

Heading for crisis:

Caught between caring and rising costs



Facts about financial support for carers

Number of carers in the UK: 10.6 million.¹

Carer's Allowance is £69.70 per week, £3,624 per year, and has an earnings limit of £132 per week in 2022/23. Carer's Allowance was £55.55 per week with a £100 earnings limit in April 2011.²

Number of carers with an entitlement to Carer's Allowance in 2022: 1,319,718 (407,523 men and 912,198 women) across Great Britain.³

Number of carers in receipt of Carer's Allowance in 2022: 977,506 across the UK.⁴

Number of carers in receipt of Carer Element of Universal Credit: 451,714 in May 2022, rising from 262,279 in May 2020 across Great Britain.

¹ Carers Week (2022) *Making caring visible, valued and supported*

² The Department for Work and Pensions - Social Security Benefit Up-rating, 2010/11
https://revenuebenefits.org.uk/pdf/DWP_HMRC_Benefit_rates_2010_11_12.pdf

³ Data from February 2022. X-Stat Explore tool from Department for Work and Pensions,
<https://www.gov.uk/guidance/dwp-benefit-statistics-dissemination-tools>

⁴ 928,966 (251,376 men and 677,588 women) across Great Britain from X-Stat Explore (retrieved in Feb 2022) and 48,540 from Northern Ireland (Carers Allowance summary statistics - May 2022).
<https://www.communities-ni.gov.uk/publications/benefits-statistics-summary-publication-national-statistics-may-2022>

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Introduction

The cost of living crisis is affecting many people up and down the country, particularly putting pressure on those on low incomes as the cost of energy, food, fuel and basic commodities all rise at the same time.

Unpaid carers are particularly vulnerable to all types of rising costs due to their limited ability to earn an income, and due to the additional costs they face that they cannot cut back on without affecting the safety of the person they care for. This includes costs like taking the person they care for to hospital, keeping their home at a safe minimum temperature, doing extra laundry and buying special food items.

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.⁵ The Department of Work and Pension's Family Resources Survey found that 1 in 5 households in receipt of Carer's Allowance reported living in food insecurity – nearly three times the rate of the general population.⁶

As the number of hours spent caring goes up, so does the likelihood of an unpaid carer slipping into financial difficulties. Yet, this vital unpaid work is valued at £530 million every day, with an estimated economic value of more than £490bn since the beginning of the pandemic.⁷ This is undoubtedly helping to support both the NHS and the social care systems from being overwhelmed, especially as these continue to struggle with patient backlogs following the COVID-19 pandemic.

It is unacceptable that so many unpaid carers fall into poverty as their caring role intensifies. It is time that unpaid carers are properly valued and supported. Immediate targeted financial support to help them through this winter and beyond is vital to ensure they are able to continue with their caring role in a safe way, as well as looking after their own health and wellbeing.

However, there are some fundamental and structural problems with the wider support system to enable unpaid carers to continue with paid work, where they are able to do so, as well as supporting them to live on a decent minimum income if their caring role is full-time. Providing additional support to carers has significant public backing: 84% of the public want to see carers provided with the additional support that they need.⁸ This is why some fundamental reforms are needed to certain benefits rules and allowances within our social security system, to ensure that all unpaid carers are adequately supported rather than being pushed into poverty due to their caring responsibilities.

⁵ UK Poverty 2022, Joseph Rowntree Foundation, January 2022.

⁶ Table 9.7, Household food security data tables, Family Resources Survey 2020-21, DWP.

⁷ *Unseen and undervalued*, Carers UK, Nov 2020.

⁸ Carers Week (2022) *Making caring visible, valued and supported*.

Context

While many carers are able to combine their caring responsibilities with paid work, others do not have this option. A lot of unpaid carers have had to give up work altogether to care for a family member, friend or neighbour. For many of those still able to juggle work and care, their earning ability is already reduced by the demands of their caring role but is also severely restricted by the eligibility rules for claiming Carer's Allowance – the main benefit for carers.

Carer's Allowance is the lowest benefit of its kind, currently £69.70 per week and available to carers who provide more than 35 hours a week of unpaid care.

However, the earnings limit of £132 a week, which is linked to Carer's Allowance presents a significant challenge to unpaid carers who continue with part-time paid work alongside their caring role. With the new National Living Wage (NLW) rate of £9.50, which became effective in April 2022, carers can now only work for 14 hours or less at NLW rate and still claim Carer's Allowance. Earning even £1 over this level would see a carer lose their entire entitlement to their Carer's Allowance.

