

WELFARE REFORM COMMITTEE

WOMEN AND WELFARE INQUIRY

WRITTEN SUBMISSION RECEIVED FROM CARERS SCOTLAND

Carers Scotland welcomes the opportunity to contribute to this inquiry. Our response explores current data and research about carers, the impact of current reforms alongside future concerns and the need to link impacts and welfare reform to the wider policy agenda.

Female carers in Scotland

Women represent 59% of Scotland's 759,000 unpaid carers. The Census shows the proportion of female carers varies at different life stages

Aged under 25 years	Aged 25-49 years	Aged 50-64 years	Aged 65 and over
<ul style="list-style-type: none">• 2% of under 25s are carers	<ul style="list-style-type: none">• 10% of this age group are carers	<ul style="list-style-type: none">• 17% are carers	<ul style="list-style-type: none">• 11% are carers
<ul style="list-style-type: none">• 45% of carers are male : 55% female	<ul style="list-style-type: none">• 38% of carers are male : 62% female	<ul style="list-style-type: none">• 40% of carers are male : 60% female	<ul style="list-style-type: none">• 46% of carers are male : 54% female

Some 74%¹ of Carers Allowance claimants are women. Women are twice as likely to have to give up work to care.

Women make up the majority of carers across all age groups, particularly amongst working age women between 25 and 64 years old.²

Research³ indicates that 84% of sandwich carers – carers who have childcare responsibilities alongside care for an older or disabled relative – are female. The peak age for having dual caring responsibilities is between 40 and 49 years. Women are four times more likely than men to have given up work because of these multiple caring responsibilities. Of these carers 28% are caring for 2 or more adults alongside caring for children. Women were almost twice as likely as men to be supporting a parent or parent in law.

¹ Carers UK (2014) Caring and Family Finances Inquiry

² Engender (2015) A Widening Gap: Women and Welfare Reform

³ Sandwich Caring (2012) Employers for Carers & Carers UK

The challenges

Many carers face significant challenges when they take on caring responsibilities, often seeing a sharp rise in household expenditure. Our research⁴ found that the extra costs of caring and disability can include higher energy bills, phone bills and transport costs as well as care costs, specialist foods, equipment and adaptations⁵.

This is often accompanied by a steep drop in income as carers cut their hours, take on lower paid more flexible work or leave work altogether when they feel they cannot juggle caring alongside work, and often other commitments such as childcare, any longer.

Caring can mean long periods out of employment. In research⁶, almost a third (30%) of carers report spending over 10 years out of work as a result of caring. This is most likely to affected people at the peak age for caring (45-64) when they are also often at the peak of their careers. Nearly 40% of Carers UK's State of Caring respondents had given up work between 40 and 54. Giving up work at this age also means carers can struggle to return to the workplace when their caring responsibilities come to an end and they can face long term financial hardship into retirement.

Leaving work to care not only affects the finances of carers and their families now but it can have far reaching consequences for their long term financial security. Nearly half of carers who had left work to care said they were unable to save for a pension. 58% said they would not be able to save for their own future care needs.

Failing to prevent the financial hardship of carers means that despite saving made to the state through their contribution, many carers themselves will be reliant on the limited safety net of social security and state funded care later in life. This approach is not sustainable and those that provide care should have their income and future financial resilience protected.⁷

There are significant issues for carers who combine caring for an older relative alongside childcare. In research⁸, a third of these sandwich carers were caring around the clock and the vast majority of these carers (85%) had been forced to give up work to care.

⁴ Carers UK (2014) Caring and Family Finances Inquiry

⁵ State of Caring Survey 2014, published in Carers UK (2014) The State of Caring 2014

⁶ Carers UK (2011) State of Caring survey

⁷ Carers UK (2014) State of Caring

⁸ Sandwich Caring (2012) Employers for Carers & Carers UK

“I feel as if my life has stopped. I was hoping as the children grew up I would be able to have a career again, but feel chances are made less because of these years I could have been retrained, are taken up with hospital appointments and caring for my parents. I will be old before I know it and will have lost this part of my life.”

36% of respondents (as well as having caring responsibilities for another relative) reported that at least one of their children had a disability or long term condition.

Over one in four (28%) said that additional support with the care of older and disabled relatives would make the biggest difference in helping them manage, substantially more than those who picked affordable childcare (6%).

