

Social Justice and Social Security Committee Thursday 09 October 2025 26th Meeting, 2025 (Session 6)

Carers Regulations

The draft <u>Carer's Assistance (Miscellaneous and Consequential Amendments, Revocation, Transitional and Saving Provisions) (Scotland) Regulations 2025</u> were laid on 05 September.

The Committee will hear from:

- Shirley-Anne Somerville, Cabinet Secretary, Social Justice
- Scottish Government officials

Background

Current carer payments

There are currently four different carer payments:

- <u>Carer Support Payment</u>, £83.30 per week paid by Social Security Scotland to people caring 35 hours a week for someone getting qualifying disability benefits. Available from age 16. Not available to those 'gainfully employed' (earning £196 or more a week) nor to those aged under 20 who are in full time education.
- <u>Carer's Allowance</u>, £83.30 per week paid by the Department of Work and Pensions. Case transfer to Carer Support Payment is almost complete, after which time, no-one in Scotland will get Carer's Allowance.
- <u>Carer's Allowance Supplement</u>, paid twice a year by Social Security Scotland to people getting either Carer's Allowance or Carer Support Payment. This year CAS is £293.95, paid in June and December.
- Young Carer Grant £390.25 paid annually to carers aged 16,17 and 18 who care for someone 16 hours a week on average but aren't entitled to Carer's Allowance or Carer's Support Payment.

What the regulations do

The main changes in these regulations are summarised below.

Carer Support

The regulations 're-organise' Carer Support Payment and the Carer's Allowance Supplement into 'Carer Support' and add a new payment – the Carer Additional Person Payment. Once these regulations come into force and case transfer is complete there will be three components to 'Carer Support':

- Carer Support Payment as now, paid to those caring 35 hours a week to someone getting a qualifying disability benefit.
- Carer's Additional Person Payment £10 per week paid for each additional person cared for. They must be caring for them at least 20 hours a week and must be getting Carer Support Payment for caring for another person.
- Scottish Carer Supplement £11.29 per week paid alongside Carer Support Payment. This replaces 'Carer Allowance Supplement' which is currently paid as a lump sum, twice a year.

In their response to SCOSS the Scottish Government set out that:

The components approach means that: • the client will only be required to make one application for all three components • the differing disregards in the reserved system can be protected, and • there will only be one redetermination and appeal process across the three components.

Young Carer Grant

The annual Young Carer Grant will continue to be a separate payment, but the age limit will be increased to include 19 year olds. The lmpact Assessments noted that this will increase the caseload by up to 1,200 in 2026/27.

Extended run-on

Currently, when a cared-for person dies, Carer Support Payment continues for 8 weeks. These regulations extend this to 12 weeks and provide the same 12 week run-on in the new Carer Additional Person Payment.

Breaks from care

Currently, a carer can continue to be paid Carer Support Payment during a temporary break in care if they have been caring for at least 14 weeks out of the previous 26. These regulations remove that threshold. The Policy Note states that: "This is intended to remove barriers to breaks in care for carers."

The regulations also make various consequential changes including: changing references to Carer Support in other legislation, amending cross-border provisions, ensuring that everyone getting Carer Support Payment or any missed 'case transfers' can be easily transferred to 'Carer Support', and correcting a minor error in the earnings threshold which applied the threshold to the following week's earnings rather than the same week.

Consultation and 'priority changes'

The changes in these regulations are the 'priority changes' outlined in the <u>Scottish</u> <u>Government's response</u> to the 2022 public consultation on carer benefits. This noted that:

"A recurring theme from the consultation responses was for changes to go further and be made faster."

Consultations since 2016 have shown consistent support for further change, which the Scottish Government has said it would consider further once case transfer is complete. In the 2022 consultation there was clear support for the following:

- 77% supported considering a 'run-on' after a carer reaches the 'earning's threshold', to avoid the current cliff edge.
- A majority supported a higher earnings threshold (it has since increased from £132 per week in 2022/23 to £196 per week in 2025/26).
- 86% supported a 'recognition payment' for long term carers. This would provide a payment to carers who cannot be paid carer benefits because they get another 'overlapping' benefit. This mainly affects older carers who get the State Pension. The Scottish Government said they would explore this as a possible longer-term change.

Scottish Commission on Social Security

SCOSS initially reported on these regulations on 28 February 2025, making 15 recommendations. The Scottish Government made further referrals to SCOSS on 4 March and 23 July to which SCOSS responded on 28 March and 25 August. These further responses included 2 recommendations and five technical issues for clarification. The Scottish Government responded on 5 September, accepting 11 recommendations, and partially accepting four.

The following is a very brief summary of the SCOSS recommendations and Scottish Government response.

Clarity and communications (recommendations 1, 4, 5, 6, 11, 13)

A clear theme in the recommendations was the need for clear communications with carers about their entitlements, for what can be quite a complex and technical set of payments. For example, they recommended developing a 'tailored and sustained communications and take-up plan' (recommendation 4), and 'proactively guide people through the system' when people move from caring for more than one person to caring for one person (recommendation 11). In reply the Scottish Government described their communications strategy and their 'supported application process' when Carer Support Payment ends. This will prompt carers to consider if they wish

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to make a new application for Carer Support Payment for the person they previously received Carers Additional Person Payment for.

Supporting Older Carers (recommendation 3)

SCOSS recommended "continue implementing measures at pace and to closely monitor and evaluate progress." In reply the Scottish Government set out planned administrative improvements, including introducing a new notification ahead of pension age to inform carers of the impact of the State Pension on their Carer Support. They also 'intend to develop the long-term carer recognition payment' further' 'once we have completed case transfer and delivered these priority improvements.'

