

Carers Trust Scotland's key messages to Carer Assistance (Carer Support Payment) (Scotland) Regulations

A submission to the Scottish Parliament Social Justice and Social Security Committee.¹

About Carers Trust Scotland

Carers Trust in Scotland works to transform the lives of unpaid carers.

We partner with our network of local carer organisations to provide funding and support, deliver innovative and evidence-based programmes and raise awareness and influence policy.

Carers Trust's vision is that unpaid carers are heard and valued, with access to support, advice and resources to enable them to live fulfilled lives.

Carers Trust Scotland's response to Carer Assistance (Carer Support Payment) (Scotland) Regulations

We welcome Scottish Government's commitment to extend Carer Support Payment to more unpaid carers when it launches nationally in Spring 2024, so that more unpaid carers get the financial support they need and deserve.

We welcome Scottish Government's commitment to introduce; a new supplement payment – Carer's Additional Person Payment – for those caring for more than one person, to increase 'run on' of support after a cared for person dies, and to continue to pay Carer's Allowance Supplement.

We are also pleased to see Scottish Government's commitments to make further improvements and consider widening eligibility to the benefit further once case transfer process is complete and post launch of Carer Support Payment in 2024. However, we want to see a clear timetable for further improvements from launch being published. We would also like to see a commitment from Scottish Government to review the amount of the benefit to reduce the high levels of poverty amongst unpaid carers and support them to have a life outside of caring.

Education: We were delighted that Scottish Government intends to extend entitlement to Carer Support Payment to most unpaid carers in full-time education from launch, a policy change we have been calling for a number of years. We do not share Scottish Government's concerns that extending eligibility

¹ This submission was developed in August 2023. Any updates to Carer Assistance (Carer Support Payment) (Scotland) Regulations following recommendations from scrutiny by Scottish Commission on Social Security have not published at the time of writing.

to 16 to 19 year olds in full-time non-advanced education would incentivise young people taking on significant caring roles. Instead, we believe this proposed rule adds unnecessary complexity, confusion and will further disadvantage many unpaid carers aged 16 to 19 years old who would meet all other requirements of the eligibility criteria. The proposal also creates a distinction between those in advanced and non-advanced education of the same age. This could result in those unpaid carers aged 16 to 19 in non-advanced education to feel that their study level is regarded inferior and their caring roles are undervalued in comparison to unpaid carers aged 16 to 19 years old in advanced education. If the policy is progressed as presented, we additionally believe it to be deeply unfair that 19 year old unpaid carers studying in full-time non-advanced education will not be entitled to either Carer Support Payment or Young Carer Grant, meaning they would be the only unpaid carer group over the age of 16 that would not be entitled to any financial support.

We believe Scottish Government should extend entitled to all unpaid carers over 16 years old in full-time advanced and non-advanced education to ensure equity, reduce unnecessary complexity and to ensure unpaid carers feel valued and get the financial support they need and deserve.

Earnings: The earnings threshold and rules around earnings are very complex. Key issues for unpaid carers are the complexity of the calculation of earnings, the low level of the earnings threshold and the cliff edge of the benefit. As the policy is presented, Carer Support Payment on launch will not address these underlying issues.

Earnings threshold for Carer's Allowance (and thus Carer Support Payment on introduction) is not sufficiently high or consistently uprated annually to reflect increases in the National Living Wage. In 2023, it will fall even further behind, rising by 5.5% whilst the National Living Wage rises by 9.7%.

Added to this complexity, Carer's Allowance (and thus Carer Support Payment on introduction) has such a significant cliff edge where a matter of pennies can remove all entitlement. This means that unpaid carers can lose out on thousands of pounds worth of support because of small changes to their earnings.

We would like to see Scottish Government put in place a realistic and fair earnings threshold, uprated annually and sets out its regulations for addressing the cliff edge within Carer Support Payment. We urge the Scottish Government to seek to find a resolution to uplift the earnings threshold for Carer Support Payment in 2024/25 and in subsequent years until full transfer; even if the UK Government chooses not to do this for Carer's Allowance.

