

Reducing dependency, increasing opportunity: options for the future of welfare to work- Carers UK's response to the Freud report

April 2007

1. Introduction - About Carers UK

1.1 Carers UK is the leading organisation representing the views and interests of the six million carers in the UK who care for a frail, disabled or ill family member, friend or partner. Carers give so much to society yet as a consequence of caring, they experience ill health, poverty and discrimination. Carers UK seeks to end this injustice and will continue to campaign until the true value of carers' contribution to society is recognised and carers receive the practical, financial and emotional support they need.

1.2 Carers UK is an organisation of carers, for carers, which has a formal membership of over 7,000 and over 100 Branches, run by carers, throughout the UK. Through our Associate network of around 700 local carers' organisations, we are in touch with a further 300,000 carers.

1.3 Carers UK runs an information and advice service and advises in excess of 18,500 carers and professionals working with carers every year. We also provide training to over 600 professionals each year.

1.4 Carers UK has offices in Wales, Scotland and Northern Ireland and we also run a specific project in London. This response reflects the views of the organisation, UK-wide.

2. Action for Carers and Employment, led by Carers UK

2.1 Carers UK is the lead partner in a European Social Fund programme, Action for Carers and Employment. ACE National is a development partnership working to support the inclusion of carers in training and work, funded by the European Social Fund's EQUAL Community Initiative Programme. ACE National has been funded in both rounds of EQUAL. In

the first, its partners included key public, private and not-for-profit organisations providing information, advice and guidance on accessing training and work, City&Guilds, the UK's leading accrediting body, and a leading group of employers, Employers for Carers, chaired by BT. In its second round, ACE is working with an innovative partnership consisting of key public, private and not-for-profit social care service providers and key policy stakeholders such as regulatory bodies and trade unions. All relevant government departments, including the Department of Health, the Department for Work and Pensions and the Department for Trade and Industry, have been partners in both rounds of ACE.

2.2 ACE National's objectives are: to raise awareness in the widest possible forum of the barriers facing carers who want to work; to develop and test the mechanisms that can support carers to return to, or remain in, work; to mainstream support and have the greatest possible impact on local and national policy on carers and work

3. Carers and Work

3.1 Currently over 3 million people of working age juggle paid employment with care. Around 4.8 million people with caring responsibilities are of working age, leaving around 1.5 million who are not in work. Around 400,000 carers receive Carer's Allowance and around 10% of these also undertake small amounts of part-time work. There are, therefore, significant numbers of carers who are not in employment.

3.2 Research by the Equal Opportunities Commission showed that one in five carers has given up work to care. Department for Work and Pensions statistics also show that, after 2 years of receiving Carer's Allowance, carers are significantly more likely to remain on benefit for long periods of time. Other research shows that unemployed men are more likely to care.

3.3 Women have a 50:50 chance of providing substantial care by the time they are 59. Men have the same chance by the time they are 74. There is an important equalities dimension here as women with broken work patterns are less likely to build up pensions in retirement and more likely to be in part-time work.

3.4 The importance of the demographic shift of the UK's population cannot be underestimated. Within the next twenty years there will be a larger retired population relative to a smaller working population and yet at the same time it is estimated that the UK will need an additional 3 million carers by 2034. This increase in the need for people to provide care is coupled with the increased expectation that people will work

longer. It is vital that the systems are set in place to ensure a long, healthy working life for those who wish to continue working.

3.5 The evidence shows that the vast majority of carers would like to work if they could. The majority choose to continue caring, but say that they did not have much, if any, choice in the first place about whether or not to take on the role and whether to combine that with work. Society still expects family to care for relatives, and every poll undertaken still shows that the majority of people still expect to care for relatives.

3.6 Another issue highlighted by our research, *Who Cares Wins: the Social and Business Benefits of Supporting Working Carers* (Carers UK, 2006), is that caring has a range of impacts on a carer's working life including lost opportunities for training and/or promotion, changing to less well-paid, less responsible positions that can be juggled alongside caring, and being forced to take up part-time work. This not only has a long term impact on a carer's ability to build up a pension in later life, but often results in carers working below their potential and skills level.

3.7 Carers UK campaigns to ensure that carers do not suffer ill health, lack of opportunity or poverty as a result of caring. Carers have a right to be able to combine work with care where possible and for those that cannot work, they should be properly recognised within the benefits system for the contribution they make.

