



# Work and Pensions Committee

## Oral evidence: Carer's Allowance, HC 591

Wednesday 6 March 2024

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Watch the meeting

Members present: Sir Stephen Timms (Chair); Debbie Abrahams; Shaun Bailey; Siobhan Baillie; Marsha De Cordova; Nigel Mills; Selaine Saxby; Dr Ben Spencer; Sir Desmond Swayne.

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### Witnesses

I: Terry Kirton, Carer; and Gary Vaux, Head of Money Advice Unit for Hertfordshire County Council.

II: Professor Sue Yeandle, Professor of Sociology, University of Sheffield; Cristina Odone, Head of Family, Centre for Social Justice; Tamara Sandoul, Head of Policy and Public Affairs, Carers UK; and Fiona Collie, Head of Policy and Public Affairs, Carers Scotland.

### Examination of witnesses

Witnesses: Terry Kirton and Gary Vaux.

Q1 **Chair:** Welcome, everybody, to this meeting of the Work and Pensions Committee for an evidence session about carer's allowance. We are very grateful to the two witnesses who have joined us for our first panel. Can I ask each of you to tell us very briefly who you are, starting with Terry Kirton?

**Terry Kirton:** My name is Terry Kirton. I am a full-time carer for my 97-year-old father and I live in South Wales.

**Gary Vaux:** Gary Vaux from Hertfordshire County Council, where I manage a team of welfare rights workers. I live in Northolt, in West London.

Q2 **Chair:** Thank you very much for being here. Terry, can I start by asking you to outline for us your experience of claiming carer's allowance, how it helps and what the problems are.



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**Terry Kirton:** I have been a carer for my father for eight years. Initially the process of claiming carer's allowance was quite easy, I have to say. The amount, on the other hand, is impossible to live on, Sir Stephen; it really is. It is £300-odd. I cannot pay for clothing. I cannot pay for basic things like haircuts or travel. It is having an impact on my mental health as well because it is not allowing me to do the things I need to do.

It is horrible at the moment, it really is. It feels as if the Government do not realise what an important job we do. I have always said that if all the unpaid carers in the UK just for one day said, "I can't do it. I'm not doing it. Right, we all need some help", the system would crash; it really would. It is a struggle.

It is a pleasure to look after my father, but there are so many problems and finances are the things that seem to cause the most trouble for me at the moment.

Q3 **Chair:** You said that claiming was reasonably straightforward at the start.

**Terry Kirton:** Yes.

Q4 **Chair:** You have had some experience with the system before, did you not? Is that right? Had you worked in this area previously?

**Terry Kirton:** I am a staff nurse by qualification. I have not worked in this area before. Gary is the adviser. I am not a statistician at all, I am afraid.

Q5 **Chair:** With a nursing background I guess you were familiar with carer's allowance?

**Terry Kirton:** I had an idea of it. I had to do a lot of research to see if I was entitled to it. Again, for many of the people in the communities, many of the carers, I wonder how many of them are working as carers without being aware. There is not a book about how to become a carer or the information that you need, "Your relative is going to be discharged from hospital. You are going to become a carer. Have you taken these steps? Here is the advice". It is difficult. It is a bit like swimming in mud sometimes, for want of a better expression. We could do with some direction and advice on where to go and what to do.

Q6 **Chair:** Do you find you have to talk to the DWP much? Are there issues that come up or do they all happen automatically?

**Terry Kirton:** It all happens automatically.

Q7 **Debbie Abrahams:** Good morning, both of you. Perhaps I could start with Terry. Thank you so much for your statement, which was very informative. You have been caring for your dad for eight years, is that right?

**Terry Kirton:** That is correct, yes.

Q8 **Debbie Abrahams:** You left the health service, the NHS, to care for



him?

**Terry Kirton:** Yes.

Q9 **Debbie Abrahams:** Can you tell me, in terms of the transition, what that meant to you financially?

**Terry Kirton:** From being in a position where I was in a job where I was earning £3,000 a month to trying to manage on £300, which was carer's allowance. I had debts. I had a loan I had taken out that I planned to use for future care for my father. It has left me in an awful state financially, to be honest. I have had to speak to the bank, and they have kindly given me a repayment plan. It has affected my finances horrendously. It is such a struggle. As I say, it is from penny to penny, month to month and it is exhausting. It is tiring to have to do it. I love looking after my father, but I am sick of having to fight for every penny.

Q10 **Debbie Abrahams:** Absolutely. So everybody is aware, it is going up to £81 a week next month, is that right?

**Terry Kirton:** I think so, yes.

Q11 **Debbie Abrahams:** How many hours, roughly, do you work?

**Terry Kirton:** I live with my father, so it is 24 hours a day, seven days a week. I have four hours respite a week. That is the only respite I have, because that is the only respite local social services can provide me at the moment.

Q12 **Debbie Abrahams:** Shall we move on to Gary? Gary, obviously you have a management role around this with your advisers. Can you tell me, is Terry's situation typical of what carers go through—those who are moving from a working position to caring for a relative?

**Gary Vaux:** Very much so. One of the first issues we have quite often is for people to even identify themselves as carers. For some people it is, "It's just what we do. I'm a husband. I'm a wife. I'm a son. I'm a daughter". Trying to get them to first identify as carers can be an issue.

We hear very much the same sort of stories that Terry tells in terms of the earnings limit. Many of the carers we deal with want to work. They want to go out to work. They want to keep in touch with the labour market. They want to maintain their skills. Without being too indelicate, they know they may not be carers forever, so they know that it will be important for them to have something on their CV to say, "I managed to keep working". However, with an earnings limit of £151 a week from April, £139 now, it is 13 hours at minimum wage. It is not even giving an expectation that you are going to earn £20 or £30 an hour.

I recently dealt with a college lecturer who had given up a job, which was better paid than Terry's, to care for two disabled children. You only get one carer's allowance, as you know. She was offered a job to teach in a



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local FE college for a couple of hours a week. It kept her hand in. It worked out at about £30 an hour.

For two hours a week she would have earned £60, which would have lost her carer's allowance altogether, with the cliff edge at £151, just for working two hours a week. Her husband would care for the children while she was doing this job. She was providing—as Terry says—care seven days a week, 10, 12 or 15 hours a day, yet she lost carer's allowance if she took the job. She decided not to take the job because she would have earned £60 and lost £81.90. That is a negative rate of taxation that anyone would say was unsustainable.

**Terry Kirton:** It is trying to balance your finances and your work. As a registered nurse I have to work so many hours to maintain my registration. I have to. To balance that work with losing, or potentially losing, carer's allowance, what do I do? What do I do?

As Gary said, we are not going to be carers forever. I am very mindful my father is 97. I hope he has many more, but he may not have many more years on this earth. I am going to have to go back to my job. I have been caring for eight years. There is that gap. We have to be recognised for the fact that we are caring and show employees we are still able to do our jobs.

**Debbie Abrahams:** Can I briefly explore the additional cost you face as carers as well?

**Terry Kirton:** In what way?

Q13 **Debbie Abrahams:** Are there specific things that you think you have to pay out for as a carer that you did not have to pay out for before? Are you having additional costs in terms of energy costs? Do you have to buy particular equipment?

**Terry Kirton:** I have to use some of the money from the carer's allowance to buy some incontinence products for my father. These are not inexpensive.

Q14 **Debbie Abrahams:** What about you, Gary, in terms of additional costs?

**Gary Vaux:** Among the carers we work with there was quite a good deal of anger—I suppose it is last year's issue—with the cost of living payments. Carers did not qualify by virtue of getting carer's allowance. They may have got money into the household if somebody was getting a disability living allowance or attendance allowance and if they were on a means-tested benefit. However, many carers felt somewhat aggrieved that their additional costs, particularly around fuel, were not recognised with cost of living payments.

I suppose there is also what you could call the opportunity cost of saving towards a pension and things of that nature. Terry will have a gap in his pension record. There is that cost, which you can make up if you take out



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a private pension but obviously there is a cost to that when your employer is not contributing to it because you do not have an employer.

We do notice quite a lot of issues around those additional costs that are often linked to the income of the household. It is very rare to find a household where, if there is a carer and somebody getting one of the disability benefits, they maintain two separate accounts. The money gets pooled to some extent, so the extra costs almost get hidden within that pooled budget, but the carer's allowance does not make a major contribution to that pooled budget.

**Q15 Debbie Abrahams:** My final very brief question: if carers are struggling financially, where can they go for support?

**Gary Vaux:** We have a very good organisation in Hertfordshire called Carers in Herts. They have something like 12,000 carers on their books but, as a county, we know there are more people who are carers than that.

**Debbie Abrahams:** That is just a local organisation?

**Gary Vaux:** It is just local, but I think most local authorities will have a local organisation. Obviously, we have the adult care services department, which we are part of, which provides services. We have links with the NHS, where there are lead nurses responsible for carers. However, it is patchy and hit and miss.

**Debbie Abrahams:** Thank you so much, both of you.

**Q16 Chair:** Gary, can I press the point with that example you gave us of the lecturer? The earnings threshold is £130—something a week at the moment. I am not sure why two hours at £30 an hour was—

**Gary Vaux:** Sorry, yes, I gave the wrong figure there. It was more than £30 a week. I was linking it back to the carer's element, sorry.

**Q17 Chair:** The two hours' work would have taken her over the threshold?

**Gary Vaux:** Yes. At the time, the threshold was considerably lower. The threshold has been increased in recent years. It was a problem about two years ago that I was referring to. The figures I gave you I probably got wrong—apologies.

