale for increasing the earnings limit for CA from £102 to £110 a week is to allow carers to maintain some contact with the labour market, have greater financial independence and continued social contacts.

7.4 Informal consolidated text of instruments is available to the public free of charge via 'The Law Relating to Social Security' (Blue Volumes) on the Department for Work and Pensions website at http://www.dwp.gov.uk/publications/specialist-guides/law-volumes/the-law-relating-to-social-security/ or the National Archive website legislation.gov.uk . An explanation as to which instruments are maintained on each site is available here

8. Consultation outcome

As this is a small but positive measure, consultation was therefore not considered necessary.

9. Guidance

Leaflets will be updated to reflect the new earnings limit in due course and guidance bulletins will be issued to operational staff to advise them of the new rate.

10. Impact

10.1 This instrument has no impact on business and civil society organisations.

10.2 This instrument has no impact on the public sector.

10.3 A full impact assessment has not been published for this instrument.

11. Regulating small business

This instrument does not apply to small business.

12. Monitoring and review.

We will keep this change under review.

13. Contact

Rani Nagi at the Department for Work and Pensions: Tel – 0207 449 7599 or Email: rani.nagi@dwp.gsi.gov.uk