This goes directly against the UK Government's policy of 'making work pay' and puts carers in an impossible position, whereby they are not able to work more hours to make ends meet during this difficult time. This has become especially pronounced during the recent dramatic increase in the cost of many basic goods and services that carers rely on.

Furthermore, a significant proportion of unpaid carers missed out on key support measures introduced by the Chancellor over the last two years. During the pandemic, those on Carer's Allowance and legacy benefits did not get the additional £20 a week that Universal Credit recipients received. Whilst in May 2022, around 386,000 carers⁹ – equivalent to the population of Coventry – who were only in receipt of Carer's Allowance, but not other means-tested benefits, were not prioritised for any targeted support, including the £650 cost of living payment. Carers who do not live with the person they care for have also not benefited from the £150 payment for people with disabilities. This means that this group of unpaid carers have cumulatively lost out on nearly £3,000 in the past year.¹⁰

⁹ Parliamentary Question by Kate Green MP (25846, tabled on 27 June 2022) <https://questions-statements.parliament.uk/written-questions/detail/2022-06-27/25846>

¹⁰ Since the start of the pandemic, those on Carer's Allowance did not receive the £20/week for two years (£2080) + 650 +150 = £2,880

Key findings and recommendations

Key findings

- Carers are a particularly vulnerable group to the effects of the cost of living crisis, due to their limited ability to earn an income and the extra costs they incur as a result of caring.
- 1 in 6 (16%) unpaid carers are in debt as a result of their caring role and their financial situation, increasing to 2 in 5 (40%) for unpaid carers in receipt of Carer's Allowance.
- The proportion of carers unable to afford their utility bills has more than doubled since last year – from 6% in 2021 to 14% in 2022.
- 77% of carers said that the rising cost of living was one of the main challenges they would face over the coming year.
- More than a third of carers are spending a significant amount of their income on energy costs: 35% of carers said that over 20% of their income went towards their gas and electricity bills.

Carers in receipt of Carer's Allowance are particularly affected and need greater financial support.

4 in 10 are struggling to make ends meet (39%), 3 in 10 are struggling to afford the cost of food (29%) and 2 in 10 are unable to afford utility bills (23%). Those in receipt of Carer's Allowance are also more likely to be cutting back on food and heating (35%) compared to all carers (25%). Nearly 8% of unpaid carers in receipt of Carer's Allowance are using food banks to cope with the cost of living crisis, compared to 5% of all unpaid carers.

Carers who provide more hours of care per week are much more likely to be struggling financially and having to make difficult spending decisions than those providing less.

31% of those caring for over 35 hours are struggling to make ends meet compared to 16% of those caring for less than 35 hours. Similarly, 17% of those caring for over 35 hours are unable to afford utility bills compared with 6% of those caring for less than 35 hours. Those caring for over 35 hours a week are much more likely to be cutting back on essentials like food and heating (28%) than those caring for less than 35 hours a week (16%).

Carers who care for longer are more likely to be struggling financially.

The proportion of people caring for over 5 years are almost twice as likely to be struggling to afford the cost of food (20%) and be in debt (19%) compared to people caring for less than 5 years (11% and 9% respectively).

The impact of the rising cost of living on carers is not just financial - it also affects their health and wellbeing.

Nearly all carers who are struggling to make ends meet (93%) agreed that the increase in the cost of living was having a negative impact on their mental and physical health.

Compared to last year, carers who are struggling to make ends meet are more likely to be making difficult decisions and cutting back on spending.

A quarter of carers (25%) said they are cutting back on essentials such as food or heating, nearly double the rate of last year (13%). 52% said they are cutting back on luxuries compared to 38% in 2021, while 47% said they are cutting back on hobbies/leisure activities compared to 37% in 2021.

