

# Children looked after away from home by the local authority – impact on family benefits and tax credits

Your benefit and tax credit entitlement changes if your child is no longer living with you because s/he is 'looked after away from home' (sometimes called 'looked after and accommodated') under the Children (Scotland) Act 1995 – eg, s/he goes to stay in a residential unit or secure accommodation, or s/he has been placed with foster carers. You may have agreed to this or it may be because of a legal order. In this leaflet we use the term 'looked after away from home' to describe this situation.

The information in this leaflet **does not apply** if the residential accommodation has been provided solely:

- because of the child's disability; or
- because the child's health would be significantly impaired if the accommodation were not provided.

***This checklist explains what happens to your benefits and tax credits, and what you should do, if your child is looked after away from home by the local authority.***

<b>Benefit/tax credit</b>	<b>Impact</b>	<b>What you should do</b>
Child benefit	Stops after child has been looked after away from home for eight weeks in a row.	Notify Child Benefit Office if child is looked after away from home for eight weeks.
Income support (IS) and jobseeker's allowance (JSA)	Child stops counting as part of your household as soon as s/he is looked after away from home. If you are still getting amounts in your IS/JSA for the child, these will stop.	If claiming IS or JSA, notify DWP immediately.
Housing benefit/council tax benefit (HB/CTB)	Child stops counting as part of your household as soon as s/he is looked after away from home. This means that your HB/CTB 'applicable amount' no longer includes amounts for the child. If the local housing allowance applies to you (private-rented sector) this may change because you are regarded as needing fewer rooms.	If claiming HB/CTB, advise HB office immediately. Remember to tell HB about any decrease in income because any other benefit/tax credit has stopped or changed.
Disability living allowance (DLA) – payment	If child is living with foster carers both DLA components continue to be paid. If child is in a residential unit/school the care component stops after four weeks.	If child getting DLA care component, notify Disability Contact and Processing Unit immediately.
Disability living allowance (DLA) – appointeeship (who receives the payments)	Appointeeship should stop if child expected to be looked after away from home for more than 12 weeks.	Notify the Disability Contact and Processing Unit.
Carer's allowance (CA)	CA stops if you are no longer caring for your disabled child for 35 hours or more a week, or because the care component has stopped being paid. If you get a carer premium in a means-tested benefit this will stop eight weeks after entitlement to CA stops.	If you are claiming CA in respect of your child, notify Carer's Allowance Unit immediately. If you get any means-tested benefits, tell the DWP that your carer's allowance has stopped.
Tax credits	You stop counting as responsible for the child as soon as s/he is looked after away from home. This means, for example, that your child tax credit for that child should stop immediately.	If claiming tax credits notify Tax Credit Office immediately.
Incapacity benefit (IB)	No impact unless you are still getting a child dependant addition in your IB. In this situation the child dependant addition stops when child benefit stops.	No action needed unless you are still getting a child dependant addition. In this case notify DWP when child benefit stops.
Employment and support allowance	No impact.	No action needed.

***This checklist explains what happens to your benefits and tax credits, and what you should do, if your child is still looked after by the local authority but starts coming home for some of the time.***

<b>Benefit/tax credit</b>	<b>Impact</b>	<b>What you should do</b>
Child benefit	<p>Child benefit is payable for any week when the child comes home</p> <ul style="list-style-type: none"> <li>• for seven nights in a row, or</li> <li>• for any nights following on from the first seven, or</li> <li>• on a regular basis for at least two consecutive nights every week.</li> </ul>	<p>Notify Child Benefit Office of any nights child spends at home. Reclaim if you no longer get any child benefit.</p>
Income support (IS) and jobseeker's allowance (JSA)	<p>If you have continued to get a personal allowance for another child in the family while your child has been looked after away from home, you can get an increase for the days your child spends at home.</p>	<p>If still getting personal allowance/ premiums for a child or children in IS/JSA, notify DWP of any nights child spends at home.</p>
Housing benefit/council tax benefit (HB/CTB)	<p>If your child comes home for part of the week, the local authority can calculate your HB/CTB as if s/he is home for the whole week if it is reasonable to do so, taking into account the nature and frequency of visits.</p>	<p>Notify HB office of any nights child spends at home.</p>
Disability living allowance (DLA)	<p>If the care component has stopped because your child is in residential care it can be paid for any days the child is at home. The day s/he comes home and the day s/he goes back count as days at home.</p>	<p>Notify Disability Contact and Processing Unit of any days the child spends at home.</p>
Carer's allowance (CA)	<p>If your child is disabled and gets DLA care component (middle or highest rate) you may be able to get carer's allowance if your child starts coming home for some of the time and you are caring for her/him for 35 hours or more a week (Sunday to Saturday). The hours do not have to be spread across the whole week.</p>	<p>Re-claim CA if your child comes home and you spend 35 hours a week (Sunday to Saturday) or more caring for her/him. If you are getting any means-tested benefits, or if you might be entitled to these because you are receiving the carer's premium, tell the appropriate office that carer's allowance has started.</p>
Tax credits	<p>There is no provision to allow tax credits to be paid for days your child spends at home while s/he is still formally looked after away from home.</p>	
Incapacity benefit	<p>If you were previously getting a child dependant addition and this has stopped, you will not be able to get it back.</p>	
Employment and support allowance (ESA)	<p>There should have been no impact on ESA and no action needed.</p>	

## Further information and advice

### Child Poverty Action Group in Scotland

CPAG in Scotland advice line for advisers

0141 552 0552 advice line for advisers on all aspects of benefits and tax credits

Monday, Tuesday, Wednesday and Thursday 10am to 12 noon

**Email:** [advice@cpagscotland.org.uk](mailto:advice@cpagscotland.org.uk)

**Website:** [www.cpag.org.uk](http://www.cpag.org.uk)

For more detailed information about all of the issues covered please see CPAG's *Children's Handbook Scotland* available free online at <http://scottishhandbooks.cpag.org.uk>

**CHILD  
POVERTY  
ACTION  
GROUP**  
in SCOTLAND

© Child Poverty Action Group, January 2010

Child Poverty Action Group is a charity registered in England and Wales (registration number 294841) and in Scotland (registration number SC039339). Company limited by guarantee registered in England (registration number 1993854). Registered office: 94 White Lion Street, London N1 9PF

CPAG in Scotland's welfare rights projects are supported by the Scottish Government