Carers UK’s response to the Poverty Strategy Commission’s call for evidence

About Carers UK

Carers UK is a charity set up to help the millions of people who care for family or friends. We are a membership organisation of carers, run by carers, for carers. We provide information and advice about caring alongside practical and emotional support for carers. We also campaign to make life better for carers and work to influence policy makers, employers, and service providers, to help them improve carers’ lives. We strive for a society that respects, values, and supports carers.

For more information about this evidence submission, please contact Arian Nemati, Policy and Public Affairs Assistant, Carers UK at:

- E: arian.nemati@carersuk.org
- T: 020 7378 4999

Please suggest any evidence about poverty you think the Commission should consider

Carers UK estimates that 10.6 million people in the UK are unpaid carers. The value of their care is staggering and has been estimated at £530 million per day during the pandemic, or the equivalent of £193 billion a year. The proportion of carers worrying financially has increased since the height of the pandemic – with 2.2 million carers worrying about their ability to cope financially because of their caring role. The proportion of unpaid carers providing significant care, i.e. over 20 hours per week, has increased by 42% since October 2020.

Carers UK’s survey of over 3,300 current unpaid carers carried out in February 2022 shows that many are under great financial pressures in the face of energy prices and cost of living increases. Many unpaid carers are extremely worried about how they will be able to manage their monthly expenses without extra financial support. We collated all these responses in our March 2022 ‘Under Pressure’ report.

Unless unpaid carers receive additional help as a matter of urgency, greater numbers could be pushed into poverty that will have a lasting impact on their finances, health and quality of life. Carers looking after people with specific medication conditions often have equipment that needs to run constantly. They are

1 Carers Week report 2022: make caring visible, valued and supported, Carers UK, June 2022
2 82% of respondents live in England, 8% in Scotland, 6% in Northern Ireland and 3% in Wales
3 Under Pressure: Caring and the cost-of-living crisis, Carers UK, March 2022
therefore left with no option to cut back on energy bills. People with serious medical conditions can have limited mobility and therefore need a higher indoor temperature to be safe and comfortable. Nearly half of unpaid carers are worried about energy bills causing significant financial risk for them in the coming months.

Since our State of Caring 2021 report, our latest survey shows that the financial situation of many carers has been exacerbated:

- 45% of carers said they are unable to afford their monthly expenses currently. 83% of carers are worried or extremely worried about how they will manage their monthly expenses if costs keep increasing.

- The number of people who are worried about how they will manage their bills over the next few months to September 2022 has more than doubled from 21% to 55%. The proportion of carers who are stressed and anxious about their finances has risen by about half from 52% to 75%.

- Nearly 6 out of 10 (58%) are cutting back on heating to manage their finances and 14% have already fallen into arrears with their utility bills. 89% of carers have seen their energy bill increase, and three quarters of carers (75%) are also spending more on food and drink.

- Carers have seen increases in the cost of products and services they need for the person they are caring for. 35% of carers are spending more on supplies such as incontinence pads, 34% are spending more on supplies to keep the person safe such as Personal Protective Equipment (PPE), and 20% are spending more on equipment such as adaptations or medical devices.

- Almost half of carers (48%) are worried that the increases in energy bills would lead to significant financial hardship; this rose to three quarters (75%) of carers who receive Carer’s Allowance or Carer Element with Universal Credit. 46% of carers thought the increases in energy bills would negatively affect their health or the health of the person they care for. 42% thought they would not be able to heat their home to a safe level.

With specific regard to carers receiving Carer’s Allowance or the Universal Credit Carer Element:

- Two thirds of carers (67%) say they are currently unable to meet their monthly expenses.

- A quarter (24%) are using foodbanks to manage and nearly six out of ten (58%) are worried that they will have to use them.

- Nearly two thirds (64%) are cutting back on heating and a third (33%) have already fallen into arrears with their utility bills.

- Nine out of ten (87%) are stressed and anxious about their finances.

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4 State of Caring 2021, Carers UK, November 2021
• Six out of ten (59%) are worried about increased energy bills could affect the health of the person being cared for or their own health.

• Six out of ten (56%) are worried about not being able to heat their home to a safe level.

• Over half (55%) are worried about increased energy bills will mean they have to cut back on food.