Recommendations

Carers urgently require more targeted financial support over the coming months to enable them to get through the current cost of living crisis and continue to provide support to the person they are caring for. We recommend that:

1. **Unpaid carers with an entitlement to Carer's Allowance should receive a top up payment to support them through the winter in recognition of the additional costs they are facing. This payment must not affect any other benefits that they receive.**
 2. **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. An effective mechanism should be identified for uprating benefits such as Carer's Allowance in line with inflation as soon as possible.**
 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 (£199.50 at 2022/23 rates), to allow carers to work more hours a week where they wish to do so, without losing their entitlement. This is both a short-term priority, allowing those who are able to work more hours to do so, in order to plug gaps in finances, and also a medium-term priority of supporting carers to continue with paid work.**
- Carers with more caring responsibilities and those who have been caring for longer are much more likely to be struggling financially and falling into poverty as a result of providing unpaid care. This is a clear failure of the current support system and wider structural reforms are required to ensure that unpaid carers are on a more secure financial footing. We recommend that the UK Government creates a social security system to support them, which is fit for the 21st century by:
4. **Reviewing of the level and eligibility rules for Carer's Allowance – the lowest benefit of its kind – to ensure it adequately values and supports unpaid carers to continue to provide care and to look after their own needs and wellbeing. This should be accompanied by the publication of the government-commissioned research on Carer's Allowance as soon as possible.**
 5. **Reviewing and implementing changes that better support carers to juggle work and care, including changes to the benefits and social care systems.**
 6. **Commissioning an independent inquiry into the relationship between carers and poverty, to explore longer-term solutions to bringing more unpaid carers out of poverty, including food poverty. This should include consideration of higher intensity caring and longer-term carers' needs.**
 7. **Launching a funded National Carers Strategy to provide medium and long-term changes to improve the lives of unpaid carers, including matched funding for similar strategies in the UK Nations.**
 8. **Reviewing pension rules for unpaid carers with implementation of initiatives to get carers up to similar pension levels as non-carers. This should include:**
 - **Ensuring that the state pension age does not increase, as this would significantly disadvantage carers.**
 - **Creating a mechanism by which carers are able to receive their state pension up to five years early.**
 - **Creating auto-enrolment payments for carers in receipt of Carer's Allowance to ensure that they continue to contribute to additional pensions.**

The impact of the cost of living crisis on carers' finances

The cost of living crisis has already had a profound impact on unpaid carers across the UK, with many anticipating that things will only get worse in the coming months. The financial squeeze for carers comes from multiple pinch points, including their limited ability to earn an income, and the need to spend more on caring related expenses. For carers combining caring with paid work, strict limits on their earnings whilst receiving Carer's Allowance, hinders their ability to work extra hours to make ends meet during this difficult time.

Despite the fact that our State of Caring survey was conducted over the summer months, 7 in 10 unpaid carers (69%) said they are worried about living costs and whether they would be able to manage in the future. A significant proportion of unpaid carers are already feeling the effects of the cost of living crisis, with over a quarter (27%) of carers said they are already struggling to make ends meet. 1 in 6 (16%) said they are in debt as a result of their caring role. 17% of unpaid carers said they are using credit cards, 16% are using bank overdrafts, whilst 13% are borrowing from family and friends. Nearly 1 in 5 (18%) unpaid carers said they are struggling to afford the cost of food. 14% said they are unable to afford utility bills. This was a significant increase from last year, when only 6% said the same.

Carers told us about the real struggles and hardships they are already facing as a result of their caring role:

"..I've had to use credit cards to try to keep us above water and now we're in horrendous debt."

"I have had to rely on family members to cook meals for us when money has run out, or taken out unaffordable loans that we know I am not going to be able to pay back just so I can ensure that the people I care for are adequately clothed and kept warm with a roof over their head."

Almost all carers (90%) said their energy bill had increased and that they are spending more on food and drink (87%). The majority of carers (73%) also said they are spending more on transport.

Some carers are spending a significant amount of their income on energy costs: 35% of carers said that over 20% of their income went towards their gas and electricity bills.

"When the prices increase beyond belief next month I will be stretched to my limits, all my income will be used in bills..."

Carers who needed to use life-saving care equipment or ensure the person they care was kept warm are extremely concerned about the impact of further increases in gas and electricity.

"My son is incontinent... if we don't wash him in warm water several times a day this will cause him to physically decline. So how do we pay for the gas to heat the water if we are currently at max budget?"

"Very worried about gas and electricity. Adult child is ventilated overnight, we also charge an electric chair every night and hoisting requires to be permanently plugged in. How can we possibly cut back on any of these things. Also very worried about electricity blackouts when the equipment required is life saving."

"I'm extremely worried about the looming energy price rises especially as the person I care for cannot control their body temperature and needs extra heating in colder months and air cooling in summer. She also needs a lot of hot water for baths to ease her chronic pain."