Welfare and Carers

Although saving the Scottish economy £10.3 billion every year, financial support for carers through the benefit system is set at the lowest rate for any income replacement benefit. Carers Allowance is only £62.10 per week. Jobseekers Allowance is £73.10 per week. Carers Allowance is taxable.

Half of carers receive income support. Carers UK estimate that the switch from RPI to CPI and 1% uprating of Income Support is having an impact on carers income, despite their other benefits rising with inflation. For example, in “Caring and Family Finances”, carers estimated that carers will be £117 a year worse off by 2015-16.

Current rules mean that people who are undertaking more than 21 hours of further education cannot claim. Carers in employment who exceed the earnings limit of £110 per week, even if only by 1p lose all £62.10 of Carers Allowance. One in 10 carers who had left work, reduced working hours or retired early to care pointed to the rules in the benefit system which mean, financially, it is not worth working.

Carers are already facing significant financial disadvantage and increased living and care costs as a consequence of caring. For example⁹:

- 47% are in a household where no-one was in paid work, reflecting the impact of disability and caring on households.
- 37% are unable to pay their utility bills
- 47% are in debt as a result of caring
- 38% are cutting back on essential spending like food and heating to make ends meet

⁹ Caring and Family Finances 2014, Carers UK and Carers Scotland

Yet much of the reforms to welfare that will affect them are still to come.

Carers have significant concerns over the change from disability living allowance (DLA) to personal independence payment (PIP) and initial reports of long delays in assessment in decision making exacerbate this further. This UK Government estimates that, across the UK, approximately 607,000 fewer people will receive PIP than would have received DLA – a 28% reduction.¹⁰

Carers are extremely worried both about the loss of financial support for the person they care for and the consequences for their ability to afford living costs and buy or maintain essential care services or aids and adaptations. In addition, those in receipt of Carers Allowance face the possibility of loss of disability benefits causing simultaneous loss of Carers Allowance.

The UK Government estimates that 5,000 carers will lose entitlement to Carers Allowance in the first two years of the move to PIP. However, this is net as they expect 25,000 carers to lose CA and 20,000 so masks significant impact on the lives of carers. If this continues for the rest of the PIP implementation, Carers UK estimates that 24,457 fewer carers will receive Carers Allowance as a result.¹¹

Many carers are deeply worried that they would need to claim Jobseekers Allowance, bringing the risks of conditionality and sanctions and further loss of support as they would be unable to seek work given an ongoing need to provide care. Carers are unlikely to have sufficient flexibility to meet work requirements and, as noted earlier, many have dual responsibilities in caring for disabled or older family alongside children.

Carers will also be affected by the benefit cap as Universal Credit is introduced. Whilst exemptions apply to households with claimants of some benefits, receipt of Carers Allowance does not exempt a household from the cap. Whilst many carers live with and are in the same “household” as the person they care for, certain groups of carers are not.

So whilst carers looking after disabled partners and disabled children under 18 will be exempt from the cap, those caring for adult disabled children or someone living outwith their home will not be. Those carers who will be subject to the benefit cap are predicted to lose £105 per week on average.¹²

¹⁰ Social Security (Personal Independence Regulations) 2013 from Carers UK (2013) Caring and Family Finances Inquiry

¹¹ Carers UK (2013) Caring and Family Finances Inquiry

¹² DWP (2012) Benefit Cap (Housing Benefit) Regulation 2012: Impact assessment for the benefit cap

The challenges and opportunities of further devolution

We highlighted to the Smith Commission that partial devolution of social security would create additional complexity for carers – who already faced significant challenges in juggling health, and social care and benefits systems alongside their lives and caring roles. To enable a coordinated approach to delivery and policy development without creating this additional complexity and the associated costs of managing two systems, we reasoned it made sense to devolve the full range of social security powers to Scotland.

Notwithstanding this, we welcome the devolution of disability and carer benefits and hope that there are opportunities to make a difference to the lives of carers. However, we do have some concerns.

The power to create a new benefit to replace **Carers Allowance** or make changes to Carers Allowance for carers in Scotland appears to be more restrictive than what we believe the Smith Commission outlined. The clauses appear to suggest that the power extends only to benefit carers who are not in full time education, and not gainfully employed.

We consider this to be restrictive and limit any future developments to support, For example, the policy direction is to ensure that all young people have the opportunity to take part in employment, education and training; yet this restriction may limit the opportunity to support young adult carers who wish to study whilst managing a caring role.