**Please suggest any work you are aware of that considers the viewpoints of people with lived experience of poverty**

Carers UK’s Carers Week 2022 report found that 2.2 million carers said they were worried about the impact of caring on their finances. This is based on polling done by YouGov of 4500 people.

Our State of Caring 2021 report paints a distressing picture of how many unpaid carers are on the brink. Carers have told us:

“I have not been able to afford to put heating on all winter so far as I can’t afford to heat the house and food shopping bill. Already using foodbanks to help as well.”

“The cost of living with people who require significant additional care is so high. It’s not just a case of turn the heating down or off. Buy less food. Take fewer trips out. These are things that are essential for safety, mental health and all revolve around the additional needs of the cared for. It’s so, so expensive and the cost of specialist equipment for them is unbelievable.”

“If we hadn’t paid for aids like a self-loading mobility scooter, a bath lift, modifications to the garden and the house and replacement beds (to make it a better height for him) I wouldn’t have debts. Servicing them takes up a third of our joint monthly income.”

“To date I have sold both of our pensions, shares and insurances to maintain our living standards, they have all gone now so I had to start claiming UC last year. I have nothing left to sell and I am anxious we are going to live in poverty for the rest of our lives.”

“Carer’s Allowance is so low that my teeth are starting to fall out because I can’t afford the dentist for me and my son. Energy prices are escalating – I dread my Winter fuel bill.”

“I would not be able to pay bills on my Carer’s Allowance. Bills and household expenses are paid from my Mum’s pension as this is her home and I gave up my home and job to come and care for her.”
“Crippled further by heating/electric going up even further to £177 a month. We have managed without heating in the past, I suspect we will again now.”

“I don’t even think about my own financial future as I have no option but to deal with things as they are now and hope I will be okay in my own old age.”

**Policy recommendations**

**Incomes**

Many carers live in the same household as the person who has an eligible disability benefit meaning that the household will benefit from the additional £150 for people with disabilities announced by the then Chancellor back in May 2022. A large proportion of carers, however, do not live with the person they care for, so have additional costs which are subject to the cost-of-living crisis – such as travel, petrol, buy special foods and equipment. Carers who are in receipt of means-tested benefits will be particularly vulnerable to these additional costs. Yet their caring is critical to maintaining the health and wellbeing as well as independence of the person they care for.

- We recommend that carers who are only in receipt of Carer’s Allowance and don’t live in the same house as the person they care for, should be made eligible for the £150 cost of living payment – to recognise the additional caring costs they face (e.g. travel, petrol).

In future years, it is also vital that benefits – such as Carer’s Allowance, which is the lowest benefit of its kind – rise in line with inflation.5

- Not uprating benefits in line with inflation has had disastrous consequences for unpaid carers in receipt of Carer’s Allowance and other means tested benefits. For 2022/23, Carers receiving the main carers’ benefit, Carer’s Allowance, will be getting an increase of just £2.10 per week. This is based on inflation rates of only 3.1% set last year. The real rate of inflation was as high as 8% in April when the uprating took effect. This represents a real terms cut in benefits as inflation outstrips the levels of uprating. Carer’s Allowance rose from £67.60 a week to £69.70, which amounts to £3.30 less a week in real terms, or £171.60 over the year.

During the pandemic, people solely in receipt of Carer’s Allowance were overlooked for the £20 a week additional payment that Universal Credit recipients received from March 2020 until last Autumn, meaning these carers lost out on over £1,000 a year for two years in a row.6

- Carers UK recommends providing a one-off payment to carers in receipt of Carer’s Allowance in England. Importantly, any payment of this kind must also go to carers who are also in receipt of means tested benefits (e.g. Universal

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5 [Carers UK response to benefits upratings](#), April 2022
6 [Carers UK Response to Work and Pensions Select Committee Inquiry – Cost of Living](#), June 2022
Credit, Income Support, Pension Credit) and not impact any other benefits people may be receiving. Any payment should also not be taxable, not be subject to National Insurance contributions and not be included as part of income when calculating entitlement for tax credits.

A review of Carer’s Allowance and associated carers’ benefits is also needed.

- Carer’s Allowance remains the lowest benefit of its kind, whilst they are providing 35 hours or more care per week. We are continuing to call for significant increases to Carer’s Allowance and associated carers’ benefits including Carer Element of Universal Credit, the Carer Premium and the Carer Addition.