"As my husband has terminal brain cancer, I am worried about how I will cope over the winter months as I can't allow him to be cold - I need him to be as comfortable as possible in his final months at home."

Nearly two thirds of carers (63%) said they are 'extremely' worried about managing their monthly costs. This rose to over three quarters (76%) of carers receiving Carer's Allowance. Those with an income of under £1,000 are even more likely to be 'extremely' worried (87%). 77% said that the rising cost of living was one of the main challenges they would face over the coming year.

"I just about make ends meet now but it is increasingly more difficult and come October I don't know how we are going to manage."

"I am so concerned about the future, I constantly worry about us and how we will survive the future. It makes me feel constantly sick."

Impact on particular groups of carers

People in receipt of Carer's Allowance are much more likely to be struggling to make ends meet (39%), much more likely to be struggling to afford the cost of food (29%) and much more likely to be unable to afford utility bills (23%). Nearly 8% of unpaid carers in receipt of Carer's Allowance are using food banks to cope with the cost of living crisis, compared to 5% of all unpaid carers.

Nearly 2 in 5 (39%) unpaid carers in receipt of Carer's Allowance said they are in debt as a result of their caring role. 19% said they are using credit cards, 18% are using bank overdrafts, and 20% are borrowing from family and friends.

Carers who provide more hours of care are also much more likely to be struggling financially. 31% of people caring for over 35 hours are struggling to make ends meet compared to 16% of people caring for less than 35 hours. Similarly, 17% of people caring for over 35 hours are unable to afford utility bills compared with 6% of people caring for less than 35 hours. 19% of those providing more than 35 hours of care per week said they had been in debt as a result of caring, more than double than those caring for less than 35 hours per week (8%).

The length of time that someone spends caring also has an impact on their financial security, with carers who spend longer caring being more vulnerable to the effects of the cost of living crisis. 20% of people caring for over 5 years are struggling to afford the cost of food compared to 11% of people caring for less than 5 years. 19% of people caring for over 5 years are in debt as a result of caring compared to 9% of people caring for less than 5 years. 16% of people caring for over 5 years are unable to afford utility bills compared to 9% of people caring for less than 5 years.

Carers from underrepresented groups are more likely to be struggling financially. Carers from an ethnic minority background are more likely to be struggling to make ends meet than White British carers (32% vs 27%). Lesbian/gay and bisexual carers are more likely to be struggling to make ends meet than heterosexual carers (44% vs 27%).

The cost of care

The cost of care is a significant and often prohibitive expense for carers. Many carers go without breaks and suffer from exhaustion as a result, because they cannot afford the cost of replacement care. The cost of care is a particular barrier for those who are already struggling to make ends meet.

Over half of carers (58%) told us that they are worried they would not be able to afford services or practical support in the future. People in receipt of Carer's Allowance are more likely to say they are worried they won't be able to afford services or practical support in the future (61%). Those struggling to make ends meet are even more likely to say they are worried they won't be able to afford services or practical support in the future (71%).

19% of carers said they are spending more on care services for the person they care for. 8% of carers said they are cutting back on support services, which help with caring. This was higher amongst carers who said they are struggling to make ends meet (16%) and those who receive Carer's Allowance (10%).

31% of carers told us they need more affordable care services for the person they care for. This was higher amongst carers who said they are struggling to make ends meet (34%).

In terms of financial barriers to accessing services, 25% said the cost is too high (compared to 24% last year). People in receipt of Carer's Allowance are more likely to say the cost was too high (28%) and those struggling to make ends meet are even more likely to say the cost is too high (38%).

Some carers said that they have, or may have to, cut back on care, as the costs are impacting on their financial situation. Others said that costs had increased and they could no longer afford the same things they had access to in the past.

"Before Covid my daughter attended day care 4 days a week at a cost of £170 per month. She now attends 2 days a week and it costs approx £199 per month!"

"Cost has risen 50% in one year"

"We are running out of money rapidly with the cost of services."

"I have a carer/sitter for 4 hours per day on two days a week and am seriously considering cutting this back to one day per week so that I can still afford respite care in a care home for my husband from time to time."

"We use a Local Authority Day Centre for my husband twice a week. It's affordable at the moment but when winter hits with extortionate financial costs I worry I may need to cut back on The Day Centre."