**Q18 Chair:** Terry, in your situation, would any work be feasible, given your obligations to your father?

**Terry Kirton:** At the moment, it would be very difficult to leave my father. Coming up here today, I have had to arrange carers to go into the house four times just to make sure he is safe. If there was any possibility of working from home I could potentially do a couple of hours from home. Again, the pay scale would have to be at a level that did not hit anything that would mean I would lose my carer's allowance. If I lost that, financially I would be completely scuppered.



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Q19 **Chair:** In your line of work, would there be a possibility of working at home?

**Terry Kirton:** I don't know. I guess I could try to work for NHS Direct or one of the advice line services. I believe that the pay rates for that would tip me over the edge of the limit.

Q20 **Chair:** Theoretically, would that enable you to maintain your registration?

**Terry Kirton:** I am sorry, I did not hear you.

**Chair:** Would that enable you to maintain your registration if you worked with NHS Direct or something like that?

**Terry Kirton:** Yes, it would. I have been very lucky, I have spoken to the Nursing and Midwifery Council, and they have agreed a revalidation in which they allow me to use hours I have cared for my father to revalidate with, which is very, very good of them and very kind. They have agreed that I provide nursing care at home, which I do.

Q21 **Sir Desmond Swayne:** How big a deal are allowable deductions? Do they make a significant difference, and to what extent do applicants understand the process?

**Gary Vaux:** The allowable deductions are for the obvious things like tax and national insurance, whatever rate it is going to be set at. It is the expenses that we have difficulty trying to establish. It is the extra expense of going out. If they go by taxi because they cannot go on public transport it is whether the cost of the taxi is an allowable expense. These are the sorts of more nebulous, "Is it an allowable expense?" I would like to be able to give a definite yes or no on each time, but quite often we have to argue the point almost case by case.

Q22 **Sir Desmond Swayne:** How do we improve that system?

**Gary Vaux:** Two steps. First, increase the £151, as it is going to be. Secondly, remove the cliff edge, so if it is going to be done it is tapered away.

Q23 **Sir Desmond Swayne:** I am talking principally about how we improve the system of claiming allowable expenses so people actually understand what they can and cannot claim for. Should there be a rubric that sets it out entirely?

**Gary Vaux:** There is. It is getting people to understand it and it is getting people to be able almost to self-identify within the descriptions given. The information on the carer's allowance claim form says, "If you have expenses connected with your employment that are due to your caring responsibilities". It gives a few examples, but it is certainly not a comprehensive guide. People are left struggling with that. The earnings rule deters many carers from earning at all.

We do not have many cases where people are arguing around the margins about what is and is not an allowable expense. Most carers are



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put off working, so the allowable expenses thing does not come into play that often, as they are not working in the first place.

**Sir Desmond Swayne:** Is there anything you would like to add, Terry?

**Terry Kirton:** I do not think I can add anything extra to what Gary has said, so no.

Q24 **Sir Desmond Swayne:** Can you give us some insight into your interaction with DWP? What was the experience like of applying for carer's allowance and your ongoing relationship with them?

**Terry Kirton:** It was very simple, I have to say. It was a phone call to the carer's allowance claim line. I had to have my national insurance number, my father's national insurance number and explain what I was doing. The adviser took all the details, gave me a date when it would be paid, and it was paid. I have no problem with that at all. The process is very good.

Q25 **Sir Desmond Swayne:** Is that typical in your experience, Gary?

**Gary Vaux:** Yes. I would say carer's allowance is a very well-administered benefit. The carer's allowance unit, up in Preston, does a very good job. The problem often comes with the interplay between carer's allowance and means-tested benefits. We have more problems around that—the relationship with Universal Credit, with income support and things of that nature, where there is probably less understanding of what the carer's role is. The carer's allowance unit itself is probably one of the more efficient branches of the DWP that we have to deal with.

Q26 **Selaine Saxby:** Thank you so much for coming this morning to give us your evidence. My question is to Gary: how often are carers aware of the support they are entitled to receive through the benefit system—for example, when underlying entitlement to carer's allowance might passport a carer to further financial support through other means-tested benefits?

**Gary Vaux:** That wonderful phrase, "underlying entitlement". I don't know if you have ever tried to explain to a pensioner who is a carer—say, looking after a disabled partner—that you want them to claim a benefit that you know in advance they are not going to qualify for because they already have a retirement pension. You say to them, "I want you to claim carer's allowance". "That is good. How much will that be?" "It doesn't really matter because you won't get it".

They look at you as if you are slightly mad. "So why am I claiming it?" "That proves that you're a carer. You will have an underlying entitlement to carer's allowance. That is your badge for being a carer. That means you may be able to claim pension credit, which you could not claim previously because your pension credit entitlement is now higher. So you're claiming a benefit you know you're not going to get with the possibility that you might now qualify for a benefit that you couldn't





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previously get". Try to explain that to people in a logical way. There isn't one.

That is one of our major problems—this whole issue of identifying people. It is being able to almost show them the value of claiming carer's allowance, because some people will simply say, "If they are going to knock it off my means-tested benefit, what is the point? Why should I claim if they're simply going to knock it off my pension, they're going to knock it off my Universal Credit" or whatever. I'm not going to get it so why should I?" Then you have to get into this whole issue of carer premiums, carer elements and the knock-on effect on other benefits. It often leaves people boggle-eyed when you start trying to explain that to them.

**Terry Kirton:** For people who understand the system, it is obviously quite easy. When you are so focused on caring for a loved one and dealing with issues at home, to have to deal with that as well—as Gary said—you think, "I can't be bothered. It's too hard. The process is too difficult. I just need to focus on this person at home". If it was made easier to navigate it would be so much easier. It is the language that is used a lot of the time that makes it so hard for people to understand.

Q27 **Selaine Saxby:** Do you think it is navigation rather than awareness?

**Gary Vaux:** It is elements of both.

**Terry Kirton:** Yes, It is both.

**Gary Vaux:** Yes. The first hurdle is the awareness. The second hurdle, once you have got them to that point, is guiding them through the process. If it is just carer's allowance, as Terry found, it is a relatively simple process. Once it starts branching out into things like help with housing costs or Universal Credit, that is when it becomes complicated. We do a lot of work with parents of disabled children in my local authority. The interplay between getting the child's disability living allowance sorted and then having to sort out the parent's carer's allowance, getting the two to backdate and be paid from the same date, and if they are on Universal Credit getting the carer element and the arrears of carer's allowance that are then deducted. It is at that level of negotiation that it becomes really tricky. Once you are over the hurdle of awareness you are okay if it is a simple, straightforward carer's allowance claim. Anything else becomes difficult.

Q28 **Selaine Saxby:** What are the main questions and challenges carers reach out to you for support with?

**Gary Vaux:** In my case—which is maybe because of the way we work—it is usually a holistic matter, dealing not only with the carer but also the person they care for. It usually comes as a package. Quite often the referrals we get relate to the disabled person. It is only when we take up the referral and make contact with the disabled person that we realise





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there is a carer involved in this. We then do the benefit check with the carer.

It is far more common for us to have people with disabilities referred to our service than people who are just carers. The carers almost become incidental. Obviously, once we realise there is a carer involved, we make sure they are not incidental.

**Q29 Marsha De Cordova:** A quick question. You have both said that the application process is very straightforward. The complexity comes in when you are looking at whether someone can get a carer premium and so forth. At what point is that identified? Is that done during the application for basic carer's allowance or do underlying entitlements come at a later stage?

**Terry Kirton:** At a later stage.

**Gary Vaux:** Yes. As I say, the carer's allowance unit is very good at administering carer's allowance. They do not then say, "By the way, should you be claiming pension credit? Should you be claiming Universal Credit?" They get a letter, and it is on page 4.

**Marsha De Cordova:** Should they, though?

**Gary Vaux:** I would like to see much greater co-ordination between the carer's allowance unit and Universal Credit in particular. We have gone backwards in that respect. If you were due an arrears payment of carer's allowance, because it has taken a few months to come through, the carer's allowance unit would not pay you those arrears if you were on income support because the income support would have been overpaid. In other words, it was netted off.

Unfortunately, that generally does not happen with Universal Credit. The carer receives the arrears of carer's allowance—it could be a couple of thousand pounds—and a month later, if they are on Universal Credit, they are told, "By the way, you now owe us £2,000 because you have had carer's allowance that would have counted". A lot of people have spent all or some of that money in the period in between. Then you have to renegotiate a repayment plan with debt management and arrange for the carer's element of Universal Credit to be added back. That becomes far more time consuming than it needs to be. There should be much better co-ordination at the beginning between the two parts of the DWP to prevent that being necessary.

**Q30 Nigel Mills:** What would you change? I get the impression you want some kind of taper system for the withdrawal of carer's benefit.

**Gary Vaux:** I certainly would on earnings. Obviously, the question of the amount comes into play. I am old enough to remember the invalid care allowance being introduced. I am probably the only person in the room who is old enough to remember the invalid care allowance. I remember



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who it was paid to, which was anybody except married women, because married women were not entitled to claim for it.

That established a principle that carer's allowance was set at a low rate because it was literally a spinster's benefit. That was the logic behind it. It was for the stay-at-home daughter. That created a second-class benefit. I do not think anybody has really looked at that and said, "Should it be a second-class benefit? Shouldn't it be at least the same level as jobseeker's allowance, ESA, retirement pensions?" Why do we still have a second-class benefit for carers?