Universal Credit interactions (recommendations 2, 10)

SCOSS "encourage the Scottish Government to work with the UK Government to make sure that the extended bereavement run-on benefits carers on Universal Credit." In reply the Scottish Government said they have raised with issue with the DWP and included it in the list of issues the Scottish Government would like considered in the review of Universal Credit. (See further discussion below.)

Earning thresholds (recommendations dated August 2025)

The regulations correct an error in the way the earnings threshold was applied. SCOSS recommended that any carers who lost out should get an 'ex-gratia' payment but any carers who had gained should not be pursued for overpayments. In reply, the Scottish Government accepted the recommendations, while noting that: "there is a low likelihood of clients being worse off overall as a result" of the mistaken drafting.

Young Carers (recommendation 9)

SCOSS recommended that further research be undertaken on the likely outcomes on young carers' education choices if they had greater access to benefits. In reply the Scottish Government described the current evaluation of carer benefits, including the Young Carer Grant. A final report will be published in early 2026.

Choice about Carer Additional Person Payment (recommendation 7, 8)

SCOSS recommended that carers be able to request that CAPP is added to their Carer Support rather than having to do a 'change of circumstances'. Carers should also be able to choose not to claim CAPP and be able to withdraw or end entitlement without that ending the other components of Carer Support. The Scottish Government partially accepted, saying there was no need for a specific route to request CAPP as carers can notify a 'change of circumstances', and that carers can choose not to apply for CAPP. The Scottish Government acknowledged that there is no right to withdraw from just one part of Carer Support, but they will monitor how this works in practice.

Financial costs

The only part of these regulations to create significant cost is the creation of the Carer Additional Person Payment. In September 2023, the SFC costed the Carer

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Additional Person Payment at around £7m in 2025-26 rising to around £9m in 2026-27 (<u>SFC costing, September 2023</u>).

The policy note to the regulations states that the SFC have not produced a supplementary costing as:

"The SFC May 2025 forecast for Carer Support reflects the Scottish Government's intent to delivery the payment under the updated priority improvements detailed in the current regulations."

The May forecast did not include a breakdown of the different elements of Carer Support but did forecast total Carer Support at £516 million in 2025-26 and £573 million in 2026-27.

The SFC do not forecast Young Carer Grant as the amount spent on the benefit is below their threshold for forecasting. The Scottish <u>budget 2025-26 includes £1.6</u> <u>million for Young Carer Grant</u> in 2025-26.

Universal Credit interactions

One of the issues raised by SCOSS is the interaction with Universal Credit. Carer Support Payment/Carer's Allowance is counted as income in Universal Credit. To compensate, carers are awarded the 'carer premium' as part of their Universal Credit award which has the same value as CSP/CA.

Extended run-on

When a cared for person dies, the carer premium in Universal Credit continues for the remainder of that assessment period (month) and the next two assessment periods. Depending on when the death occurs, this provides a 'run-on' of between two and three months. The run on in Carer Support will be 12 weeks. In some circumstances therefore, there will be a mismatch between these two systems when the run-on of Carer Support will continue after the 'carer premium' in Universal Credit has stopped. As a result, Carer Support will be deducted from Universal Credit without any compensating carer element being paid. In the <u>response to SCOSS</u>, the Scottish Government state:

"for some carers on Universal Credit, the extra run on will not always fully align with the Universal Credit run on assessment periods. We have raised this issue with the Department for Work and Pensions, who have told us they consider the current approach to be acceptable. Their view is that there will be very limited circumstances in which the additional 4 weeks of Carer Support Payment would lead to carers receiving the Carer Element for more than the current 3 monthly assessment periods following the death of the cared for person. The Cabinet Secretary has included this in a list of issues she has asked the Minister for Social Security and Disability to consider further as part of the DWPs ongoing review of Universal Credit."

Additional payments in Scotland not taken into account

In Scotland, carers can also get Carer Allowance Supplement and will be able to get the Carer Additional Person Payment. However, this additional support will not be deducted from Universal Credit awards, nor should it affect the cared-for person's eligibility for severe disability premiums in reserved benefits. The Scottish Government response to SCOSS states that:

"Carer Additional Person Payment will not be treated as income within the reserved benefits of income tax systems and will not affect any means tested support which a carer or cared for person may be receiving."

Suggested themes for discussion

Members may wish to discuss:

- 1. The SCOSS report raised a number of issues where the operation of these regulations could be quite complex. We also know that carers are 'time-poor' and often lead stressful lives. What is the Scottish Government doing to make sure carers are clear about how to get the support they're entitled to particularly when circumstances change?
- 2. The regulations extend the young carer payment to 19 year olds. The SCOSS report said that: "an alternative policy choice would be to give full access to the Carer Support Payment to young carers from 16, a choice favoured by the stakeholders we spoke to." What is the Cabinet Secretary's response?
- 3. Many older carers cannot get Carer Support because they receive the State Pension. The Scottish Government announced in 2022 that it would consider a 'recognition payment' for older carers as a longer term change. Has any preparatory work been done on that, and what timescale is the Scottish Government working to on developing policy on this issue?
- 4. The SCOSS report highlighted that some carers may not benefit from the full 4-week extension to the 'run-on', because of the way Carer Support interacts with Universal Credit. Can the Cabinet Secretary update the Committee on discussions with the DWP to try and resolve this issue?

Camilla Kidner, Senior Researcher, SPICe, Date: 02 October 2025

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