Financial resilience and debt

To ensure carers are supported at this extremely difficult time, the UK Government should deliver an emergency package of financial support for carers as well as lasting strategic change for carers to reform Carer’s Allowance and properly recognise carers’ support. Supporting carers in work should also be a priority. Currently, carers in receipt of Carers Allowance can only work 13.5 hours a week before this benefit is cut to zero. Unlike many other benefits, Carers Allowance does not taper off slowly with increased work. During these difficult financial times, the Government must ensure that carers juggling unpaid caring duties and paid work are supported and allowed the opportunity to top up their earnings to make ends meet.

This emergency package of financial support should involve:

- Immediately extending the Warm Home Discount scheme to ensure that it includes carers in recognition of the additional energy costs often faced by unpaid carers.

- Increasing Carer’s Allowance and other benefits in line with current inflation predictions ahead of April 2023, in recognition of the extraordinary rise in inflation this year, which is expected to peak at around 13% by the end of this year.\(^7\)

- Significantly increasing the level of carers’ benefits including Carer’s Allowance so that it is no longer the lowest benefit of its kind.

- Increasing the qualifying earnings limit for claiming Carer’s Allowance to ensure that unpaid carers are able to work at least 16 hours at National Living Wage and ensure that it continues to rise with NLW increases.

- Ensuring unpaid carers continue to receive access to free COVID-19 tests.

Strategic investment should be put into:

\(^7\) Bank of England raises rates sharply and warns of 13% inflation by end of year
• Reforming and modernising carers’ financial support with significant increases to reflect the value of their role.

• Sufficient funding to continue essential services providing capacity and sustainability for the care sector.

• Additional social care funding to meet increased needs that have developed during the Covid-19 pandemic for both the person being cared for as well as carers.

• £1.5 billion funding for carers’ breaks so that they have the confidence that good-quality services will be available when they need respite from their caring duties.

**Health (mental and physical)**

Our State of Caring 2021 report found that this is carers’ top priority along with recognition of caring by the general public. Greater attention needs to be focussed on this area.

• Caring has been identified as a social determinant of health by Public Health England and needs to be considered by national and local governments, by employers, by the third sector and all service providers.

• The NHS needs to systematically identify carers and ensure that they are consulted and have the right support.

• Employers need to include carers’ support as a targeted part of their staff wellbeing approaches, using the good practice from [Employers for Carers](#).

• Local government and health prevention services could include carers’ access to physical activity within commissioning decisions.

• Local voluntary organisations should consider their offer to carers including physical activity.

**Labour market opportunities**

The UK Government should pledge its full support to Wendy Chamberlain MP’s Carer’s Leave Bill, which makes provision about unpaid leave for employees with caring responsibilities. Second Reading of the Bill will take place in the House of Commons on 9 September 2022. Carers UK encourages all employers to become early adopters of Carer’s Leave.

The UK Government should also implement a day one right to request flexible working as this would help carers to juggle work and care, potentially return to work and help foster a better culture for carers in the workplace.

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8 [A right to Carer’s Leave - supporting carers in employment](#)
Employers should adopt Carers UK’s Carer Confident benchmark, run by Employers for Carers, to move towards becoming a carer-friendly employer. In Scotland, we recommend employers using Carer Positive run by Carers Scotland.

The UK Government and nation Governments should consider a refresh of work around carers’ returners, skills recognition and later life apprenticeships where carers are able to juggle work and care.

Other

In terms of support and services:

- The UK Government needs to continue to ensure that there is sufficient baseline funding for social care over the next few years and to ensure that the Health and Care Levy delivers this for carers. This includes any consequential funding for Wales, Scotland and Northern Ireland.

- HM Treasury must have a specific focus regarding investment in care, which looks at the value of social care in helping carers and disabled people to remain in work, as well as providing investment in local areas.

- The UK Government should invest in innovation in support for unpaid carers.

- Carers must be supported at key points of their caring journey: when they are new to caring, throughout major changes of care, at key points such as hospital discharge, when caring comes to an end and life as a former carer.

Overall, a common theme in all our research is that carers face stark inequalities, struggle to be recognised and often feel very undervalued. They also talk about the huge difference recognition, value and access to services and support can make in their lives.

- Carers UK strongly believes that caring should be made the 10th protected characteristic in the Equality Act 2010.

- There needs to be systematic awareness raising through key professions or in key settings such as all levels of the NHS.

ENDS