**Terry Kirton:** It makes me quite emotional when I hear things like this because it is about worth and what you are viewed as, as a carer. In lots of ways it feels like people think, "Okay, you're doing it. We're not going to support you financially. We've given you this. Get on with it. Struggle on". I am tired of struggling. I want to be able to look after my father. I want to make sure he does not have to go without things, and I would like to be able to have bit of a life myself without having to fight with my finances every day.

Q31 **Nigel Mills:** You gave us quite a range there, Gary. The single person rate of unemployment benefit is a lot less than a single person state pension—about half.

**Gary Vaux:** Yes.

Q32 **Nigel Mills:** Where do you think we should be trying to pitch the carer's allowance?

**Gary Vaux:** I would at least look to pitch the basic rate around ESA. However, there ought to be some acknowledgement for people like Terry, who are spending a vast number of hours as a carer, so they have no opportunity of working. There is certainly an argument for people like the university lecturer I mentioned who is caring for two disabled people but can only claim one carer's allowance. There is certainly a strong case for basing it at least on ESA rates, but with additions for particular circumstances. I am not a theoretician. I am a practitioner, so I do not want to say, "I've looked at this model and this is how it would work". Seeing the hardship we see among carers it is not sustainable to say we will keep them on a level that is below jobseeker's.

Q33 **Nigel Mills:** If you have a relative who goes into care or has external carers come in—that is, if you can afford it or you have assets self-funded, whereas carer's allowance, quite rightly, is not taken out of the assets of the person you are caring for—is there a risk that you move one way of increasing the benefit, but you risk it starting to being taken out of the assets of the person being cared for? We could move it into the overall care regime if we are not careful.

**Terry Kirton:** Sorry, I do not fully understand what you are trying to say. Can you clarify?



**Nigel Mills:** Say—heaven forbid—your father went into a care home, or you were paying for carers to come into your house. If your father had assets or income they would be used to pay for that. That is the question I am asking: if we make the carer's regime more generous do we open the door to it becoming means-tested on the person that is being cared for, which I suspect is not what a lot of people in this regime want?

**Terry Kirton:** I don't think it is appropriate for means testing, but a higher rate certainly would encourage more people to take on the role.

**Gary Vaux:** We also have the situation I slightly alluded to earlier. In fact, we do sometimes have to tell some carers not to claim carer's allowance because it will remove the severe disability premium that the cared-for is getting. They are on a means-tested benefit, and one of the criteria for that severe disability premium that they receive is that they live alone, and they have no one getting carer's allowance for them. We have had to tell some carers, "Whatever you do, do not claim carer's allowance". We put that in our leaflets. We almost have to put out a health warning.

We do some publicity around carer's allowance. We try to get the message across, but it is not particularly attractive to say, "Be aware that claiming carer's allowance could reduce the benefit of the person you are caring for". We have to give that health warning, but it is not particularly attractive to people to read that in a leaflet. Then you have to explain why it is not a good idea, and why in some cases it is.

Q34 **Siobhan Baillie:** I have lobbied the Chancellor about looking at the rates for carer's allowance and trying to see if there is a way. As you know, there is not a lot of money around. There are a lot of pressures on the economy. For me, with medical advances we know more people will be living longer. That is a positive thing. We know people want to stay at home, and the NHS in Gloucester is actively trying to get people home. The county council in Hertfordshire is no doubt doing the same thing, trying to get people back into their home. Carers become even more valuable to the state, because we know that there is a cost saving for people not going into homes and things like that.

In your work with the LGA has there ever been a meaningful analysis of the interplay between the Department of Health and Social Care budget and carer's allowance, which sits under DWP? Government Departments are not very good at talking to each other, but have you seen studies of this?

**Gary Vaux:** I think Carers UK has done some research around the value of carers and what they bring. I am not sure that even within the LGA we have done a specific piece of work around looking at the impact on Health and Social Care budgets. In my own authority, using the family expenditure survey and the census, we have a rough idea of how many people have at least self-identified as carers—not necessarily the right number, but we know those who have self-identified as carers. We know



roughly how many of them are getting care services. If I cost what that is it would be possible—

Q35 **Siobhan Baillie:** I realise that has been done on the national charity level; is there more on the local authority level?

**Gary Vaux:** I would not say it is universal across local authorities. In Hertfordshire, we have put a lot of time and effort into the carers issue but, yes, there is probably far more to be done on looking at the value of carers. For example, we used the Household Support Fund this year to make payments to carers. That was one of the groups we identified as a priority to make payments through the Household Support Fund this year and we made a payment—whether it was £125 or £150 I cannot remember—to everybody we knew to be a carer through Carers in Herts. That is a very good use of the Household Support Fund.

Q36 **Marsha De Cordova:** Gary, you have highlighted some of the challenges and complexities within the carer's allowance itself, but how significant a challenge are overpayments to carers, where they do not inform of a change of circumstances or something like that?

**Gary Vaux:** I can think of a number of circumstances where overpayments do occur. One of them is on the earnings. If people go over the earnings limit Revenue and Customs get that information and share it with the DWP, but it is not shared regularly and so sometimes those overpayments can go on for a year or more, and the carer is relatively innocent. They may not realise they had gone over the limit, so they get an overpayment notification at that point.

We see it with people who become students and do not realise that if they are a full-time student, more than 21 hours a week, the carer's allowance would stop. They continue claiming their carer's allowance while studying, and then it comes out that it is an overpayment. We see it in the example I gave earlier about the arrears of carer's allowance creating a Universal Credit overpayment, which also leads to a Universal Credit underpayment of the carer element. The particular one I am thinking of is parents where their disabled child is going away to residential college or residential school, and they are coming home—

**Terry Kirton:** They have to be very specific on the hours, don't they?

**Gary Vaux:** Yes, and they come home at weekends or do not come home for three or four weeks at a time, but the parent carries on claiming carer's allowance even in the weeks when the child does not come home that weekend. That then leads to an overpayment. Those are the four major causes of overpayments that we see.

Q37 **Marsha De Cordova:** On the earnings threshold that was highlighted, how often do you think carers become aware that they might have breached the earnings threshold before they have been overpaid? Is it done almost unconsciously?



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**Terry Kirton:** I think it is. I don't think anybody would do it purposely. We are made very aware when we initially apply for carer's allowance that if we do go over the earnings threshold we will lose carer's allowance. That is made blatantly obvious at the start, and in the letter that we receive confirming that we will get the carer's allowance it is made quite clear that if we go over that threshold we will lose our allowances.

**Gary Vaux:** As I said earlier, what many carers do is say, "I am not going to take the risk" and they do not go out to work, or they stay far below the level as they don't want to get even near the figure, or they choose not to work at all because of what they perceive as the risk.

I had an employee—one of my own staff—who was a carer. Every year when carer's allowance went up and the earnings level went up she used to have sit there with a calculator to work out how many hours she could do. Every year she would come to me and say, "Can I reduce my hours from 14.5 to 14.1 in order to stay below the level?" Every year we would agree to that. It was always coming down. It was never going up. It has not kept pace with—

Q38 **Marsha De Cordova:** That also places quite a great onus on the individual, doesn't it, in terms of being able to work out how much they can earn or how many hours they can do as well?

**Gary Vaux:** Yes. She worked for a while for our rights unit, so I am hoping she got that support. Not many people do.

Q39 **Marsha De Cordova:** On the way the DWP is able to communicate the thresholds and so forth, and being able to support carers who want to retain contact with the labour market or be in the labour market as well as being a carer, is there anything they can do in that space in terms of how they communicate what the thresholds are and how people can work it out? As you say, if you are not in a welfare rights unit you will not be able to, will you?

**Terry Kirton:** There is not an easy calculation tool that carers can use at present.

**Gary Vaux:** It goes back to Sir Desmond's point about a slight lack of clarity around what are allowable expenses. That also muddies the water a little bit around making that kind of calculation.

Q40 **Marsha De Cordova:** How could they better communicate that? How can the information be better shared with carers, aside from going to an advice agency if there is one?

**Terry Kirton:** When I started looking after my father, I have to say I was absolutely terrified. There was no information on how to become a carer at all: what to do, what benefits to apply for, how to do it, what the thresholds were. There was no simple information. This is what we need:



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standardised information that all carers can use that would make it easier for the authorities to use, and for carers to use.

**Gary Vaux:** There is a role for the job centres. Many carers are worried if they are contacted by the job centre—they are worried about being told they have to look for a job. That worries them because it is like, “I am not ready to go to work” or, “I am not able to go to work more frequently”.

I would like to see job centres offering a more supportive role in getting people back into employment. It should not be around saying, “You should look for work,” but giving people more information about work opportunities and sitting down with people and saying, “This is what you can earn”. I don’t think we can do that, however, until we have cracked the problem of the level of carer’s allowance and the level of the work allowance.

If we can solve that problem, we should let the job centre provide a supportive role to people, explaining to them how they can combine work with caring. At the moment, the job centres either leave carers alone completely or they are calling them in to say, “Why are you not looking for a job?” There is no middle ground at the moment of a supportive relationship with the job centre.

**Terry Kirton:** Just a little add-on to Gary’s comments. When I did my telephone application, the lady said, “Right, let’s get this done quickly, Terry, and then we can get the job centre off your back so they will not want you applying for jobs”. That should tell you that it is seen as, “Right, we need to get this done to get people off your back”, which is silly.

Q41 **Marsha De Cordova:** On the earnings threshold—you may have alluded to this earlier—do you think if that was increased or changed that would probably relieve some of the challenges around people being overpaid?