Overpayments: We are concerned that continuing complexity of the benefit, particularly in relation to earnings, continues the confusion for unpaid carers. Very few overpayments of Carer's Allowance have been proven to be fraudulent,

SCOTLAND

with the number of people referred for prosecution for fraud falling from 1,176 in 2014-15 to 483 in 2018-19. The greatest majority of overpayments arose because unpaid carers failed, as soon as 'reasonably practicable', to notify the DWP with correct information about their earnings. When the National Living Wage increases and the Carer's Allowance earnings threshold does not, unpaid carers can immediately fall foul of overpayments in what can be one of the harshest parts of the benefits system. The penalty for going even £1 over the earnings limit is losing the entirety of your benefit and having to pay back the full amount of the benefit.

The onus must be on Social Security Scotland to ensure that systems for unpaid carers to declare their incomes is both fair and understandable, and responsive to maintain unpaid carers incomes. This must include recognising that unpaid carers lives are complex and intense and there must be sufficient flexibility to reduce unpaid carers liability for any overpayment.

£0 awards: We support the intention to set the rate of Carers Support Payment to £0 when an unpaid carer has exceeded the earning limit and where there is an overlapping benefit. However, we believe that this must be aligned with effective information on ensuring that unpaid carers are informed about all options for reducing their earnings below the threshold, including adding additional amounts to their occupational/personal pensions where possible and how to correctly apply rules on "care charges" that can be deducted.

Take up: We believe that many of the barriers that exist regarding take up of Carer's Allowance will still be evident after the transition to Carer Support Payment. It is important that the transition to the Carer Support Payment is accompanied by a robust information campaign to avoid any potential confusion for those already in receipt of Carer's Allowance and to assist in the identification of new recipients.

The relationship between Carer's Allowance and other benefits that an unpaid carer could be eligible for is complicated. Meeting the eligibility criteria for Carer Support Payment and establishing status as a 'carer' will be beneficial if the unpaid carer also needs to claim Universal Credit or Pension Credit. Many unpaid carers are unaware of this, and we therefore believe that the communication regarding overlapping benefits needs to be clearer.

We believe that the information on potentially overlapping benefits should be included in award letters and other guidance provided by Social Security Scotland regarding the transition to Carer Support Payment.

We believe that Social Security Scotland and the DWP need to collaborate actively on identifying unpaid carers on Universal Credit who may be entitled to additional support. It is essential that the systems have effective measures in place that will identify unpaid carers who are eligible for additional financial

support and that the information will be shared between agencies. The information across agencies and services needs to be streamlined to help unpaid carers navigate the application processes.

Payment frequency: We believe that unpaid carers should have a choice about payment frequency of Carer Support Payment and should have the option of being paid weekly, or every four weeks and also the choice to change payment frequency preference at any point. This is the current position in relation to the payment of Carer's Allowance and removing this choice would be a retrograde step.

Additional payment for long term carers: Although not directly listed in the current draft regulations, in Scottish Government's response to Carer's Assistance consultation they have committed to longer-term consideration for introducing an additional payment for long term carers.

In March 2023, we published Experiences of Older Adult Unpaid Carer research report. The report found that 82% of older adult unpaid carers aged over 65 felt as though their caring role has financially impacted them and in the last 12 months 37% have used less gas and electricity in their homes and 19% have skipped meals as ways to save money. In our research unpaid carers who are, or were previously, in receipt of Carer's Allowance discussed the financial positives of receiving this benefit in enabling them to carry out their caring role. Unpaid carers told us how deeply unfair it is that they no longer qualify for Carer's Allowance due to receiving a full State Pension, one older adult unpaid carer said in our research:

"Anger, sheer anger, that I do not qualify for Carer's Allowance. Just because I receive a state pension – seemingly I'm not entitled. If ever a government could make my role and me as a person feel worthless, lonely and taken for granted, this demonstrates it. I worked 44 years to earn my state pension- it bears no relationship to my relentless role as a 24/7 carer. Excuses!"

Around one third of people (42,440) unpaid carers in Scotland have an underlying entitlement to Carer's Allowance, the great majority of whom are over State Pension age. Carers Trust Scotland would like to see financial support for older adult carers to be prioritised and Scottish Government to find solution to extend Carer Support Payment to older adult unpaid carers with underlying entitlement who are receiving State Pension, even if the UK Government does not take the same approach with Carer's Allowance. Alternatively, a specific recognition payment for older adult unpaid carers with underlying entitlement to Carer Support Payment should be introduced as a priority.