

LETTER TO RT. HON. KWASI KWARTENG, CHANCELLOR OF THE EXCHEQUER, REGARDING THE UNPRECEDENTED COST OF LIVING CRISIS FACING UNPAID CARERS – ORGANISED BY CARERS UK

The Rt Hon Kwasi Kwarteng MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London, SW1A 2HQ

15 September 2022

Dear Chancellor,

Unpaid carers and the cost of living crisis

Congratulations on your recent appointment as Chancellor of the Exchequer. Whilst we respectfully acknowledge the national period of mourning for the sad passing of Her Majesty Queen Elizabeth II, we wanted to write to you immediately to bring to your attention the severe impact the cost of living crisis is having on unpaid carers. This group of people urgently need more targeted financial support from the Government if they are to continue caring for their disabled, ill, or older friends and family members.

You will appreciate that providing unpaid care for others can have a significant impact on peoples' lives. Indeed, for many people it is one of the most difficult and challenging things they will ever do. We estimate that as many as 10.6 million people are now providing some form of unpaid care across the UK; the staggering levels of care and support that they have provided during the pandemic, estimated to be worth more than £470 billion since March 2020, has undoubtedly played a key role in supporting our formal health and social care systems. But this has come at an enormous personal cost to unpaid carers, in terms of their health, wellbeing, their ability to partake in paid work, and – crucially, for the purposes of this letter – their finances.

Last week, we warmly welcomed the announcement by the Prime Minister on the plans to cap the cost of energy for every household. This will be a relief to many carers. However, while we recognise that the cost of living crisis is impacting almost everyone in our society, unpaid carers are a particularly vulnerable group when it comes to financial difficulties, and we therefore feel more targeted financial support is important. Carers face all types of rising costs due to their limited ability to earn an income and because they cannot cut back on certain costs without affecting the safety of the person they care for – for example, having to keep their heating on to ensure people are warm, or using life-saving equipment that cannot be switched off.

As well as carers being desperately worried about caring and the cost of living, there are also specific groups who have not benefitted from additional support at key times. A significant proportion of unpaid carers who are only in receipt of Carer's Allowance – the lowest benefit of its kind at £69.70 per week, and a benefit which has not kept pace with inflation (CPI) since 2010 despite going up in value by £800 during that time – missed out on key support measures introduced by your predecessors over the last two years.

This occurred during the pandemic, when those in receipt of Carer's Allowance did not get the additional £20 a week that Universal Credit recipients received, along with carers in receipt of Income Support. It also happened in May 2022, when around 386,000 carers in receipt of Carer's Allowance but no other means tested benefits, were not prioritised for the £650 cost of living payment despite the additional costs of caring. Those carers who do not live with the person they care for also did not receive the £150 payment for people with disabilities. This means that this specific group of unpaid carers have each cumulatively lost out on nearly £3,000 in the past two years, compared to other recipients of social security.

According to the Joseph Rowntree Foundation, 44% of working age adults who are providing unpaid care for more than 35 hours a week are in poverty. The Department of Work and Pension's Family Resources Survey found that 1 in 5 households in receipt of Carer's Allowance are living in food insecurity – nearly three times the rate of the general population. Carers UK's research into carers' finances also speaks to the extremely precarious financial situations that many carers now find themselves in, most often through no fault of their own:

- The proportion of carers who are stressed and anxious about their finances has risen from 52% to 75%, since August 2021.
- 58% are cutting back on heating and 14% are in arrears with their utility bills.
- 89% have seen their energy bills increase, and 75% are spending more on food.

The situation for carers receiving the Carer Element of Universal Credit or Carer's Allowance is even more stark. Our research shows that for this group:

- Two thirds (67%) cannot meet their monthly expenses.
- 24% are using foodbanks and over half (58%) are worried they will have to do so.
- 59% are worried that increased energy bills are affecting their health or the health of the person they care for.
- 56% are worried about being unable to heat their home to a safe level.
- 55% are worried increased energy bills will mean they have to cut back on food.

Testimony we have received from carers in the last 6 weeks provides a sense of the hardship people are facing and highlights the real and damaging impact the crisis is having on them:

- *"We only leave our home now for appointments or once a week to grocery shop...We have had to cut one meal a day to save money to put toward fuel bills."*
- *"My disabled husband stays in bed to keep warm without putting the heating on. We only shower occasionally because we struggle to afford our water meter."*
- *"During the winter I only had my heating on for a couple of hours a day, even though I am working from home. I was so cold sometimes that I could barely type."*
- *"We are using less hot water and washing at the sink instead of having a shower."*
- *"...throughout the winter Carers had to do without the heating on for a lot of the time. I spent the nights shivering."*
- *"I frequently go without food/do not eat meals many times a month. I have lost more than three stone in weight...my child weighs more than I do."*
- *"Food has gone up, so I eat less, skip meals and ensure my spouse has enough..."*

- *“I am going without, so my kids do not have to. They think I’m trying to lose a bit of weight as I’ve cut back on my food.”*
- *“Living on toast for approx. 3 days a week now.”*

It is now vital that carers – particularly those on low incomes or who rely on Carer’s Allowance and other legacy benefits – are immediately provided the financial security they desperately need. To that end, it is imperative that Government acts immediately to support carers and their families with the cost of living and recognises the value of their contribution.

Our specific recommendations are as follows:

1. All benefits, including Carer’s Allowance and the Carer Element of Universal Credit, should be uprated in line with current levels of inflation before next April – ideally as soon as possible – to ensure that vulnerable groups can survive the Winter months.
2. Unpaid carers with an entitlement to Carer’s Allowance or the Carer Element should receive a top up payment to support them through the Winter and recognise the additional costs they are facing amid the unprecedented cost of living crisis. This must not be removed from any other benefits that they receive.
3. The earnings limit for Carer’s Allowance should be raised to the value of 21 hours work a week at the National Living Wage rate (i.e., £199.50), to allow carers to work more hours a week where they wish to do so, without losing their entitlement.