**Gary Vaux:** Most definitely. It would give a better message that you are not forgotten. That you can still go out to work, and that work and caring are not mutually exclusive. At the moment, it feels as if it is a straight choice: you either work or you are a carer. There is no obvious way of being able to combine the two, and that sends the wrong message out to people who are carers.

**Terry Kirton:** Or potential carers. We need more community carers. It is almost like not advertising the caring role but if it is an attractive or made to look an attractive benefit or financial recompense more families will think, “Okay, let’s do this. I can do this”.

Q42 **Chair:** A final point from me. Terry, you have spoken powerfully to us about how much of a struggle it is to survive on carer’s allowance. In your situation are you able to claim Universal Credit as well? *[Interruption.]* No, so it is just the carer’s allowance coming in.

Gary, you made the point that it can be quite complicated to work that





out for people who are claiming Universal Credit as well.

**Gary Vaux:** Yes. We sometimes have had quite Kafkaesque conversations with our colleagues at the DWP where the person has applied for and been awarded carer's allowance. It has usually taken a while to come through because we have been waiting for the disabled person's DLA attendance allowance to get paid. It comes through maybe six, seven, eight months down the line. If we resolve the issue of the backdated carer's allowance and then the overpayment of Universal Credit, we can resolve that.

Then we say to the DWP, "Right, now can you pay the carer element of £198 a month as it is not an insignificant figure?. Could you pay that carer element back to the date that the carer's allowance was paid from?" We are told, "Well, no, because you did not tell us you were a carer. You have no proof you were a carer". We have raised this with the DWP, and we are told, "No that should not be happening", but at a local level we come across that over and over again.

We then say, "Surely the fact that you awarded carer's allowance is proof that they were a carer?" That should not be difficult. "No, because with Universal Credit you have to tell us in the assessment period in which the change occurs, and you did not tell us in that assessment period back in June of last year that you were a carer". Well, if you had done, they would not have acted on it because you were not looking after somebody who was getting a qualifying benefit. That is completely unnecessary and is something that can be solved administratively with a press of a keypad.

**Chair:** Thank you both very much, that was a very helpful session. Please, Terry, pass our thanks to your dad for coping without you for a day. We are very grateful to you for coming.

## Examination of witnesses

Witnesses: Professor Sue Yeandle, Cristina Odone, Tamara Sandoul and Fiona Collie.

Q43 **Chair:** Welcome everybody to the second panel for our meeting this morning as the Work and Pensions Select Committee are considering the subject of carer's allowance. We have four members of the panel: three here in the Thatcher Room in Portcullis House, and one joining us virtually from Scotland. Can I ask each of you to very briefly tell us who you are, starting with Tamara Sandoul?

**Tamara Sandoul:** Yes, hello. I am Tamara Sandoul, I am the Head of Policy and Public Affairs and I work for Carers UK.

**Cristina Odone:** My name is Cristina Odone, and I am the Head of the Family Policy Unit at the Centre for Social Justice. I am the author of a





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report that came out only last week about working-age carers called “Creating a Britain that Works and Cares”.

**Professor Yeandle:** Hello, I am Professor Sue Yeandle. I am a professor of sociology at the University of Sheffield, where I am the Director and Principal Investigator of the Centre for Care, which is a major ESRC research investment. I specialise in the relationship between work and care and have done for over 25 years. I would also like to mention that I was the Special Adviser to the Work and Pensions Committee in 2007-08 when it was discussing this very question and making recommendations on many of the points that you are looking at today.

**Chair:** Some 16 years ago. Thank you. Fiona Collie?

**Fiona Collie:** I am Fiona Collie. I am Head of Policy and Public Affairs for Carers Scotland. Carers Scotland is the Scottish nation office of Carers UK; we are part of that organisation too.

Q44 **Chair:** Thank you very much. Is it possible to turn Fiona up a bit? I don't know, Fiona, whether you can turn things up a little. We can hear you, but you are quite quiet. Can I put the first question to you, Fiona: can you tell us how carers' benefits reform is going in Scotland and what differences there will be once it is complete?

**Fiona Collie:** Carers' benefits reform has been under way since 2018, when the carer's allowance supplement was introduced, and that was to bring those on carer's allowance to the same level as jobseeker's allowance; and that is paid twice a year in two lump sums. Since that time, the carer support payment has been developed, which will replace carer's allowance in Scotland. At the moment, it is in three pilot areas—Dundee city, Perth and Kinross, and the Western Isles—and it is working its way through those for new claims. There have been some slight changes to it and that has included extending it those in full-time education.

The plan is that by the end of 2024 it will be expanded for all new claims in Scotland and by mid-2025 everybody who is currently on carer's allowance in Scotland will be transferred to that new benefit.

Q45 **Chair:** From the point of view of carers in Scotland, is this all going smoothly? Are carers pleased with the changes that are being made or do they think they do not go far enough? What is the view?

**Fiona Collie:** I think there is general positivity. There is positivity around the carer's allowance supplement that was extra income for carers, and certainly for the changes around the full-time education rule and the support for young adult carers to help those at the earlier start of their career and aspirations about not being excluded from education.

There is more to be done and there are proposals for different stages, which might include, for example, changing the earnings threshold, increasing the run-on from eight weeks to 12 weeks, and providing an



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additional payment for those who are caring for more than one person. There are ongoing discussions around those carers who are pensioners who do not currently receive carer's allowance.

**Q46 Chair:** Thank you. Can I ask the other witnesses: we know that DWP does now plan to modernise the IT system for carer's allowance, having not changed the benefit significantly for many years. Professor Yeandle, the inquiry that you advised suggested changes, but nothing really happened, and no changes were made. I am interested to know from each of you why you think it has been unchanged for so long, and what changes you think ought to be made now. Shall we start with Tamara?

**Tamara Sandoul:** Are you talking about just the IT system or the wider policy?

**Chair:** The fact that the IT system is being changed I imagine creates some opportunities for changing some features of the benefits. Do you have any thoughts about why nothing had happened before, given that calls have been made over a long period?

**Tamara Sandoul:** We do not think that carer's allowance has had enough of a priority—if it was a priority, things would have moved on much faster than they have done. There has been relatively little change on the policy front. We have a whole long list of things that we would like to see changed as part of carer's allowance, certainly to mirror what is happening in Scotland.

The level of carer's allowance should be raised to a similar level that the Scottish carers get, which is about £11.10 extra per week for carers. Our 21-hour study rule, which does not make sense, should also be abolished. If you are a young adult carer you have to choose between getting an education and qualifications and getting some financial support. That is not right. It will affect people for the rest of their lives, so those things have to be amended. Certainly the earnings limit, as we have heard from Gary and Terry, is a major block to people being able to keep their foot in the door, being able to do some work alongside their caring role.

I cannot comment on why DWP have not sped up the IT system. We know that carer's allowance runs on an older type of IT system, as do the other legacy benefits, and sorting out the IT system is a major step to fixing some of the problems that we have with overpayments, for example, and also giving carers a better platform to interact with the benefit to report changes in their income.

**Cristina Odone:** Why has it not been changed? Because carers are second-class citizens. Carer's allowance is a second-class benefit, and that has been the story for many years. In the course of my research for the report that the Centre for Social Justice published last week, I did a lot of interviews with small, grassroots charities that make up the CSJ



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Alliance. We repeatedly heard about people who felt they were excluded from education. They were excluded from the job market.

One of them asked me to look at Sir Chris Whitty's annual report, which was the summary of his year as Chief Medical Adviser. They said, "Look at how many paragraphs are about carers, and is there a thank you in there? No". Everything to do with carers is stuck in the past because they are not valued enough—not by us as a society, I would stress, and sometimes not by employees and often also not by the Government.

In terms of the IT system, what interested us very much was where there is the customer-facing digital support services. First of all, we need to recognise that digital support presumes digital inclusion, and almost a quarter of those over sixty-five are not online. That includes a lot of carers. Surveys of carers tell us, again and again, that the way in which there is digital interaction between the DWP and themselves, between the NHS and themselves, is complicated.

If you think about what happens to somebody who is suddenly told, usually in the GP surgery or in a hospital situation, "You are now a carer, that's it, you have to help this person out because they are your child and they are disabled" or, "They are your partner or spouse and they now have early-onset dementia", that is a traumatic moment and what they are struggling to find is some kind of communication thread that will explain really clearly what they are entitled to, what benefits and what is the threshold below which they can work. They need something very clear.

What we have recommended in our report is a one-stop shop for carers. Terry and Gary both really brought that home to me. It has become so complicated, so confusing, to find clear information and that means needs are not met. For us, the one-stop shop for carers should be in a GP surgery and administered by the new social prescribing link workers, so there is personal one-on-one contact and explanation. Also, in those NHS foundation trust hospitals, every year many NHS hospitals are putting away £200 million in apprenticeship levies, which is used for apprentices of all kinds. If some of the apprentices could be trained in how to navigate the system easily for a carer we would be a lot happier.

**Professor Yeandle:** Perhaps I can start by underscoring the length of time this Committee, other politicians and experts have been debating this and advocating on this issue. It is really important we understand that if we are going to make progress here we do need to think very carefully about the fundamental flaws in the benefit arrangements for carer's allowance.

As someone mentioned earlier, the benefit started life as the invalid care allowance back in 1976. It was the first major success of the carers' movement to advocate for that, from 1973 onwards, when people were first beginning to notice that carers existed. As has already been said, carers have been treated as if they were not very important in our



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society, and in many others, for a long time. That has changed, and we now have legislation and recognition of carers, not only in the UK but in many other countries in the world.