Some carers said they don't use services at all because they're too expensive.

"If I used the services I was offered we would have no money to live on - all our income would go on those services. I would rather die of overwork and lack of sleep than starvation."

"I was told that respite care would cost over £900 per week which is more expensive than a holiday."

The additional costs of caring

Several carers told us that the costs of care, such as buying certain foods to meet special dietary requirements, keeping the person they care for warm, and paying for life-saving caring equipment, reduced their ability to make ends meet.

“My husband’s diabetes has put extra pressure on our food budget as I try to make the best swaps for his sugar levels and carbohydrate processing.”

“There are some things as a family we can cut back on but I cannot choose to stop powering the vital equipment that keeps my loved one alive.”

“Our son has sensory and anxiety issues around food and with the cost of food increasing so quickly we are worried how we will continue to support his needs and be able to pay for it. He also needs adaptive equipment for school and we are struggling to afford the cost.”

The impact on carers' health and wellbeing

62% of carers agreed that the increase in the cost of living was having a negative impact on their physical and mental health. Nearly all carers who are struggling to make ends meet (93%) agreed that the increase in the cost of living was having a negative impact on their mental and physical health.

"I can't sleep at night worrying about what I need to pay and how to pay it..."

"It's creating added stress while trying to stay strong in my caring role."

"I am so worried about the increase cost of living that I get panic attacks, I can't sleep, I feel nauseous when I look at my bank balance."

Many carers talked about how isolating it could be to deal with the increase in cost of living, particularly when the person they care for did not understand the situation or found it difficult to cope with change. Some carers told us that stress and anxiety related to the increase in cost of living had worsened the condition of the person they care for.

"I used to take my nephew out for a drive daily and get coffee/ice cream but have had to cut back on this due to cost increases...this has had a negative impact on my nephew who works really well with his routine but struggles when this is interrupted or changed."

"It has become impossible now to hide my worries from my wife which is now stressing her and making her chronic epilepsy a lot worse."

As well as the impact on health and wellbeing of the carer and the person being cared for, carers are also considering decisions that involve health and care services. In comments, some are questioning whether they can afford to take their relative to hospital appointments because of the costs involved. Others mentioned the costs of petrol and caring at a distance and are considering how they might reduce these costs. There could be a knock-on effect in terms of supply of care simply because carers are unable to afford these.

Some carers mentioned not being able to afford care and having to cut back or being unable to afford increased charges. Earlier evidence from us shows that not getting the breaks or respite support they need leads to worse health and wellbeing outcomes.

Struggling to cope: how carers are trying to manage their finances

Compared to last year, carers who are struggling to make ends meet are more likely to be making difficult decisions and cutting back on spending. 52% said they are cutting back on luxuries compared to 38% in 2021, while 47% said they are cutting back on hobbies/leisure activities compared to 37% in 2021.

“I cut back everything. It is really the only way to manage as a carer.”

“Haven’t had luxuries and hobbies for such a long time.”

“I don’t buy anything for myself. Everything is spent on my daughter or paying bills.”

A quarter of carers (25%) said they are cutting back on essentials such as food or heating, compared to 13% last year. This has nearly doubled. People caring for over 35 hours a week are much more likely to be cutting back on essentials like food and heating (28%) than people caring for less than 35 hours a week (16%). Carers in receipt of Carer’s Allowance are also more likely to be cutting back on food and heating (35%).

“I frequently go without food/do not eat meals many times a month. I have lost more than 3 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 food...”

“I am going without so my kids don’t have to. They think I’m trying to lose a bit of weight as I’ve cut back on my food.”

“I only eat 2 bowls of cereal a day so I can provide good quality food for my disabled partner.”

“Some days I do not eat more than a slice of toast due to the rise in food costs.”

Many carers are taking more drastic measures to reduce their spending, such as walking long distances rather than paying for a bus journey, wearing warmer clothes rather than putting the heating on, taking cold showers, delaying dental treatment, and sitting in the dark rather than putting lights on.

“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 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.”

“..throughout the winter I had to do without the heating on for a lot of the time. I spent the nights shivering.”

Many carers said that the cost of living increases meant they are unable to spend any money on hobbies, days out and holidays. As a result, many felt their quality of life had reduced significantly.

“We can’t afford the things that give us a little respite from the daily sadness and difficulties that disability brings.”

“Quality of life has dropped significantly as we are balancing heating and eating.”

