Carers Strategy and COVID recovery planning for unpaid carers

Poverty, financial exclusion and employment

The case for action

Unpaid carers save the economy billions each year
There are an estimated 1.1 million carers in Scotland, a number which grew by almost 400,000 during the pandemic. Carers save economy £10.9 billion per annum – c. £43 million each day

Unpaid carers and poverty
Caring has a significant impact on carers financial wellbeing, with many facing significant levels of poverty and financial distress.

The "UK Poverty 2022: Trends in poverty" published by the Joseph Rowntree Foundation found that carers are more likely to live in poverty than those without caring responsibilities: 24% compared with 21%. Within this, poverty rates vary by age and sex. Carers of working age have a higher poverty rate than their pensioner counterparts, and it is marginally higher for men than for women across both age groups. Those who spend more time caring have higher poverty rates: 44% of working-age adults who are caring 35 hours or more a week are in poverty, more than double the rate of those caring fewer than 20 hours a week (17%).

The poverty rate among carers continues to be above those who are not carers. The poverty gap between carers and non-carers widened from 2013/14 to 2015/16 and has remained broadly steady at its current level of almost a quarter since then. The poverty rate for individuals who live in families where someone is disabled is 31%, 12 percentage points higher than those who live in families where no-one is disabled. Of all families in poverty, just under half contain someone who is disabled, compared with 3 in 10 of families not in poverty.

The impact of caring on incomes has been further exacerbated by the pandemic and carers will face even greater strains on their limited finances as cost of living and energy costs increase. The most recent State of Caring in 2021 found that¹

- 1 in 3 carers were struggling to make ends meet
- More than 4 in 10 said their financial situation has deteriorated since the pandemic
- Quarter of carers are already unable to manage their monthly expenses.
- At the end of last year, many told us they were using savings (24%), overdraft (13%) and credit cards (14%) to make ends meet
- Almost 1 in 10 cannot afford essentials like electricity, gas, rent or mortgage
- 21% are or have been in debt as a result of caring
- Caring can be expensive and 60% of carers are spending their own money on care, support services or products for the person they care for. The average monthly spend for carers in Scotland is £92.22 and with high rates of inflation and a rising cost of living, this extra spend is likely to increase and further disadvantage carers financially
- Carers spend an estimated £1,106.64 a year on average on services or equipment for the person they care for

¹ State of Caring 2021, Carers UK
Half of carers (49%) feel anxious or stressed about their finances
Six in ten carers (62%) say they are worried about their ability to save and plan for the future

I can afford essentials like food and bills, but nothing else.

All or most of pension goes towards running of house costs, additional payments for equipment, installing changes to house to adapt for mobility, increase costs for specialist footwear, high usage of Night and daytime incontinence pads, increased bedding extra care provision not covered by local authority, heating bills, employing help with gardening, washing and tumble dryer use.

Some days I can’t afford to eat more than one meal a day.

We are currently in debt and having no option but to use a food bank to survive, you can only earn £512 before anything is taken off the benefits. If I was to work full time then we would lose all the benefits and the benefits for my husband’s being deemed unfit for work. As we have a mortgage payment then we get no support for this. If I work then the council tax bill can fluctuate and it only gets added onto each month.

Paid Employment
The UK has nearly five million working carers – 1 in 7 of all workers. Last year an additional 2.8 million workers took on caring responsibilities in a matter of weeks after the outbreak of COVID-19.

Before the coronavirus outbreak, 600 carers were already leaving work every day, at a huge cost to the economy and to their personal finances.

Carers UK research last year showed that, soon after the first lockdown, carers were struggling to juggle the pressures of work and caring – trying to balance giving practical and emotional support, managing appointments and keeping an eye on the loved ones they were supporting alongside their job.

Unsurprisingly given these circumstances, carers reported that, since the outbreak of the COVID-19 pandemic, 9% have given up work and 13% have reduced their hours to care.

Carers have been noticeably continuing to report problems with support services being closed or reduced, and caring responsibilities becoming more demanding. The 2021 Carers Week research revealed that 75% of working carers who responded were exhausted, 55% were overwhelmed by their caring responsibilities and 72% of carers overall had not had a break during the pandemic.