I hope later to have an opportunity to say something to you about what we can learn from other countries. I have studied quite a lot of other countries' systems and their development, which I would like to share with you.

The first critique of what was then invalid care allowance was commissioned by the Department of Health and Social Security and published in 1990, which is 34 years ago. It was written by an academic called Eithne McLaughlin, who is now deceased. She pointed out the reforms that were needed to that benefit, which has virtually the same features today as it had then as the carer's allowance: the 21-hours rule, the cliff edge of the earnings limit, the low level against other benefits, and the fact that only one person can claim—even though the disabled person they look after may need care 24/7, 365 days a year, but only one person can receive carer's allowance in relation to them—which is very difficult for the parents of some severely disabled children.

The 35 hours of care rule must be for only one person, which means if you are caring for two people and that amounts to over 35 hours a week you are not eligible for carer's allowance, which seems to me outrageous. Other features that were pointed out at that time were the overlapping benefits rules, which you were talking about earlier in the Committee; and the disincentive effect regarding paid employment, at a time when public policy and Governments are very keen to encourage fewer people to be outside the labour market and to have more people supporting themselves through paid work and gaining a pension that will support them in old age.

There is also the fact the system consigns carers to low-paid work. It is really important to remember this: only a small minority of people receiving carer's allowance do work, which is not surprising. On the average pay of a primary school teacher, which is £18.20 an hour, you would only be able to work for 7.5 hours a week. Effectively, if you want to work to a reasonable level, and are willing to commit more hours of work, you simply cannot do so. That has been pointed out by others.

We need to ask some questions about whether we ought to move, like other countries, to have an hours-of-work limit so we say, "This is a benefit for people who are effectively full-time caring but want to complement that major commitment to caring with some paid work". Most other countries have a limit on how many hours you can work, rather than an earnings limit. If you do that, you do not trap people in low-paid work and you do not force them into jobs that are supermarket check-out assistant or cleaner when perhaps in the past they have had a better paid job, and they can make a contribution in that job. You also do



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not trap them in jobs that do not give them any opportunity to progress or for when they perhaps complete their caring responsibility.

Bear in mind most people are not caring permanently. They are caring for a period of time. For a parent of a disabled child that may be a very long time. For a carer of an older person it is typically only for a few years, but it can fundamentally affect their experience in the labour market and be a major disadvantage for them for the rest of their life.

It is important we challenge some of the assumptions. Your Committee, in 2007-08, gave very serious consideration to all of these issues. It raised them with the Department, and it raised them with Ministers and the Secretary of State, all of whom said, "Yes, this is all very important, we ought to do something about it," but nothing happened. Nothing has happened since that has really made the change.

We need to think about how far we are behind other countries. Not only do we need to think about carer's allowance but if we want to support carers financially we need to ensure they can work. I am afraid your previous witness was wrong about one thing, which was that there is a gap between caring and working, you have to be one or the other. The vast majority of people of working age who are carers are in paid work, and only a very small proportion of people receiving carer's allowance are able to be in paid work. That is the conundrum we need to solve.

Most carers would prefer to be in work. For most carers who give up work to care it is often something they do in a crisis situation or under extreme pressure. If you have ever become a carer following someone having an accident or unexpected deterioration in their health condition, as I have done, you will know what a stressful period of months lie ahead of you and the decisions you make at that time may not be very wise ones. However, once out of the labour market it is very difficult to get back in.

The poverty that carers are experiencing, particularly those who are reliant on carer's allowance, is a disgrace. We really should determine to put an end to that for once and for all, as 30-plus years of knowing that these problems exist is too long.

**Q47 Debbie Abrahams:** Thank you. What you have just said, Sue, was really, really powerful. Thinking of your overall contribution then, given that most unpaid carers are women, do you think this is a societal issue that has not been tackled by Government?

**Professor Yeandle:** I do not know. Most carers are women—that is true— but a very large number of carers are men. It is not 90% to 10%, but I forget the exact figure. Obviously, it depends what age group you are talking about and what intensity of caring you are talking about. There are important gender differences in caring that I do not want to undermine.



However, it is a fact that many men are carers and, in particular, men are carers of their long-term sick and disabled wives, so quite a lot of men are caring for many years. For example, early-onset multiple sclerosis is a disease that is particularly prominent among women. That is the kind of illness that men are often dealing with over a long period. Trying to hold together family finances in that situation can be very difficult.

Giving up work and moving on to carer's allowance would be financially disastrous for most people, so many people do struggle to remain in work. That is why we need—in parallel to thinking about the benefit—to think about reforming and improving the support we give carers who are in work. That is another area where we are falling very significantly behind most other comparable countries. I will give you chapter and verse on that if you want later.

**Cristina Odone:** Can I have my say? I want to quote one of your own statistics, which was one of the moments when there was a “bingo” in my head doing my research. That was that a woman at 46 is 50:50 likely to become a carer.

Q48 **Debbie Abrahams:** To have been a carer?

**Cristina Odone:** To be.

**Debbie Abrahams:** To be or have been a carer.

**Cristina Odone:** So 46 years old, and for a man it is 11 years older. At least 50% of women in the prime of their lives are likely to be carers. That is a huge difference. That is when it really, really matters. If you also take into consideration that the majority of UC claimants and the majority of carer's allowance claimants are women, you can see there is a predominately female impact.

You also have to think that, in terms of the pension pot most women have, it is less than half of what an average man will have by the time they are retiring. Therefore, we have earlier caring responsibilities, the effect is more, and we have much less to rely on at the end. Sue, I am quoting you.

**Professor Yeandle:** It is important to remember that means they have had an experience of being a carer. Again, I emphasise the fact that caring is a transient status. The big issue we need to address is the fact that too often it leaves somebody with a permanent disadvantage in terms of their financial wellbeing across their life course. To me, that is the thing we really ought to fix. A few years of caring, a decade, or 25 years of caring should not mean that a person is permanently disadvantaged financially.

**Tamara Sandoul:** I would also like to come in to emphasise that 73% of carer's allowance claimants are women. If you look at the statistics of the rate of poverty for those on carer's allowance, it has doubled in the





decade between 2010 and 2020. Therefore women are more affected. Through our own surveys we have found that those on carer's allowance are more likely to be struggling financially, more likely to be cutting back on food and heating and more likely to stop seeing their friends. Women are also more likely to go part-time or to give up work than men.

**Debbie Abrahams:** Thank you, that is very helpful. I am conscious, Fiona, not to ignore you online. Do you want to add anything to that?

**Fiona Collie:** Just to add that the statistics are broadly similar across Scotland, and also to re-emphasise the point that the majority of carers of working age are in employment and are seeking to juggle work and care. Changes to carer's allowance, as in changes to carer support payment, are absolutely vital in reducing poverty by working to support people to remain in employment, which includes social care services. Appropriate replacement care services are absolutely vital as part of this.

Q49 **Debbie Abrahams:** Can I try to understand, for carers who are in work, is that something where they cling on to what they are doing and their caring responsibilities until it gets too much and then they transition to carer's allowance?

**Professor Yeandle:** That sometimes happens. I have done many studies of working carers and their circumstances. It very much depends on the situation of the person who requires care. If you are talking about an end-of-life situation or somebody who is supporting a close relative who has a very serious illness, a lot of people feel their loyalty is to that person.

They want to prioritise that and do not really think about the financial consequences of doing that because the most important thing is to be with Jack because he has just had a heart attack, or to look after Mary who has been diagnosed with terminal cancer. That is the most important thing. That is why some countries have now introduced long-term carer leave, which enables people to leave work but to have a right to go back after a long-term period of caring for somebody who is very seriously ill.

If you are talking about somebody who has a different kind of caring situation to deal with—maybe they have a child with a significant disability, but one that means they are able to have a range of activities during the day that gives the person freedom to go to work, do not need total supervision and so on—those people will want to stay in their jobs because being in work connects you to the rest of society.

Study after study, including some of my own work, has shown the triple penalty that carers pay. They pay a penalty financially. They pay a penalty in terms of their health. They pay a penalty in terms of becoming excluded from the rest of society and isolated. Those three things are fundamentally unfair. They are giving something freely to others—care—and that is what they get in return. That is what we need to address, and many other countries have found ways of doing that.





The thing I would remind you of is that your Committee, in 2007-08, advocated for a dual payment for carers, not just carer's allowance but also a support payment to mitigate the costs of caring. Most other countries that are addressing carers now have a benefit that is designed to partially offset the disadvantage carers have if they are unable to fully participate in work like other people—that is what we would call the carer's allowance—and then they offer a support payment that is to offset the additional costs of caring, which Carers UK will tell you are very significant and for a lot of people are week-in, week-out. It is those two elements. Then the element Scotland has introduced, which is also very important, is the additional payment.

**Q50 Debbie Abrahams:** Can we come to that? Thank you so much. I am just conscious there are four of you. I want to move on to the particular impact on finances. You have all said the level of carer's allowance at the moment is completely inadequate. Do you want to quickly say if you believe it is inadequate? Just one word, because I have two questions after this.

**Tamara Sandoul:** I do. It is inadequate—our own survey tells us that carers who care for more than 35 hours are twice as likely to be struggling financially and carers who care for more than five years are twice as likely to be struggling financially. That tells you something about the benefit system and whether it is supporting carers adequately.

**Cristina Odone:** I agree that it is inadequate. However, I stress that what we found was that the most important change we could make was raising that earnings threshold.