While taking on extra hours of work is not possible for every carer and can lead to extreme exhaustion, several carers in employment told us that they had to increase their working hours to cover the increase in the cost of living.

“I am due to retire in three months’ time and am now going to have to obtain a part time job to cover the increase in the cost of living.”

“I am having to take on another job to make ends meet. So I am working in the evening as well as day time and caring duties.”

Some carers told us they had had to give up their homes, sell their car, or drop out of university due to the cost of living crisis.

“I’ve just had to drop out of university and apply for universal credit...because while I was able to get by with my student loan last year, this year I can’t afford what I need for myself...”

“I am having to sell my reliable car and buy a cheaper one to give us a bit more money.”

“I’ve had to sell my house to prevent defaulting on the mortgage and now stay in the properties of the people I care for.”

The need for additional financial support

Over half of carers (52%) said that they need more financial support. Carers in receipt of Carer's Allowance are more likely to say they needed financial support (68%).

“It is just not possible to live on benefits - it really is not living, it's merely existing.”

We asked carers whether certain financial changes would make a difference to their experience as a carer. 84% of carers claiming Carer's Allowance said that an increase in the value of carers' benefits would be one of the main three things that would make a difference. Nearly a third of all carers (32%) said that a one-off payment to help with the cost of living would make a difference. Carers struggling to make ends meet are even more likely to say that one-off payment to help with the cost of living would make a difference (46%).

30% of carers felt that widening eligibility criteria for carers' benefits so that carers in receipt of a pension can access them would make a difference. 31% said that an increase in the earnings limit for Carer's Allowance would make a difference. 19% said that a reduction in charges to care would be one of the main financial changes that would make the most difference to their experience as a carer.

“It seems very unfair that once I am a pensioner my services as a carer are not worth SOME remuneration or recognition.”

Longer-term impacts on finances

Many carers are very worried about longer-term financial impacts of caring for a family member or friend. The debt that is being accumulated by unpaid carers at the moment will be difficult for them to repay and the impact of financial struggles is already negatively affecting their physical and mental health. It is therefore very likely that the effects of the cost of living crisis are likely to last for many years to come.

The average age that most people become carers is between 50 and 64, which means that they are pre-retirement age and should be at the peak of their careers. However, carers' ability to save for retirement is constrained: Their pensions are 29% lower than the average private pension.¹¹ The higher expenditure during this cost of living crisis as well as an increase in debt that many carers are taking on will have a compounding effect on carers' ability to save and their future and their own retirement.

“I have had to use my savings to make ends meet, but my savings have run out...”

“Our savings are being eaten away...we manage because we live all the time with our belt tightened.”

“I had to retire earlier this year as I could not cope with work and looking after my mum. I still had another four years to work before having a pension which leaves me in a very awkward financial situation.”

Earlier this year, Carers UK responded to the Government's State Pension Review. The evidence submitted sets out strong arguments for ensuring that:

- The state pension age does not increase as this would significantly disadvantage carers, but particularly carers who are women, who often have disabilities themselves or are from an ethnic minority.
- A mechanism is created by which carers can receive their state pension up to 5 years early or receive a new supplement that does not affect their means-tested benefits that is equivalent to the new state pension.
- Create auto-enrolment payments for carers in receipt of Carer's Allowance to ensure that they continue to contribute to additional pensions.

11 The Under-Pensioned Index, Pensions Policy Institute 2020

Northern Ireland

Despite the fact that our State of Caring survey was conducted over the summer months, 7 in 10 unpaid carers in Northern Ireland (71%) said they are worried about living costs and whether they would be able to manage in the future. A significant proportion of unpaid carers are already feeling the effects of the cost of living crisis, with over a quarter (27%) of carers saying they are already struggling to make ends meet. 1 in 6 (16%) said they are in debt as a result of caring and the same number (16%) said they are struggling to afford the cost of food. 11% said they are unable to afford utility bills. This was a significant increase from last year, when only 4% said the same.

The majority of carers (69%) said they are 'extremely' worried about managing their monthly costs. This was higher than in the UK (63%). 81% said that the rising cost of living was one of the main challenges they would face over the coming year, which was slightly higher than in the UK (77%).

Those in receipt of Carers Allowance are much more likely to be struggling to make ends meet (38%), much more likely to be struggling to afford the cost of food (28%) and much more likely to be unable to afford utility bills (20%).