Providing greater support for unpaid carers is not only the right thing to do for society and our economy but is also supported by an overwhelming percentage of the public. Indeed, 69% of the public feel that the role of unpaid carers is not well valued, and 84% agree that the Government should provide additional support to unpaid carers.

It is time for the Government to step up and, at the earliest opportunity, provide carers with the financial support they desperately need to help them through the cost of living crisis. This is no longer business as usual – millions of people who do so much to support people in each of our communities are now facing an unprecedented emergency and urgently need your help.

Thank you for your consideration. We look forward to your timely response.

This open letter was organised by Carers UK and sent privately to the Chancellor of the Exchequer, Rt. Hon. Kwasi Kwarteng MP, on 15 September 2022. Please see a list of signatories to this open letter below:

- Helen Walker, Chief Executive, Carers UK
- Kari Gerstheimer, Chief Executive, Access Social Care
- Jamie Gault, CEO, Action for Carers Surrey
- Caroline Abrahams, Charity Director, Age UK
- Raina Summerson, CEO, Agincare
- Tom McMurdo, Director of Finance and Resources, Blackpool Carers Centre
- Georgette Kay, Chief Officer, Bolton Carers Support
- Jennifer Twist, Chief Executive, Care for the Carers
- Craig Backhouse, Director, Carer Support Cumbria
- Dani Leslie, Chief Officer, Carer Support Eden

Angela Longrigg, Chief Executive Officer, Carer Support West Cumbria
Lorraine Goldberg, Executive Director, Carers Centre SA LTD
Michèle Stokes, Chief Executive, Carers in Hertfordshire
Linda Lawless, Service Manager, Carers in Southampton
Claire Turner, Chief Executive, Carers Leeds
Debra Blakey, Chief Executive Officer, Carers Northumberland
Jess Wade, Chief Executive Officer, Carers of East Lothian
Elizabeth McPherson, Chief Executive Officer, Carers Plus Yorkshire
Tim Poole, Chief Executive, Carers Support Centre, Bristol & South Gloucestershire
Lee O'Brien, Chief Executive Officer, Carers Together
Pauline Steele, Chief Executive Officer, Carers Trust Tyne and Wear
Kirsty McHugh, CEO, Carers Trust
Sharon Brooks, Chief Officer, Carers Voice Norfolk and Waveney
Justine Bilton, Chief Executive, Carers Wakefield & District
Jill Attwell, CEO, Carers' Support East Kent
Miriam Martin, Chief Executive, Caring Together
Lisa Ray, General Secretary, Civil Service Pensioners' Alliance
Suzi Henderson, CEO, Cloverleaf Advocacy
Amanda Batten, Chief Executive, Contact
Margaret McCarthy, Chief Executive, Crossroads Caring Scotland
Melanie Blanksby, Chief Executive, Dementia Carers Count
Hilda Hayo, Chief Admiral Nurse and CEO, Dementia UK
Helen Weston, CEO, Derbyshire Carers Association
Eric Appleby, Interim Chief Executive, Disability Law Service
Kamran Mallick, CEO, Disability Rights UK
Phil Lee, Chief Executive, Epilepsy Action
Christopher Wetton, Chief Executive, Essex Carers Support
Jemima Olchawski, Chief Executive, Fawcett Society
Simon Fenton, CEO, Forward Carers CIC
Craig Backhouse, Chief Executive Officer, Furness Carers
Mark Sharman, CEO, Help & Care
Lee Sewrey, Operations Manager and Carers Lead, Improving Lives Plymouth
Diane White, Chief Executive, Kingston Carers' Network
Karen Hadden, Service Manager, Melton Mencap
Jackie O'Sullivan, Executive Director of Communications, Mencap
Chris James, Director of External Affairs, Motor Neurone Disease Association
Nick Moberly, CEO, MS Society
Elizabeth Seaton BEM, Chairperson & Director, North Lanarkshire Carers Together
Claire Easton, Chief Executive, North Tyneside Carers Centre
Gail Hanrahan, Programme Manager (CEO), Oxfordshire Family Support Network
Raymond Jamieson, Carers Hub Manager, PKAVS
Bernie DeLord, Director, Promas Caring for People CIC
Mark Winstanley, Chief Executive, Rethink Mental Illness
Melissa Wilks, CEO, Richmond Carers Centre
Vicky Keeley, Chief Executive Officer, Sefton Carers Centre
Pauline Kimantas, CEO, Sheffield Carers Centre
Kate Steele, Chief Executive, Shine
Verinder Mander, CEO, Southwark Carers
Alan Ashton, Chief Executive, St Helens Carers Centre
Kirsten Alderson, CEO, Suffolk Family Carers
Susanna Jones, Chief Executive, Swindon Carers Centre
Nanette Mellor, CEO, The Brain Charity

Tom Lambert, CEO, The Carers Centre for Brighton & Hove
Rachel Power, CEO, The Patients Association
Helen Wildbore, Director, The Relatives & Residents Association
Michelle Grogan, Chief Executive Officer, Trafford Carers Centre
Christine Alexander, CEO, TuVida
Jonathan Senker, Chief Executive, VoiceAbility
Jane Evans, Chief Executive Officer, West Norfolk Carers
Carole Cumino, Chief Executive, Worcestershire Association of Carers
Sue Stockman, Director of Carers Services, Your Voice in Health and Social Care
(Carers Lewisham and Ealing Carers)
Anela Anwar, CEO, Z2K