**Professor Yeandle:** Could I say it is inadequate and also declining in its relative value—a really important factor—quite significantly?

**Debbie Abrahams:** Fiona, I assume you do also, given that you are introducing it in Scotland?

**Fiona Collie:** It is a big yes, it is inadequate.

**Q51 Debbie Abrahams:** Fantastic. Can I then understand the relationship with Universal Credit? We heard from Terry before that he is not claiming Universal Credit. However, there are mechanisms to claim Universal Credit, but you will have your carer's allowance deducted. Are there opportunities there in terms of maximising income for carers?

**Tamara Sandoul:** Universal credit works in a very different way from carer's allowance. It is a means-tested benefit. It assesses the whole household income, whereas carer's allowance is a payment to the carer who has given up work, who has taken that step and lost that opportunity cost.

Universal Credit will be useful to some of the poorest carers who need that income. However, I want to point out that Universal Credit also is a problem for carers, in that it does not have a work allowance for all



carers. There is a work allowance for some people on Universal Credit if they have dependent children or if they or their partner are disabled. All other carers do not have a work allowance. The result is that if they work and earn £450 a month they lose all of their Universal Credit, which is a huge disincentive to stay in work.

**Cristina Odone:** There is a real tension between what Universal Credit is about, which is making work pay, and the carer's allowance earnings threshold, which is a mere £139. Therefore, the two systems are already not interacting properly. We should explore the possibility of moving the lowest income households to Universal Credit where they would be eligible for the care element and for the standing allowance. It is something we would explore. We did not do it in the report. The complications of these interactions were highlighted by our witnesses before and, unfortunately, it is what I kept hearing when we were talking to carers.

**Professor Yeandle:** I do not have anything to add to what Tamara said, so I will pass on that one.

**Debbie Abrahams:** Thank you very much. Fiona, is there anything you would like to add?

**Fiona Collie:** Yes, just very briefly. The carer's allowance supplement as part of the agreement around the Scotland Act was that this was additional money so it cannot be taken off Universal Credit. Those who are on the carer element of Universal Credit, rather than carer's allowance, cannot get the carer's allowance supplement. Part of it is about ensuring that carers have the right information, to know what the best way is to claim to maximise their incomes as much as they possibly can. Certainly, for those carers in Scotland, information is absolutely critical in making sure they get the best they can get.

**Tamara Sandoul:** If I could add one small point, we all talk about increasing carer's allowance but, of course, the interaction between means-tested benefits is that if we increase carer's allowance that will have no effect on those on Universal Credit or those on income support. Therefore we need to increase those carer elements at the same time because those carers are potentially the poorest.

Q52 **Nigel Mills:** Can I take us back to the issue with the earnings limit and what we could do to change that? We have heard various witnesses say we should reform the cliff edge. I presume that means having some kind of taper—is that what you are advocating?

**Tamara Sandoul:** A taper would be very useful. I understand that the current IT system makes that extremely complicated, if not impossible. It is the IT system that is at fault here, but a taper would certainly help those carers who have overpayments, as those overpayments would not be so large because it would be a gradual taper.



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As the other witnesses have said, pegging it to the number of hours or the national living wage would be extremely helpful. Since 2019, carers have gone down in the numbers they can work, from 15 hours a week to just over 13 hours a week. That is 13 days a year they have lost in earnings in those five years.

**Cristina Odone:** In the course of our report we commissioned an opinion poll of 1,035 working-age carers. We focused very much on what Professor Yeandle raised before, which was the issue of economic inactivity. When we carried out the survey we found that two in five working carers—carers who are now either part-time or full-time—are considering leaving their paid employment this year because of the lack of support.

We also found that two thirds of carers right now are not in paid employment, but would be very keen to get into paid employment if there was some change in support. For 40% of them, raising the threshold of carer's allowance was the support that would bring them back into work or raise their hours of work.

We did a cost-benefit analysis. In fact, it was carried out by a former DWP data analyst, so I am sure it is 100% correct. What he found was that raising the threshold from £139 to £250 a week, plus raising the allowance itself by only £5 a week, would get us 170,000 more claimants. It would cost £950 million, but £500 million would come back in terms of the claimants no longer being on means-tested benefits and credits, and £80 million would come in because of new tax takings and national insurance contributions. Therefore, all in all, it would cost about £350 million, which is nothing, considering they are saving us £162 billion according to Carers UK. I will submit all the cost-benefit analysis for you in writing, so you have it under your nose, but it is something that is eminently doable and not too expensive.

**Professor Yeandle:** I agree. The first thing to do is to make the link to the minimum wage. As it has pushed them into low-paid part-time work, a lot of carers will be on minimum wage. When the minimum wage goes up that immediately creates a crisis. You have to ask your employer to cut your hours, which is not a good thing to be having to do every year or on a very frequent basis. It is not something that employers want to waste their time on any more than employees want to waste their time on it. That will be a first step.

For people who are not on minimum wage you need a taper. I think a taper would help, but I do think it should be seen as an interim measure. I cannot think of any other country that has a carer's allowance and links it to a fixed amount of earnings. They all link it to, "You can only claim this benefit if you are working under a certain number of hours on average per week".

For me, the question is to get away from the muddle that the earnings limit has effectively caused and which has dogged this whole problem for



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decades now. We perhaps need to rethink that. I do not think that would be a very hard thing to do. Then a carer will know they have a responsibility to let the benefits office know if they increase their hours beyond that very well-known and universal number of hours per week.

It would give carers who have invested in their own skills or who have progressed at work in the past the opportunity to stay in the jobs they want to stay in, the jobs they are qualified to do, and stay earning enough money and building their pensions and paying a decent amount of tax. There will be all sorts of benefits from it, because it would not mean that the only people who were doing it were the people who have been effectively forced into low-paid work.

The other thing is to reinforce the nonsensical nature of the minimum hours in education that has already been referred to. I think in Ireland they dispensed with that idea: if a young person is in full-time work but is also providing the number of hours of caring a week that they require in their system, that person ought to have a carer's payment, so that is allowed.

There are other systems that are trying to address that. Australia, for example, has a young carer bursary that it introduced a few years ago. That is to help young carers, who are doing an excellent job as carers, to access skills and training and to have an opportunity to progress a career like anyone else in their lifetime. Those are the things I will emphasise.

**Q53 Nigel Mills:** Fiona, I think we have heard talk that there is some suggestion this might be changed in Scotland. What are people asking for in Scotland around the earnings limit?

**Fiona Collie:** It is definitely something we are grappling with at the moment. I am part of the Carer Benefits Advisory Group, and this is one of the things that are in the next phase, once there has been a safe and secure transfer of those who are on carer's allowance at the moment. It is that question of where you set the threshold, how you taper it off and how you make that as plain and simple as you possibly can.

What Professor Yeandle describes around hours seems considerably simpler and would remove a lot of the things around deductions. I cannot give you a full answer because we have not really got to that point yet. It is something that is going to change. However, how it is going to change is a key consideration.

We need to consider whether it is done with a phased approach, for example, to ensure that the earnings threshold keeps pace with the changes to the minimum wage and keeps pace every year with inflation; and whether it is updated at the same time as other benefits to make sure that carers, in the interim, do not have to make those choices about reducing hours. It is "watch this space", but I am certainly listening with interest to Professor Yeandle.



Q54 **Siobhan Baillie:** Cristina, your proposal is to raise the limit. Did you look at the hours approach of other countries and rule that out, or if you did not what is your first blush response to that?

**Cristina Odone:** It is a really good idea to look at the hours. We did not do that because we tried to keep it as simple as possible. We wanted to hear what carers were saying. For them, that £139 rings in their ears and really puts them off working.

**Tamara Sandoul:** If I can add, our policy is to increase it to 21 hours at national living wage, which corresponds roughly to the £250 earnings limit, which Cristina has tested. We think that that would be three days for those at national living wage, but it would be one to two days for people earning larger amounts. That should be a better level at which you might be able to find a job. As you probably agree, it is not realistic to try to find a job where you can work only three hours, eight hours.

**Professor Yeandle:** But you wouldn't, and that is the point. I know that Carers UK is always very practical and advocates for things that it thinks are achievable, but I honestly think—having looked at the arrangements of at least a dozen other countries—that it is just a weight around our neck in addressing this problem to have a specific earnings limit.

Wages across the economy are so different and caring happens to anyone. Caring can happen to people at any level of seniority or right down the bottom of the income spectrum, and we need to support all of those people. The Australians allow you to work up to 25 hours per week and still receive carer payment, which is their equivalent of our carer's allowance. The Irish carer's allowance—

Q55 **Chair:** A point on this is that HMRC can tell DWP what people's earnings are, but I suspect that it probably cannot tell them what their hours are.

**Professor Yeandle:** No, but it is very clear for the carer, £139 is where it is but it will change next year, so the earnings limit keeps changing. This is why I think this feeds into the problem we have with overpayments, because carers accidentally fall into this, as I think I heard earlier. How on earth are they supposed to keep track of that?

**Chair:** We will come to that. It is an important point.

Q56 **Selaine Saxby:** Good morning. Cristina, coming to you, in the report of the CSJ, which we have referenced already, where it is specifically talking about Government action to address economic inactivity, what are the main proposals made in that area and have they been costed?