4. Carers UK's response to the direction and strategic objectives of Freud.

4.1 Carers UK welcomes the Government's review of the welfare-to-work strategy and strongly endorses the Government's 80% employment aspirations and the objective of eliminating child poverty by 2020. We also support the Government's strategic choice on a renewed focus on helping as many people as possible into paid work. However, this drive needs to be complemented by greater attention to the individual employment and service needs of people out of work. Critical factors for carers are:

Understanding of their caring responsibilities which may:

- a) be at a level which prevent them from working, which means they may need tailored benefits advice and an opportunity to be kept in touch with the labour market
- b) require appropriate and flexible health and social care services which enable them to juggle work and care

Tailored return to work support which:

- a) takes into account a recent bereavement or transition to residential care if caring has come to an end

b) offers flexible, funded training and support, with alternative care provided to the person being cared for, where a carer intends to juggle paid work and care

Carer-aware and flexible employment practices which respond to the needs of working carers.

All the above has been clearly evidenced through the work of the ACE National partnership, which has demonstrated that carers who receive appropriate support in relevant areas are more likely to access training and/or work.

4.2 Furthermore while Carers UK is encouraged by the inclusion of carers within the report, there are several fundamental issues relating to carers which the report fails to address. As a result of their caring responsibilities carers suffer hardship and discrimination on a daily basis. There is increasing evidence demonstrating that carers face multiple disadvantage where they are found within other disadvantaged groups, and Carers UK is therefore calling on the Government to recognise carers as a distinct group facing discrimination and disadvantage.

4.3 While Carers UK welcomes the Government's recognition that "carers play a very valuable role in society", we believe that inaccurate assumptions have been made previously about the support which should be offered to carers. The premise that..."being a carer will often be a full-time role - that is why the Government moved away from work-focussed activity for this group" (pg 93) does not allow for the fact that many carers have no choice about the level of care they provide because of a lack of appropriate and flexible care services, and have often been forced to give up work to care. Work-focused activity in this case might involve support in accessing care services that might enable a carer to have a choice about whether or not they work, or care, or indeed juggle both. Where it is not possible for them to work – and that should always be a choice where substantial levels of care are being provided – they may still wish to be kept in touch with the labour market, or have opportunities for upskilling or reskilling in anticipation of returning to work at a later date. At a minimum, they should have input from employment services which are appropriate to their situation and needs, and this should be delivered with sensitivity to both. There are currently over 3 million people of working age who juggle paid employment with care and around 4.8 million people with caring responsibilities who are of working age, leaving around 1.5 million who are not in work. Many of these want to work, and while we are pleased that the Government acknowledges this and proposes that the "same" opportunities to work should be available to them, there is a distinct absence of detail with regard to the type of 'specialist support' that may be offered to carers and no reference to any future timetable for delivery or funding.

4.4 With regard to the planned changes to the delivery and receipt of benefits, Carers UK is concerned with the suggested outline in terms of how it would relate to carers. Most significantly, the move from no work-related conditionality to initial interviews for new claimants, then “further interviews with work-related activity as and when appropriate” (pg 96, table 10) for the first period (12 months managed by Jobcentre Plus) and then from year 2, all claimants required to participate in work-focused interviews and work-related activity and/or job search, could present real challenges to carers if it were not managed in the context of their individual caring situations and needs. Carers UK would like greater clarity on the resourcing and management of this process, both within the 12 month period provided by Job Centre Plus and the contracting out of work support services after this.

4.5 Carers UK would also welcome more detail on the evidence supporting a move to the contracting out of services as it would apply to carers, wider consultation with regard to the role of the third sector, and the involvement of key stakeholders from the outset in any changes to the system.

4.6 Carers UK is also concerned that increased conditionality for certain out of work groups is managed within the context of their particular needs and challenges and without assumptions that may be made about them, bearing in mind that these are groups who already feel disadvantaged and marginalised.

5. Freud in detail - Towards 80% into Work

5.1 A key challenge for Government will be how to reconcile the need for people to work and the need for families to provide care.

5.2 In the Government Green Paper ‘A new deal for welfare: empowering people to work’, January 2006, it states that in order to achieve 80% employment, the lone parent employment rate would need to increase to 70%, the incapacity benefits caseload would need to reduce by one million and the number of older workers in employment would need to increase by one million.