Carers who are providing more hours of care are also much more likely to be struggling financially. 32% of those caring for over 35 hours are struggling to make ends meet compared to 17% of those caring for less than 35 hours. Similarly, 14% of those caring for over 35 hours are unable to afford utility bills compared with 5% of those caring for less than 35 hours.

66% of carers agreed that the increase in the cost of living was having a negative impact on their physical and mental health. This is slightly higher than in the UK (62%). Nearly all carers who are struggling to make ends meet (93%) agreed that the increase in the cost of living was having a negative impact on their mental and physical health.

Compared to last year, carers who are struggling to make ends meet are more likely to be making difficult decisions and cutting back on spending. 53% said they are cutting back on luxuries compared to 37% in 2021, while 48% said they are cutting back on hobbies/leisure activities compared to 36% in 2021.

Nearly a quarter of carers (23%) said they are cutting back on essentials such as food or heating, compared to 11% last year. Those caring for over 35 hours a week are much more likely to be cutting back on essentials like food and heating (26%) than those caring for less than 35 hours a week (16%). Those on Carers Allowance are also more likely to be cutting back on food and heating (33%).

59% of carers said that they need more financial support. This is higher than the UK overall (52%). Those on Carers Allowance are more likely to say they needed financial support (72%).

The Northern Ireland Executive should:

- **Urgently be restored so that it can lead on the delivery a local response to the cost of living crisis for unpaid carers.**
- **Introduce a Carers Allowance Supplement scheme, paid at the same level as that in Scotland, to provide carers with greater financial support.**

Scotland

Despite the fact that our State of Caring survey was conducted over the summer months, two thirds of unpaid carers in Scotland (66%) said they are worried about living costs and whether they would be able to manage in the future. A significant proportion of unpaid carers are already feeling the effects of the cost of living crisis, with over a quarter (26%) of carers in Scotland saying they are already struggling to make ends meet. Nearly 1 in 6 (15%) said they are in debt as a result of caring and 17% said they are struggling to afford the cost of food. 14% said they are unable to afford utility bills. This is double the rate of last year, when only 7% said the same.

The majority of carers (63%) said they are 'extremely' worried about managing their monthly costs. 74% said that the rising cost of living was one of the main challenges they would face over the coming year.

Those in receipt of Carers Allowance are much more likely to be struggling to make ends meet (40%), much more likely to be struggling to afford the cost of food (29%) and much more likely to be unable to afford utility bills (25%).

Carers who are providing more hours of care are also much more likely to be struggling financially. 31% of those caring for over 35 hours are struggling to make ends meet compared to 14% of those caring for less than 35 hours. Similarly, 18% of those caring for over 35 hours are unable to afford utility bills compared with 6% of those caring for less than 35 hours.

60% of carers agreed that the increase in the cost of living was having a negative impact on their physical and mental health. Nearly all carers who are struggling to make ends meet (93%) agreed that the increase in the cost of living was having a negative impact on their mental and physical health.

Compared to last year, carers who are struggling to make ends meet are more likely to be making difficult decisions and cutting back on spending. 51% said they are cutting back on luxuries compared to 40% in 2021, while 46% said they are cutting back on hobbies/leisure activities compared to 37% in 2021.

Nearly a quarter of carers (24%) said they are cutting back on essentials such as food or heating, compared to 15% last year. Those caring for over 35 hours a week are much more likely to be cutting back on essentials like food and heating (28%) than those caring for less than 35 hours a week (16%). Those on Carers Allowance are also more likely to be cutting back on food and heating (33%).

Over half of carers (51%) said that they need more financial support. Those on Carers Allowance are more likely to say they needed financial support (66%).

85% of those claiming Carers Allowance said that an increase in the value of carers' benefits would be one of the main three things that would make a difference.

