

WELFARE REFORM COMMITTEE

THE FUTURE DELIVERY OF SOCIAL SECURITY IN SCOTLAND

WRITTEN SUBMISSION FROM CARERS TRUST SCOTLAND

Carers Trust Scotland is a major charity for, with and about carers. We work to improve support, services and recognition for anyone living with the challenges of caring, unpaid, for a family member or friend who is ill, frail, disabled or has mental health or addiction problems.

We know that many carers face considerable hardship simply because they provide unpaid care. Significant numbers of carers have given up work in order to provide care, which has an impact on their income. Navigating the complex social security system can cause additional difficulties for carers, many of whom will be supporting the person they are looking after to access benefits as well. Many carers who are entitled to Carers Allowance do not receive it – in Scotland it is estimated that over 30,000 carers are missing out on £93m of Carers Allowance¹ – so it is important that the Scottish Parliament uses any new powers to reduce the complexity of the system and improve access to and information about benefits so that carers and their families get the financial support they need.

Regarding the practical delivery of benefits, it is important that integration and development of systems and new services is clear to those who need to access benefits as well as to those who work and volunteer in welfare rights support. National strategic delivery and development that is carried out practically in local areas (by local authorities if there is sufficient resourcing and staffing made available) would seem the most appropriate way to balance equity across Scotland with ease of access and delivery. The principles of dignity, respect, support, equality and common sense will be most embedded by a recognition from all services, particularly those who deliver benefits, understanding that people are experts in their own lives and unpaid carers' contribution to society is important, and should be supported and resourced through financial support and benefits as well as practical support.

The most imperative factor will be to minimise disruption through changes to systems and processes, and make sure that people who receive benefits have enough information to understand what they are entitled to and how to apply for benefits and review their situations following a change in circumstances.

¹ Estimate based on Department for Work and Pensions research showing a take up rate of 65 per cent for Carer's Allowance, and applied to the Carer's Allowance claimant count (May 2013, Department for Work and Pensions). Figures are rounded.

Personal Independent Payments, Disability Living Allowance, Attendance Allowance and Carers Allowance

We initially expressed concern that the Smith Agreement draft clauses were too narrow in their definitions of carers and disabled people, and are concerned to see that the Scotland Bill has not amended this draft clause in any way, even after provision of substantial evidence from carers, disabled people and organisations that work with and for these groups. Clause 19 in its current form means that the Scottish Parliament's scope to create benefits that are fit for purpose and meet the needs of Scotland's carers is restricted, as the existing structure of and entitlement to benefits does not change.

Restricting carers' benefits to those who are aged 16 or over, not in full-time education, not gainfully employed, and looking after a disabled person in receipt of a disability benefit is almost identical to the current criteria for Carers Allowance and will therefore be subject to the same problems that carers currently experience. For example the earnings limits currently in place for Carers Allowance – where a carer cannot earn more than a prescribed amount before losing their entitlement – is problematic as the limit is low and not aligned with the annual minimum wage rise, causing carers to lose their entitlement to Carers Allowance when their earnings are only just above the earnings limit. There are also many carers who are looking after someone who is not entitled to a qualifying disability benefit, but this may still be a substantial caring role which restricts the carer's availability for work or has an impact on their finances (for example, if they are caring at a distance and have to travel frequently) but they cannot receive Carers Allowance because the person they look after is not receiving benefits. There is a need for these restrictions to be addressed if the Scottish Parliament is to have sufficient flexibility to create benefits which are responsive to the needs of disabled people and carers in Scotland.

A new benefit for carers in Scotland should incorporate:

- A review of the rule that links one claim for Carers Allowance with one claim for Attendance Allowance/Disability Living Allowance/Personal Independence Payment. There are many circumstances where carers are caring for two or more disabled people but can only receive one payment of Carers Allowance. Caring for more than one person becomes more expensive, and carers who are looking after more than one person are less likely to be able to work outside of their caring role.
- A review of the qualifying period for Carers Allowance, as carers can be providing unpaid care for many months before this is recognised by the benefits system.
- A simplification of overlapping benefit rules. Carers who receive another income replacement benefit cannot receive Carers Allowance, but instead receive an underlying entitlement, which may enable them to receive additional pension credit or income support. At present, these carers must apply for Carers Allowance knowing that they will be refused, in order to establish an underlying entitlement to means tested benefits. This is overly complex to explain and deliver, and a new system must streamline the

application process, particularly for carers of State Pension age. In addition to this, many older carers find the removal of Carers Allowance when they reach state pension age very unfair. These carers may have been caring for many years, which has reduced their capacity to save for pensions and a comfortable retirement².