5.3 In order for the Government to reach these targets, greater consideration needs to be given to carers within these groups. Research by Carers UK shows that many of the people within these three groups will be carers, either because statistically they will fit into that age category, they have some kind of disability or chronic illness resulting

from caring that prevents them from working, or they are a lone parent caring for their child/children.

5.4 Carers UK research shows that over 1.5 million people aged 60 and over provide unpaid care. Over the next 30 years, the proportion of the population aged over 65 will rise from 17% to 24%, while there will be an additional 3 million people aged over 75. (Mid-2000 UK Population Estimates-United Kingdom: Projected Populations in 5 year age groups 2018-2038, Government Actuary Department).

5.5 According to official figures, around one fifth of the 2.7 million Incapacity Benefit claimants are also carers and, of this group, around 40% care for over 20 hours per week. This means that around 216,000 carers currently provide substantial care and receive Incapacity Benefit. Data from the Census also reveals that carers are twice as likely to suffer ill-health if they are providing over 50 hours of care per week (In Poor Health - the impact of caring on health, Carers UK, 2004).

5.6 Similarly, research carried out by Carers UK also demonstrates that 32% of children with a limiting long term illness live in lone parent families. (Managing More than Most: a statistical analysis of families with sick or disabled children, Carers UK, 2006). It is imperative therefore that the Government considers the individual needs of people within these groups and does not adopt a 'one size fits all' approach. Carers have very distinct needs and face significant challenges in entering or remaining in paid work, which are often little understood by employers, service providers and policy makers.

6.0 Towards 80% into Work - better health and social care services

6.1 It is critical that both health and social care services respond to the needs of carers who work or want to work, in the same way that childcare has been developed and promoted to respond to the needs of parents who work or want to work. Carers UK all too often hears from carers who are forced to give up work as a result of inappropriate and inflexible health or social care services, or cannot work as a result of the poor quality of services on offer for their partner, friend or relative.

6.2 The challenge is to develop appropriate social care services - whether provided through social services, or in the open market through voluntary or private sector organisations - that enable carers to work. It is vital that the contribution of social care to the Government's employment agenda is properly recognised when decisions are made about investment. Without it, employment and social inclusion goals for carers will not be realised.

6.3 Through its Action for Carers and Employment partnership, Carers UK is exploring how the development and delivery of social care services can

support carers to return to work or remain in work. Demonstration pilots exploring flexible and innovative service delivery are taking place in Hertfordshire, London, Surrey, West Sussex and Wales, and will be reported in full in the evaluation of ACE. ACE is also engaged in a substantial research project led by Professor Sue Yeandle at the University of Leeds which will report on the experiences of carers with regard to services to the people they care for and the impact these have on their ability to work. This research will be available in September 2007.

7.0 Towards 80% into work - better and more supportive workplace environments

7.1 Carers UK welcomes the Government's drive to ensure that employees have a better and more supportive workplace environment, in particular the introduction of the Work and Families Act 2006 which extends the right to request flexible working for carers. The Act, which came into force on 6th April 2007 means 2.6 million carers are now eligible to request flexible working. Research carried out by Professor Sue Yeandle at Sheffield Hallam University for ACE in 2006 (Who Cares Wins) demonstrates the business benefits of supporting working carers, using case studies from Employers for Carers (see www.carersuk.org/Employersforcarers for more information on this group).

7.2 Carers UK would like to highlight the need for Government to continue to drive the agenda forward to promote a carer-friendly workplace culture if carers are to enter or remain in the labour market.

8.0 Towards 80% into work - skills agenda for carers

8.1 Carers UK warmly welcomes the drive and vision of the Leitch report, which recommended an urgent increase in the level of the UK's skills set if it is to become a world economic leader by 2020. However Carers UK is disappointed with the current rules regarding training for carers and would like to see greater attention given to the distinct needs of carers. At present someone studying more than 21 hours cannot receive the main carer's benefit, Carer's Allowance. This acts as a barrier to many vocational as well as non-vocational courses.

8.2 Other barriers to carers accessing education and training are the cost of courses and the lack of alternative care services. Carers UK has recently met with Minister for Care Services Ivan Lewis MP and Minister for Lifelong Learning Bill Rammell MP, to discuss these issues. Carers UK would like to see greater investment and support to ensure carers have greater access to learning and educational opportunities and believes the DWP should have a strong interest in this area.