The Scottish Government should:

- **Provide a Scottish additional cost of living payment for carers, for example, by increasing December's Carer's Allowance Supplement.**
- **Introduce dedicated help with energy costs for households with a severely disabled person. At a minimum this should include identifying those people with the highest costs related to their conditions and developing a financial support scheme to cover these additional costs.**
- **Commit to uprating devolved benefits by current rates of inflation before next April to ensure those on benefits do not suffer serious consequences to their health and wellbeing due to rising costs.**
- **Remove care charging at pace but in the interim set a framework, national directions and provide the necessary funding to local councils to ensure that all local partnerships provide disability-related expenditure reductions to take account of increased energy and inflationary costs.**
- **Commit to developing a National Carer Poverty Action Plan with clear measurable actions to support carers' financial security in the longer term. This has been identified by the Scottish Parliament Health, Social Care and Sport Committee's Tackling Health Inequalities report.**
- **Work with local councils, health and social care partnerships and the NHS to consider what can be introduced locally to support carers' incomes and their health and wellbeing, including social prescribing of free leisure access for carers, support for transport costs, income maximisation services and referral to third sector and community support in cases of financial hardship.**

Wales

Despite the fact that our State of Caring survey was conducted over the summer months, three quarters of unpaid carers in Wales (76%) said they are worried about living costs and whether they would be able to manage in the future. This is the highest of all the UK nations (69%). A significant proportion of unpaid carers are already feeling the effects of the cost of living crisis, with over a third (34%) of carers saying they are already struggling to make ends meet. Over 1 in 5 (22%) said they are in debt as a result of caring and 24% said they are struggling to afford the cost of food. 17% said they are unable to afford utility bills. This is more than double the rate of last year, when only 8% said the same.

The majority of carers (72%) said they are 'extremely' worried about managing their monthly costs. This is significantly higher than the proportion of carers in the UK (63%). 83% said that the rising cost of living was one of the main challenges they would face over the coming year, compared to 77% in the UK.

Those in receipt of Carers Allowance are much more likely than all unpaid carers to be struggling to make ends meet (41%), much more likely to be struggling to afford the cost of food (34%) and much more likely to be unable to afford utility bills (24%).

Carers who are providing more hours of care are also much more likely to be struggling financially. 38% of those caring for over 35 hours are struggling to make ends meet compared to 22% of those caring for less than 35 hours. Similarly, 20% of those caring for over 35 hours are unable to afford utility bills compared with 6% of those caring for less than 35 hours.

74% of carers agreed that the increase in the cost of living was having a negative impact on their physical and mental health – much higher than in the UK (62%). Nearly all carers who are struggling to make ends meet (93%) agreed that the increase in the cost of living was having a negative impact on their mental and physical health.

Compared to last year, carers who are struggling to make ends meet are more likely to be making difficult decisions and cutting back on spending. 59% said they are cutting back on luxuries compared to 42% in 2021, while 43% said they are cutting back on hobbies/leisure activities compared to 40% in 2021.

Nearly a third of carers (31%) said they are cutting back on essentials such as food or heating, compared to half of that (16%) last year. Those caring for over 35 hours a week are much more likely to be cutting back on essentials like food and heating (34%) than those caring for less than 35 hours a week (19%). Those on Carers Allowance are also more likely to be cutting back on food and heating (40%).

62% of carers said that they need more financial support. Those on Carers Allowance are more likely to say they needed financial support (72%).

The Welsh Government should:

- **Ensure unpaid carers are considered as an at-risk, priority group in all Welsh Government anti-poverty strategies and policies.**
- **Commit to repeat the Fuel Support Scheme in early 2023 and at least twice yearly until the cost-of-living emergency passes.**
- **Establish a Carers' Register to allow carers to be identified and targeted for financial and welfare support schemes.**
- **Support carers to stay in work through encouraging employers to co-create carers policies with carers and their representatives and establish a Fair Work Forum for Carers in Employment.**

Carers UK's research

Carers UK exists to help the millions of people who care unpaid for family or friends. 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 – using carers' insights and lived experiences – policy makers, employers, and service providers, to help them improve carers' lives.

We undertake research and engagement with carers, ensuring that there is the evidence to support the breadth and depth of carers' voices and experience which must be at the heart of any decision-making.

Methodology

Most of the data presented in this report comes from the State of Caring survey, which received responses from over 12,400 unpaid carers across the UK. Unless otherwise specified, the data presented covers the whole of the UK.

The survey was conducted between 12 July and 11 September 2022.



Across the UK today 6.5 million people are carers — supporting a loved one who is older, disabled or seriously ill.

Caring will touch each and every one of us in our lifetime, whether we become a carer or need care ourselves. Whilst caring can be a rewarding experience, it can also impact on a person's health, finances and relationships.

Carers UK is here to listen, to give carers expert information and tailored advice. We champion the rights of carers and support them in finding new ways to manage at home, at work, or in their community.

We're here to make life better for carers.

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