- Removal of the 21 hour study rule, which forces carers (including young carers aged 16-17) to make a choice between education and caring. The Scottish Government has made clear its commitment to ensuring that young people, including young carers, are able to meet their aspirations and their potential. This rule impedes this aspiration and we believe that it should simply be removed. The DWP has itself identified the ineligibility of students to receive Carers Allowance as a significant barrier to carers accessing education.³
- Increasing the earnings limit for Carers Allowance, currently £110 per week after deductions. At the level of minimum wage this allows carers to work only 16 hours per week and for anyone earning more than this, the hours they can work reduce further. This gives little flexibility to work a few extra hours on a particular week, as any financial benefit is likely to be lost due to Carers Allowance being cut completely.

Universal Credit and Discretionary Housing Payments

Alongside many third sector organisations, we believe that the requirement to be in receipt of housing benefit (or Universal Credit) in order to be eligible for discretionary housing payments (DHPs) is flawed. Removing this requirement will allow the Scottish Government to make greater use of DHPs in order to mitigate the impact of high housing costs and low incomes. This can be particularly important for carers and their families, many of whom can be in financial difficulty due to caring responsibilities but are not in receipt of housing benefit.

The impact of Universal Credit on carers is difficult to evidence as very few claimants in Scotland are receiving it. However, carers' entitlement to Universal Credit and its interaction with Carers Allowance is not always clear, and we know that carers are unsure of how their entitlement to benefits will change when their localities move to Universal Credit. It is important that guidance on carers' circumstances is available to staff, and that clear information is also available to carers and their families to ensure that no carer misses out on financial support.

Work Programme and Work Choice

It is not clear how this will impact on unpaid carers in the long term. There will be some carers or former carers who are looking for support to return to employment, as well as carers who wish to manage a job alongside a caring role and need support to find suitable work, and we are in favour of programmes being put in place to enable this. However paid employment is not always the best way for people to

² <https://ideas.scotland.gov.uk/carers-allowance-successors-arrangement/when-is-a-carer-not-a-carer>

³ Fry et al (2011) *Developing a clearer understanding of the Carers Allowance claimant group*. Department for Work and Pensions.

contribute to society at a particular point in their life, and support and services need to recognise this and ensure that people can build their skills and confidence in a way that is suitable to them; carers are not 'unemployed' but provide a vital service, and need to be supported in their caring role if that is what they want and what is best for them and their family.

Furthermore, as the Work Programme has been much maligned since its introduction, it is important that a new system does not simply inherit the problems and barriers that already exist. Carers must not be required to participate in programmes or employment schemes that do not fit in with their caring role and the choices they make around caring. Initiatives such as the Employer Recruitment Incentive⁴, which has helped young carers and young adult carers into sustainable employment that suits their skillset, can provide significant learning opportunities about suitable programmes for carers and former carers.

The Regulated Social Fund, new benefits, top-ups and delivery of benefits overall

Delivery of benefits needs to be more tightly integrated with support and advice services about entitlement and access to these benefits. For example, many carers' services provide welfare rights advice, with a significant number employing dedicated staff members to cope with the number of requests and referrals. There needs to be better resourcing and awareness of the advice and support role that independent services have, such as individual benefit checks, help with form-filling, literacy and online skills, making referrals and providing specific information and advice. People are more likely to seek help from a service they already know and use, particularly if they are experiencing difficulties, and for many carers this service will be the carers' centre. The low uptake of Carers Allowance amongst Scotland's carers illustrates the need for specific advice and information for carers on their welfare rights, and support to access the benefits they are entitled to. We would encourage the Scottish Parliament to consider arrangements for dedicated funding for welfare rights workers based within carers' centres, to ensure that this service is available to all carers in Scotland.

Winter fuel payments and cold weather payments would also benefit unpaid carers who are not of state pension age. When people are at home all day, sleep a lot or are unable to move around easily, or have conditions that affect the regulation of their body temperature, heating the home effectively can become very expensive. Extending winter fuel payments to PIP/DLA claimants and those who receive Carers Allowance (rather than solely to recipients of the state pension) would recognise that disabled people and their families, no matter their age, can struggle to heat their homes, and could help to mitigate the knock-on effect on carers who may be working and caring but still struggle to heat the house because of increased energy use and low pay.

⁴ <http://www.skillsdevelopmentscotland.co.uk/our-services/scotlands-employer-recruitment-incentive/>

New benefits for carers, as well as the recommendations earlier in this paper, could include a payment for those who do not meet the criteria for Carers Allowance, but have completed a Carers Assessment (soon to be Adult Carer Support Plan). This would recognise that all caring roles have a financial impact, whether this is due to increased travelling, utilities or food bills, a need for equipment or adaptations, or any aspect of the caring role that increases costs.