8.3 Carers UK, through its Action for Carers and Employment Project, has pioneered innovative and tailored approaches to training, to ensure carers receive the support they need. Pre-vocational training, such as the new learning tool, Learning for Living, developed by City&Guilds as part of ACE, helps carers to build important skills and confidence, to help them re-engage with and/or enter the labour market.

8.4 Carers UK feels strongly that learning opportunities, both pre-vocational and vocational, should be identified as part of return to work support for carers, and funded where necessary. Access to learning for carers also needs to be facilitated by the provision of alternative care services to the people they care for, much as childcare is offered as part of the New Deal for Lone Parents.

8.5 Research carried out by Carers UK has identified that carers are often clustered in low skill, low paid jobs. This may be because they are forced to access work which can fit around their caring responsibilities, and there is evidence that many carers are working below their potential. It may also relate to a lack of access to training as a result of caring. (Who Cares Wins: Evidence from the 2001 Census, Carers UK, 2006)

9. Carers - a disadvantaged group.

9.1 As a result of their caring responsibilities carers suffer hardship and discrimination on a daily basis. There is increasing evidence that demonstrates that carers face multiple disadvantage when they are found within other disadvantaged groups (Who Cares Wins: Evidence from the 2001 Census, Carers UK, 2006), and Carers UK is therefore calling on the Government to recognise carers as a distinct group facing discrimination and disadvantage. Carers give so much to society yet as a consequence of caring, they experience ill health, poverty and discrimination.

9.2 Carers can also face discrimination in the workplace as a result of their caring activities. Carers report discrimination when they apply for jobs and when in work. Some feel that employers believe they will take extra time off and not be able to cope with work. Others feel that employers do not understand the gaps in a carer's work record, or recognise that the skills gained through caring are transferable to the workplace. In a report recently published by Carers UK (Real Change, Not Short Change, Carers UK, 2007) carers clearly stated that they wanted some kind of recognition for their role and its value.

9.3 Carers UK also warmly welcomes the Government's wish to continue to challenge any discrimination in employment that exists against long-term sick and disabled people. This will affect carers, either where they

themselves have been or are ill or disabled over a long period, or where the person they care for is able to work free from discrimination.

9.4 Carers UK would also urge the Government to consider new legislation to look at discrimination by association. This would recognise that carers face discrimination because they are looking after someone with chronic illness or a disability. A case currently in the European Court of Justice, *Coleman v Attridge Law and Steve Law*, has alleged disability discrimination against her employers, not based on her own disability, but on being the carer of her disabled son. Current laws are sufficient to build up successful case law based on discrimination by association, but, in Carers UK's view, primary legislation is essential to achieve better clarity and coverage.

10. Delivery and receipt of benefits - a fairer deal for carers

10.1 Some carers are not able to work due to the high level of care they provide, so many carers rely on benefits of some kind, whether a state pension, carers' benefits or means-tested benefits.

Around 400,000 carers receive Carers Allowance and around 10% of these also undertake small amounts of part-time work. There are therefore, significant numbers of carers who are not in employment, but also not in receipt of Carers Allowance.

According to new official figures, around one fifth of the 2.7 million Incapacity Benefit claimants are also carers and of this group, around 40% care for over 20 hours per week. This means that around 216,000 carers currently provide substantial care and receive Incapacity Benefit.

10.2 With regard to the planned changes to the delivery and receipt of benefits, Carers UK is concerned with the suggested outline relating to Carers Allowance, most significantly with the proposed changes from no work-related conditionality to initial interviews for new claimants, then "further interviews with work-related activity as and when appropriate" (pg 96, table 10) for the first period (12 months managed by jobcentre plus) and then from year 2, all claimants required to participate in work-focused interviews and work-related activity and/or job search.

10.3 Carers UK would urge the Government to consider the implications of this proposed change from no work-related conditionality and would like to highlight the significant problems a 'one size fits all' system of work focused interviews and activity can cause for carers.

Any new approach must recognise that many new claimants of carers benefits have been forced to give up work to care because of the inflexibility or lack of availability of appropriate care services, or because

of an inflexible workplace culture. For these carers, interviews should focus on how these barriers might be overcome or, where their caring responsibilities are simply too heavy or complex for them to work, how they can be supported to remain in touch with the labour market. These approaches have been piloted in both phases of the ACE programme, and found to be highly effective (ACE 1 Evaluation Report, Carers UK 2005, ACE 2 Interim Evaluation Report, available from Carers UK on request). It should also be recognised that without support for their caring role, carers can suffer ill health themselves, and that care services therefore have a role not only in supporting carers to remain in or return to work in the short term, but in enabling them to care safely and be in a position to consider entering or re-entering the labour market in the long term. Finally, the value of the caring role should be recognised as a contribution to society, so that carers who cannot work are not made to feel that they are not contributing, and the benefits system recognises and supports them appropriately.

