

SOCIAL SECURITY (SCOTLAND) BILL POLICY POSITION PAPER

SUPPORT FOR CARERS

Introduction

This paper is one of a series in which the Scottish Government wishes to set out and provide an update on our position on matters relating to the Social Security (Scotland) Bill. This paper is focused on support for carers, including Carer's Allowance, the Carer's Allowance Supplement, and the Young Carer Grant.

Support for carers

The Scottish Government recognises the immense contribution carers make to our society, caring for family, friends and neighbours. Caring can be a rewarding and positive experience for both carers and the cared-for. However, caring is also associated with poor mental wellbeing and physical health, a higher risk of poverty, and can restrict opportunities.

We intend to use our new social security powers to deliver on a number of commitments for the short and medium term to improve the support available to Scotland's carers, and we have worked with carers, carer organisations and wider public services to consider longer term changes.

We plan to deliver the Carer's Allowance Supplement in the first wave of devolved benefits by summer 2018, with payments being backdated to April 2018, and the Young Carer Grant from autumn 2019. By the end of this parliamentary term we plan to take over full control of Carer's Allowance and implement an additional payment to carers of more than one disabled child.

For the first time, we have the opportunity to make changes to social security for carers which are coherent with and support our wider approach to supporting carers. The new provisions through the Carers (Scotland) Act 2016 are central to this. Through this, many more carers than ever before will be able to request or be offered an assessment of their needs for support, and a plan or statement for these needs. It makes provision for each local authority to establish and maintain an information and advice service, to include advice on income maximisation for carers.

Carer's Allowance Supplement

The Scottish Government believes it is unfair that people in receipt of Carer's Allowance receive the lowest level of support of any working age benefit. Our Carer's Allowance Supplement will raise the level of Carer's Allowance (currently £62.70 per week) to that of Jobseeker's Allowance (currently £73.10 per week).

The current UK Government eligibility criteria for Carer's Allowance requires recipients to:

- be aged 16 or over
- spend at least 35 hours a week caring for a person who qualifies for specified disability benefits

- earn no more than £116 per week (after deductions)
- not be in full-time education

Some 40% of people who are eligible for Carer's Allowance do not receive it because they are also in receipt of another income replacement benefit such as State Pension, contribution-based Jobseeker's Allowance or contribution-based Employment and Support Allowance, which is paid at an equivalent or higher rate. This is known as the 'overlapping benefit rule'. However carers on lower incomes with an 'underlying entitlement' to Carer's Allowance may receive an additional amount in the form of a premium or addition. This is extra money included in the calculation of means tested benefits such as Income Support and Pension Credit. People receiving Universal Credit, who are also caring for 35 hours a week, may also qualify for extra money – a 'carer element'. These additional payments remain reserved to the UK Government.

We plan to pay the Carer's Allowance Supplement from summer 2018, backdated to April of that year. The increase will apply to people in receipt of full or partial Carer's Allowance payments in Scotland. To allow us to pay the increase as soon as possible, and before the Scottish social security agency is fully established, the Department for Work and Pensions (DWP) will continue to pay the main Carer's Allowance, and the Scottish Government will pay the supplement. Until we take over full control of Carer's Allowance we will be dependent on the DWP for data about who is receiving it. We will therefore be paying Carer's Allowance Supplement as a six month lump sum payment on a date within each six month period specified by Scottish Ministers and agreed by DWP.

As part of our [Fiscal Framework agreement](#) with the UK Government, the Supplement will not be clawed back by reductions in benefits elsewhere. People receiving Carer's Allowance are already exempt from the benefit cap.

Young Carer Grant

Our Young Carer Grant is the centrepiece of a new package of support for young carers to complement wider support for young carers in Scotland, such as the young carer statement. This will be a £300 annual payment for young adults caring for an average of 16 hours each week who do not currently qualify for Carer's Allowance. In line with the definition of a young carer in the Carers Act, it will be paid to 16 and 17 year olds, and 18 year olds if at school. Recipients will be caring for someone in receipt of the middle or higher rates of Disability Living Allowance, Personal Independence Payment, Attendance Allowance or Armed Forces Independence Payment.

The detail of the Grant, such as its name and detailed eligibility criteria (for example dealing with terminal illness), will be developed in collaboration with young carers through the Experience Panels.

It is intended that the grant will help young carers to look after their own health and wellbeing, improve their quality of life and reduce any negative impact of caring.

Carer's Allowance

When we commence full responsibility for paying Carer's Allowance, our immediate priority will be to ensure a safe and secure transition so that carers continue to receive the right

amount at the right time. To ensure this smooth transfer there will be no change to the eligibility criteria at the point of transition. It will continue to be non-means tested and will be paid at the higher rate, incorporating the Carer's Allowance Supplement.

Wider changes to eligibility for Carer's Allowance

Carers and their representative organisations have told us about many areas where wider changes to eligibility criteria for Carer's Allowance may improve outcomes for carers. This includes changes to the earnings threshold, reducing restrictions on student carers, changing the requirement to be undertaking 35 hours or more of caring, and changing the rules in relation to temporary absences from caring.

The Scotland Act 2016 provides flexibility to change the definition of a carer for the purposes of paying a benefit. As outlined above, we will be maintaining the current eligibility criteria at the point of transfer to ensure a safe and secure transition for the recipients of the benefits – so any changes will be taken forward over the longer term.

The independent Disability and Carers Benefits Expert Advisory Group will provide recommendations and advice on such longer term issues, taking into account the input and evidence we have gathered to date, for example through the social security consultation and work of the Carer Benefit Advisory Group. Any changes to Carer's Allowance eligibility would need to take into account consequential impacts on wider support and services for carers, other interventions at comparable costs, and interactions with benefits which remain reserved to DWP.

Wider issues

Recognition of caring role

We recognise that people may miss out on support because they don't see themselves as 'carers'. We are committed to supporting people to receive what they are entitled to, and throughout this parliamentary term we are delivering a programme of activity to increase uptake of social security payments. We are working with a range of partners who have experience in benefit take up to learn every lesson we can on what works best. This includes organisations such as Citizen's Advice Scotland, Young Scot and local authorities, to ensure we reach out far and wide, providing people with information on how they can check their entitlements.

Type of assistance

The Bill provides that Carer's Assistance 'may or may not take the form of money'. We want to make clear that assistance provided is currently intended only to be in the form of money and that our intention is that any other form of assistance would always be a choice for the individual, not a decision of the Scottish social security agency.

Short-term assistance

Stakeholders have welcomed provisions around short-term assistance for individuals awaiting the outcome of an appeal against a reduction in payments. However, we recognise concerns have also been raised that this may not safeguard any entitlements which are

dependent on the benefit that has been reduced (for example, eligibility for Carer's Allowance may be based on the cared-for person being eligible for the middle or higher rate of DLA).

As outlined in the position paper on re-determinations and appeals, consideration will be given to how short-term assistance may operate to safeguard dependent entitlements, as part of the further development of policy.

Equality impacts

We recognise that a number of points have been raised in the evidence given to the Committee about the Equality Impact Assessment accompanying the Bill. We are committed to the principle of social security as a human right, and we are working with a range of stakeholders including our Carer Benefits Advisory Group, Young Carer Grant Working Group and Experience Panels, to understand the equality impacts – including intersectional impacts. We will ensure these are taken into account in the consideration, development and implementation of options for the future.

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