**Cristina Odone:** Our survey of working-age carers gave some options of what Government can do for them to come back into work. One of them, as I explained, was raising the carer's threshold and that was enough for 40% of our respondents to come back into work. We also costed a £2,000 home adaptation, which had 33% of the respondents saying that would be enough for them to go back into work. That turned out to be



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that within 15 months it would come to a net-neutral costing, and I can submit our cost-benefit analysis for that. That is one where there was no cost to Government.

We also costed domiciliary care, and I know in Scotland the personal care element is free to everybody. We suggested that as a means to engage people back into the labour market. That also would have drawn back 40% of those who are outside it, and that proved to be more expensive: £3.2 billion. Of course, 10 hours free domiciliary care, even if we were only looking at the 10% most needy, would have taken 350,000 people out of care into work, but it cost so much in the salary involved. Again, I can send you the cost-benefit analysis for that.

There are alternative incentives to keeping people in work or making them work more hours. I think that all of them would reinforce the message to carers that we are taking care of you, we want you to be part of society, rather than feeling marginalised and sidelined.

**Q57 Selaine Saxby:** Thank you. Sue, I will come to you first on this one because I know you are itching to tell us. Are there any international comparators that the Committee should consider? I know you have mentioned a couple of different policy areas, but are there any specific countries we should look at?

**Professor Yeandle:** There is no country that I would say has a perfect system. My team and I have looked at at least a dozen different countries. We have a book edited by my colleague Kate Hamblin that is coming out in June that looks at nine countries—including Japan and Australia, but also Canada and some European countries—including very different kinds of European countries from very different traditions with their own welfare state arrangements. There is no perfect solution, but there are lots of messages there.

The messages are that most countries don't get it right first time and need to change things, so I don't think we should be afraid to make some amendments. It would be a very serious mistake to think that we don't need a carer's benefit and that we don't need support for carers. We do need specific support for carers, and they need to be treated as a distinct but transient group of people who need that help, and that is what other countries are doing. We need to think about whether we are putting enough effort into the support for carers who want to remain in work, and we are falling behind other countries in that in a quite significant way.

Most other countries now have paid leave for carers. We have recently legislated for and are about to introduce an unpaid right to carer's leave, which is a positive step that I support, but we really need to make it paid to make it accessible, particularly to those who are on the lowest incomes, because they are the ones who will not be able to afford to give up work, even for a couple of weeks. If they don't have any income coming in, how on earth are they supposed to take carer's leave?





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Most countries have found ways of compensating people when they do that and there is a range of different models. We need to think about those models and decide what would be right for us with our employment insurance arrangements, and the other parts of our system that it could be compared with. That is the challenge for the Committee and others thinking about these issues, and I am sure different political parties are probably thinking about their offer on this issue as well.

You mentioned support for things that you might spend as a carer and some countries offer a tax relief on that. That has been considered in the past for how that might work in the UK. You could put that against your liability for tax. It has been argued that that is not a very progressive measure, but it certainly might be attractive to some people if you could introduce that. Other countries think that you need to have really good support at work, and you need a suite of policies. That is what I have personally advocated for on the basis of my research and experience.

We led the way in flexible working. To give ourselves credit as a country, we were the first country to introduce the right to flexible working in the way that we did. It was rapidly picked up in Australia and New Zealand and now we are seeing flexible working very prominent around the world. It is really important. Alongside that, you need a long-term opportunity for people to step away from work for a year or for six months to deal with the kinds of caring I mentioned earlier that cannot be addressed by a week off.

If your wife has a terminal diagnosis you are not going to want to take a week off. Well, you might want to take a week off, but you will need more than that to support them properly and to do your job as that person's closest person. The relationship that you have with the person you care for is profoundly important here and particularly in those kinds of circumstances. It would be a civilised thing to do as a country. It would be an important thing and greatly appreciated by many people who go through that very difficult experience that can often happen to people of working age. That is one thing we should look at.

The Canadians, the Swedes and the Japanese all have long-term arrangements, and they compensate in some way. We need to get away from the idea that should this be paid for and a burden on the employer. That is one way of doing it, but you can connect it to other arrangements in your welfare state system. You can say that we need to pay it the way we pay maternity leave or sick leave. Some of those costs fall to employers, some fall to the state.

Some countries give you a percentage of time; some countries have a national insurance bank that is generated through their employment insurance arrangements, which means they have a fund they can use. Several countries—Germany, South Korea, Japan—have introduced long-term care insurance and they can use that fund that they have generated through having a compulsory insurance payment on workers over a





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certain age, usually over 40, to build the resources that you need to make those arrangements. We could do those fundamental funds.

We could transform the experience of caring and we should be so proud of the people who dedicate themselves to looking after those who need support. We should recognise that nobody can do that to the end on their own, particularly in the very challenging circumstances of dementia, which we know will be a big problem in the future. It is not reasonable to expect somebody to spend seven days a week, 24 hours a day, on their own looking after someone who has that kind of very serious end-of-life illness. We need to make sure we celebrate what carers do, look after them properly, integrate them into society properly and into their jobs and not penalise them financially.

**Cristina Odone:** May I complement everything you have just said with: employers have a role, and I was struck by how many employers are doing really good things to recognise their carers who are employees. That can be a mid-career MOT, where they say to you, "Now that you have this new caring role, how can we make flexible working or hybrid working work for you?" They are very conscious of a carer's need and although it is not statutory they will allow for it. There is some best practice that we should be sharing more widely. That would be a useful thing, and maybe the DWP could play a role in sharing that best practice.

Q58 **Selaine Saxby:** Thank you. Tamara and Fiona, is there anything specifically on international comparators that you would like to add?

**Tamara Sandoul:** I have nothing on international comparators, but to support the role for employers, we work with a large number of employers to spread good practice, and many of them offer paid carer's leave, even up to 10 working days. There are really good employers out there and we should be promoting that and getting more employers to offer support and financial support to carers.

**Professor Yeandle:** I will add that the Employers for Carers forum, which was initially set up by Carers UK and still is something that you support, is an employer-led forum and it is the envy of most of the other countries I have visited about carers' issues. We have excellent employment practice in some of our major companies across the spectrum. It is not just in companies of a particular type. What has been so impressive about Employers for Carers is that it has attracted employers across all occupational areas and areas of business and also a number of small employers who see the value of working in that way. If we can spread, it would be really beneficial.

Q59 **Selaine Saxby:** Thank you. Fiona, is there anything you would like to add on international?

**Fiona Collie:** Very briefly. As part of the development of the carer support payment and the carer's allowance supplement, the Scottish Government undertook some work on international evaluation. I think



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that would be useful information to share, and I am sure they would be able to do that from the Carer Benefits Advisory Group.

**Selaine Saxby:** Thank you, that would be great.

**Chair:** We are a little bit up against the clock and there are a couple of extra points that I want to bring in.

Q60 **Shaun Bailey:** I want to touch a little bit more on young carers who are out of the system. I am aware that the context of the last exchange was particularly about the employer relationship with the skills piece. A lot of the young carers I have interacted with, particularly in my area, quite often are disconnected from the education system anyway and don't necessarily have the skills because of the responsibilities they have had to take up at home.

I fully appreciate that local authorities have a legal obligation at least to register where young carers are, but where we have that, in your view, what central Government intervention can take place at least to give young carers out of the system similar sorts of opportunities? We have talked a lot today about—I don't want to say established carers—people who want to get into the system, but for those who are right at the start, how do we ensure that they are not disengaging, not dropping out? Is there a role in that, not just for Government but for employers as well, to take some sort of responsibility, almost preventatively, early on? I am keen to get your thoughts on that.

**Professor Yeandle:** Some of the carers' organisations at a local level are doing fantastic work on this, working with schools, local authorities and children's services to identify young carers. It is often an issue that a young person or a child takes for granted, does not appreciate that they are doing something that is not normal or at least perhaps when they do discover that they feel stigmatised, or they are bullied at school. We need to work across services to identify that, but there is plenty of evidence that young people who take on caring responsibilities, which at one level we ought to be proud of, are disadvantaged in their access to further and higher education and better-paid jobs later on.

We need to tackle that, and to me it is about policies that could support that in schools and in FE colleges where quite a lot of young people will have experience of caring. The whole agenda of skills and use and encouraging young people to aim high in the workplace and seek to contribute to the productivity of the future economy is an area where we can do something.

Caring can be crushing and very debilitating if it is unsupported. It is very demanding, but it is also something that people often feel very proud of and where people learn a lot of life skills and sometimes skills that are transferable to the workplace. It is trying to think that through a bit more and provide incentives to colleges and schools to identify those young people.



This again is an issue that has been picked up across Europe. There is lots of work being done on young carers by the European organisation that supports carers, Eurocarers, and there is lots of good practice emerging in other countries that we could also learn from. I advocate doing something about that as well, because it can seed an inequality that is very difficult to change later in life.

**Q61 Debbie Abrahams:** I have a very brief question on small businesses. Are there any examples of good practice in small businesses? They will also have their own constraints.

**Professor Yeandle:** We have done work with a number of case-study organisations, and quite a lot of countries have done case study work with organisations that include small businesses. Some of those are reported by the European Foundation for the Improvement of Living and Working Conditions, which has a database of case studies of organisations.

In my experience, small businesses are very familiar with understanding their workforce. They need to know their people and they know when something is a struggle for their people. They get the idea that you need to operate flexibly, that you need to encourage people to work in multi-skilled teams, that you can substitute one person's work for another's.

We published a piece of work that was done in conjunction with Carers UK on a number of leading Employers for Carers members, which included a company called Listawood that has been a long-term supporter of a positive policy in supporting carers. There are many examples—and I am sure that Fiona has many examples in Scotland—of small companies that are doing great work in supporting carers. It can be done, and it can be a positive issue because it helps you retain your workforce.