All these issues should be considered at each stage of engagement with carers, from initial contact, through review, to intervention where appropriate.

10.4 While we appreciate a balance needs to be struck between keeping carers in touch with the world of work and preparing them to return to work when the caring role ceases, greater attention and consideration of their unique challenges is needed at each of these stages if the Government is to re-introduce compulsory attendance of work-focused interviews. A change in the language used might be a useful first step in this process, as many carers feel frustrated with a system that invites them to a 'work-focused interview' when they have been forced to give up work to care, or fear that compulsion to work will leave the person they are caring for without the care they need. If the system really is about tailored and targeted support, it might begin by inviting carers to an interview to review possible support and options.

10.5 Carers UK is similarly concerned with the recommendations for stronger conditionality for lone parents and "moving to delivering conditionality" for other groups, such as those currently receiving Incapacity Benefit. These proposals would significantly affect carers, due to the number of carers present in both groups (see 5.5, 5.6). Any degree of compulsion needs greater thought and consideration of all factors contributing to a claimant's situation, and the structural barriers, such as care services, that may prevent them from working. Some hard to help groups, including carers, may also face employer resistance to recruiting them, meaning a 'work first' approach may not be appropriate for some of the most disadvantaged people in our communities.

10.6 Carers UK would welcome a stronger evidence base to support any proposals relating to greater conditionality. At present there is little evidence to back up the proposition that compulsion would enhance a carers employment prospects more effectively than social care provision, much as in the case of lone parents . Carers UK will seek every opportunity to carry out research in this area to explore what really makes a difference in enabling carers to take up work.

10.7 Helping those at greatest disadvantage can be resource intensive and even with considerable help, for some employment may be not a realistic outcome. Greater consideration needs to be given to how and to whom resources should be targeted, and to developing suitable methods for measuring what actually works. If the government intends to introduce a level of conditionality for carers, current provision needs to be significantly enhanced if carers are to be successfully supported in and into work. Individual and effective targeting of support requires extra resources and without this extra support, the introduction of any level of conditionality would be inappropriate.

10.8 Carers UK is also concerned how a move towards greater conditionality would work with the proposed outsourcing from Jobcentre Plus to the private and voluntary sector after 12 months. Concerns include accountability and targeting to ensure that all claimants, including those hardest to help, are reached. Carers UK would welcome greater clarity on the resourcing and management of this process.

11. Benefits not fit for purpose

11.1 Many carers are struggling financially. In a recent report produced by Carers UK (Real Change, Not Short Change, Carers UK, 2007) carers tell us that the costs of looking after someone mean that they and their families cannot take up opportunities to improve their quality of life. The benefits they receive are completely inadequate and do not show that they are valued for what they do. Individually, they often cite barriers that get in the way of working and a lack of support to help them remain in work. It is a well established principle that for most people the best route out of poverty is through work, yet whilst Government has applied this policy to other groups, it has not provided targeted support for carers, either as a discrete group or where they are found across other disadvantaged groups. For example, 187,000 households in which an adult is caring for 50+ hours a week are workless, but also contain children under the age of 16. If the Government is to meet its laudable targets on child poverty, caring must be a factor taken into consideration.

Any planned changes to the conditionality of Carer's Allowance or any other benefits carers might access needs to be supplemented by a real terms increase in benefits and the support that is offered to carers

through other mechanisms such as tax credits or pensions. Government should undertake a wholesale review of carers' income, whether it be through employment, tax credits, benefits or pensions in order to provide financial support that is fit for purpose. This needs to be addressed through the current review of the National Carers Strategy.

12. Direction of the debate on work

12.1 While the overarching objectives of the Freud report are laudable, with the aim of reducing poverty and increasing employment opportunities for all, the potential for policy development in this area to actually add to social exclusion and isolation must be recognised. The 'work first' approach can foster a dichotomy between those who are in work and those who are not able to work. People who are not in work still need to be valued and carers in particular need to be recognised as 'socially productive'. While 'economically inactive' is a technically accurate description, from the perspective of a carer there is nothing 'inactive' about their role and contribution to society.

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