Equally these clauses appear to apply to any changes the Scottish Government may wish to make to Carers Allowance in line with its own policies on employment. For example, we have been given to understand that the description “not gainfully employed” refers to the earnings limits currently in place for Carers Allowance – where a carer cannot earn more than a prescribed amount (after certain deductions) before all Carers Allowance is lost. .This limit is very low and every year many carers lose complete entitlement to Carers Allowance when the minimum wage rises, even when their earnings are merely a few pence above the earnings limit.

We question whether the restrictive nature of the clauses will prevent the Scottish Government from removing this “cliff edge” or increasing the earnings limit in line with, for example, the Living Wage rather than the minimum wage.

Whilst we have welcomed the joint commitment that any **new benefits must provide additional income** for individuals, there is a lack of clarity over whether increases in levels of current benefits – for example, to bring the value of Carers

Allowance in line with Jobseekers Allowance – will simply result in a deduction from income support, pension credit or universal credit. This will not therefore bring any increase in income to the poorest carers, the largest proportion of whom are women.

In considering amendments to Carers Allowance or development of new benefits to support carers, we do not specify precisely what we believe should be developed in future, although we make some suggestions in line with previous engagement with carers in developing a response to the Expert Group on Welfare. However, an overarching principle should apply - that **carers be fully involved** in the development of any new benefits so that they best reflect their needs.

Carers Allowance

As a first step, the value of carers' benefits should increase, at a minimum to that of Jobseekers Allowance. Amendments to Carers Allowance should be considered to enable carers in education to qualify and to remove the earnings limit cliff edge for carers in employment. However, there is a need to seek clarification to prevent any increase in income from "clawback" through Universal Credit and Income Support

Future Carers Benefits

It is essential that future carer benefits should recognise the contribution of carers and seek to mitigate negative impacts and **provide carers with an independent income**. We have argued since our beginnings 50 years ago that carers must have access to an independent income of their own. Whilst Carers Allowance does have its limitations and qualifying criteria, it is the only standalone benefit that recognises the enormous contribution that carers make to supporting older and disabled people.

Carers and disability benefits **must remain as cash/income benefits** and should not be brought into social care support budgets. We know that this was part of an early discussion on the devolution of Attendance Allowance and believe that it would be detrimental to individuals and their carers.

There must be consideration on **how best the benefits system can support carers throughout their caring journey** including the ways in which benefits, education and employment support can help those who are at the end of their caring journey. Discussions should include how best to financially support carers who will be unable to take up employment due to the intensity of their caring role.

Finally

Whilst this inquiry examines welfare reform, it is vital that considerations for the future take account of the wider policy landscape. Changes and improvements to benefits will not in themselves improve carers lives if, for example, social care and health at local and policymaking level are not responsive to their needs.

In this respect we support recommendations in “A Widening Gap: Women and Welfare Reform” that the Scottish Government should:

- develop a clear action plan to mitigate the impacts of welfare reforms on women which is linked to devolved policy on gender equality, women’s employment, social care and childcare;
- specifically monitor emerging impacts on amongst others, unpaid carers;
- link new powers over benefits to legislation and strategy (including the Carers Bill) and review how devolved services impact on women’s equality before new powers and taken forward
- use the opportunity to reimagine the services needed to better support the group that they serve

The opportunity should be available throughout the process for carers to be fully involved in these considerations; carers are best placed to identify what can help make a material difference in their lives and what is a barrier to their inclusion and opportunity to have a life outside caring.

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1 May 2015

About Carers Scotland

Across Scotland today, more than 660,000 people are carers, supporting a loved one who is older, disabled or seriously ill.

That’s 1 in 8 adults who care, unpaid, for family and friends. Three in five of us will become carers at some point in our lives and, within our lifetime, there will be 1 million carers in Scotland.

Every day 500 people in Scotland become carers. Many don’t know how or where to get help. It can be frightening and very lonely.

Caring is such an important part of life. It's simply part of being human. Carers are holding families together, enabling loved ones to get the most out of life, making an enormous contribution to society and saving the Scottish economy £10.3 billion each year.

Yet many are stretched to the limit – juggling care with work and family life, or even struggling with poor health themselves – and finding it difficult to make ends meet.

Carers Scotland is a charity led by carers, for carers – our mission is to make life better for carers.

- **We give expert advice**, information and support
- **We connect carers** so no-one has to care alone
- **We campaign** together for lasting change
- **We innovate** to find new ways to reach and support carers