The potential impact on carers’ ability to work over the coming months is also clear. Most recently, a fifth of working carers have said that, without affordable or accessible care services, they may have to reduce their hours or give up work altogether.

A 2020 Carers UK survey showed that, even before the COVID-19 pandemic, employers in England were seeing the health, wellbeing and productivity of their workforces adversely impacted by a shortage of support from social care services.

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2 Carers Week 2020 Research Report, The rise in the number of unpaid carers during the coronavirus (COVID-19) outbreak (Carers UK, June 2020)
3 Carers UK and YouGov, Caring behind closed doors: Forgotten families in the coronavirus outbreak (April 2020)
4 Carers UK, State of Caring report 2021
5 Carers Week 2021, Breaks or breakdown
6 Carers UK, State of Caring report 2021
7 Carers UK and Employers for Carers, Supporting Carer health and wellbeing in the workplace: Employer survey report (April 2020)
Two-thirds surveyed said there needs to be more practical assistance from care and support services to ensure their staff with caring responsibilities are able to stay in work.

More recent research by Carers UK found that one in eight carers at risk of reducing or giving up work without social care. 11% of working carers are at risk of reducing or giving up work if they are not allowed to work from home and three quarters (74%) of working carers were worrying about continuing to juggle work and care.

**Actions for Scottish Government with partners**

The Scottish Government must work with partners in the public, third and independent sectors to address gaps in provision, provide updated guidance and additional funding to:

**Phase 1 (COVID Recovery)**

- To support carers facing hardship in the short, medium and long term, begin work to examine how existing programmes and hardship funds could be utilised to better include them, for example:
  - Ringfence part of the Scottish Welfare Fund for unpaid carers and/or add caring responsibilities as qualifying criteria alongside benefits for crisis and community care grants.
  - Ensure carers have access to income maximisation services, such as those provided through carers centres and money advice organisations.
  - Ensuring that carers applying to Social Security Scotland are supported to claim all the other benefits to which they are entitled.
  - Expand home energy efficiency programmes to those in receipt of Carer’s Allowance and the Carers Element of Universal Credit to help reduce the costs of heating the home.
  - Extend Cold Weather Assistance to those in receipt of Carer’s Allowance.

- Continue to provide the Carer’s Allowance Supplement at a higher rate to compensate for the additional costs relating to Covid.

- To prevent loss of employment and income, provide short term assistance through an interim self-directed support budget or grant to enable carers to take unpaid leave from work to provide care. This could be a short-term measure until social care recovers and also could be offered for short periods when a carer first begins caring/to facilitate hospital discharge and is awaiting a full assessment for the person they care for and an ACSP. This is a quasi-furlough scheme but not intended to replace wages in the long term.

- As the country moves out of the current wave, the Scottish Government, working with business leaders, should actively support flexible working for carers including the benefits of home working. This should be a priority – as workplaces return to more in person approaches, without sufficient social care and confidence over protections, carers may be left with no option but to give up work if their employer does not allow for such flexibility. This could push more carers into poverty. This should be a regular campaign and also form part of Carer Positive work. The Scottish Government should include a requirement to be Carer Positive in procurement and commissioning processes.

**Phase 2 (Carers Strategy)**

- To support carers facing hardship in the short, medium and long term, develop a Carer Poverty Strategy detailing how the Scottish Government and partners will seek to reduce...
poverty amongst carers. This should look at all aspect of poverty amongst carers and identify measures within the Scottish Government’s powers to reduce this.

- Seek to extend Carer’s Allowance Supplement to those with an underlying entitlement until Scottish Carer’s Assistance is introduced.
- Reform Carer’s Allowance, in order to better support people to care, including those in employment or education
- In partnership with local councils and COSLA, seek to end care charges as soon as possible
- Develop a national carer discount card in line with the Young Scot card
- Extend free bus travel to unpaid carers in the next phase of expansion.
- Develop a tailored employability offer for unpaid carers. Many more people have become unpaid carers during the pandemic and the scale of the impact on their employment and employment status may not be clear for some time. Supporting carers to explore their options and return to employment should be a priority.