**Cristina Odone:** That is just what I was going to add. For recruitment and retention, once the word spreads you find even the smallest employer saying this is a cohort that is worthwhile keeping and—I don't want to use the word "groom"—promoting and encouraging. As Professor Sue Yeandle said, they have skills that have been honed through their caring responsibilities. They are skills that are invaluable for employees as well as for citizens.

**Tamara Sandoul:** I completely agree with everything that has been said, and it brings me back to the 21-hour study rule, which has been abolished in Scotland, I believe. Fiona may come in on this, but there is a young carer grant in Scotland, which is financial support for 16 to 18-year-olds and which would encourage them to consider studying and getting qualifications while they are caring.

**Q62 Debbie Abrahams:** On small businesses and good practice very quickly, Fiona.

**Fiona Collie:** With our carer positive award, we have about half a million employees in Scotland who are covered by a carer positive employer, and



we have a number of small businesses. We have a number of MSPs who are the smallest of small organisations and small employees. We certainly have a number, including the Federation of Small Businesses, who most recently were talking about the business benefits of the new Carer's Leave Act.

**Chair:** That is very interesting. Thank you very much.

Q63 **Dr Spencer:** My questions will focus on overpayments and the problem and the impact there, but before I do so I wanted to reflect, with a question for Professor Yeandle about your comments on making sure that the work that carers get is salient. Mindful of it being Budget day and the fact that a lot of the focus on Budget day is around economic projections, with measurements of economic activity such as GDP, one of the challenges that the carer's profession has is that the way that we think about economic activity in our country by definition excludes the unpaid work of carers. You have quoted a few times the benefits financially to the country, but it is quite difficult to identify those.

**Professor Yeandle:** With one of the other hats I wear, I am the editor-in-chief of the *International Journal of Care and Caring*. When I read your report, which talks about carers as economically inactive, I winced because I know quite a lot of countries no longer use that language for carers. Carers find it a little bit insulting, and what they are doing is a contribution to the wealth of the nation.

**Dr Ben Spencer:** Yes, but to capture—

**Professor Yeandle:** Yes, I quite understand why you have done the wording. You are right, and what we are seeing, if we are not careful, is a huge waste of talent. We are putting financial pressure and other forms of stress on carers through outdated systems that we need to reform, which we could change. We could transform employment and people's experience of being part of the labour market and of their communities and being good family members by just providing a little bit better support. Adjusting the issues for carers is not a massively expensive policy investment and you probably would reap back far more in the rewards you would get in the economy than you would have to expend, as Cristina has partly explained.

I think that the investment in carers that we need to make to enable them to lead full and satisfying lives and not to be financially disadvantaged throughout middle and later life is huge. It is an ambition we ought to have across the whole of the fiscal spectrum. My most enthusiastic moments now are when I read reports from across the political spectrum and see that we are starting to align on this issue. That is what has happened in other countries, and it needs to happen here too.

Q64 **Dr Spencer:** When I was a doctor, sometimes patients would say I was looking after them and I would say, "I'm not looking after you, it is your



family that is looking after you. It is the broader care network that is looking after you hour by hour. I see you for a certain brief moment in time, but it is the care network”.

**Professor Yeandle:** Absolutely, yes. That is the other thing that we need to remember, that caring is sometimes one person’s responsibility in a family for one person, but very often it is shared. Some of the schemes that other countries have introduced for carer’s leave allow siblings to share carer’s leave.

If you have a long-term leave arrangement—Canada and possibly Sweden is the other country that I am aware of where you can do this—siblings can say, “We would both like to take some time off, but we would like to do alternate months” and they can split the benefit and split the cost to their employer or the state, however it is compensated. It seems to me that is also something we should be encouraging and that is why the single person caring seems to be very outdated. We ought to try to amend that.

Q65 **Dr Spencer:** I will put that genie back in the bottle for a moment so we can crack on with the overpayments questions. I think I can guess what you are going to say. What would you say is the impact on carers of overpayment of the carer’s allowance? Do you think the situation has got worse or better since the changes DWP brought in? Part of the answer may be a bit of a download for you: what is your scope of the number of people affected or the proportion of carers who are affected by this problem?

**Professor Yeandle:** I don’t know the figures and perhaps Carers UK is able to give you those, but I can talk about the strain on families where that occurs. It is probably something you may in the back of your mind have been a bit worried about, but you probably were too stressed or overstretched to think, “I need to investigate this—it is another bit of bureaucracy I need to check out”.

At the end of the day, you are exhausted, and you cannot face the thought of looking up those figures and checking whether there is something you ought to be doing about them. Finding out that you owe money when you are already on a low income, and you are struggling financially will be absolutely devastating for carers and it will push them from feeling that they are doing something valuable and important to just feeling absolutely bereft and totally devastated. To me it is really shocking.

Of course, we have to have regard to the very small numbers of cases of fraud, but I imagine that fraud on carer’s allowance is very small because it is such a small benefit. If you were going to defraud the system, you would not start with carer’s allowance. It would not be a very clever move. It happens to people by accident and then they are finding themselves in an almost Kafkaesque mess that they cannot get out of.



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We should have a process whereby if it is genuinely not their fault because questions have not been asked or checks have not been made, they should be written off. We should look into how we can get rid of that problem because what has happened to some carers is just outrageous. Tamara, you probably have some numbers.

**Tamara Sandoul:** Yes, we do. Through our survey of over 10,000 carers, we find a really strong correlation between financial problems and financial constraints and mental health and wellbeing impacts for carers. If they have to pay back carer's allowance—and they probably would have spent those overpayments, but they did not realise—it takes out of an already very tight envelope, a very small amount of money that they have to deal with—

Q66 **Chair:** How common is it?

**Tamara Sandoul:** In 2022-23, there were 26,700 overpayments. What is alarming about it is that 835 of them were between £5,000 and £20,000, a very significant amount, and there were 36 overpayments over £20,000. They are huge. The question is: why are they allowed to run up to such high level?

There is an interaction between HMRC and DWP, but because of the older- style IT system that interaction is not automatic and those cases that are flagged up by HMRC are not investigated in a timely way. This is obviously years of paying carer's allowance, which is very low, and we would like to know from DWP at what stage they investigate. Why don't they investigate sooner? We would like to see additional resource within the Department to tackle those overpayments much sooner so that they don't get anywhere near those numbers.

Q67 **Dr Spencer:** Where did you get that data from?

**Tamara Sandoul:** That was from a parliamentary question from last year.

Q68 **Dr Spencer:** That is interesting, because our briefing and the answer we had from Tom Pursglove gives the number for 2022-23 of 38,500—that is new CS debt and not pre-existing debt. I was doing a back-of-a-fag-packet sort of calculation. If we take the 1.4 million carers, which is the 2022 data, which is not 100% comparable, but that is roughly 2.75%, touching 3%, and that is new debt. It doesn't give you—

**Professor Yeandle:** There are only 1 million people getting carer's allowance as a payment. Not all carers get carer's allowance. It is about 1 million people who actually get the payment, so it is even worse than that.

Q69 **Dr Spencer:** Yes, so it is potentially quite a lot of people. It is perhaps touching more people who are subject to overpayments or have old overpayments that are going through the system. It would be good if we can get some better data on that, because that strikes me as quite an





issue.

**Cristina Odone:** My understanding is that the DWP is now reforming its IT system and it is improving and modernising it, so that hopefully this is not an issue that will go forward.

Q70 **Dr Spencer:** It is quite an issue at the moment. I think they were doing the reforms a few years ago now in bringing that through. That is one of the questions I had to ask. With the linking in with HMRC, do you feel that difference for the people who you represent?

**Professor Yeandle:** I don't have any direct experience of that. I always wondered if there was a way it could be linked to PAYE, because for most carers who are working that is the other thing. It is probably mainly the carers who are in work, which is only about 10% of the 1 million, who are running up these overpayments.

**Dr Spencer:** Yes, I think it is.

**Professor Yeandle:** I don't know enough about the technicalities of how this would work, but these are questions you need to ask DWP officials and HMRC officials: what can they come up with as a solution? Maybe there is a short-term solution while they are reforming their IT systems, because we know where we can go with major reforms of IT systems—

**Dr Spencer:** We have spoken to DWP a lot about IT systems for many years.

**Professor Yeandle:** Finding a way of connecting that up, but if you cannot find a way of connecting it up, then solve the problem in the way I have suggested, which is just stop having an earnings limit.

Q71 **Dr Spencer:** I think there is a link through with HMRC, as you have described already. What is carers' experience of finding out that they have been overpaid? You make a very interesting point about the amount of earnings changing year on year. How is this explained to people? How is the information got across? How are carers communicated with? Is it sufficient? What are the barriers?

**Cristina Odone:** In the course of my research, I didn't hear how it was communicated. I know how they felt when it was communicated, which was incredible guilt, and beating themselves up because they said, "I didn't notice. This is something where I have slipped". Then there is the prospect of paying back, which in some cases is just devastating because it means penury.

**Tamara Sandoul:** I think that carers simply don't notice. They have a huge amount of admin in their lives. They are doing all the admin for the person they care for, arranging their care, making sure they are getting their benefit, and then they are doing their own admin, and they are going to work. Those are the carers who are affected by this. As far as I understand it, it is communicated to them in a letter once a year, but the





change even in the national living wage every year, if you go over just by £1 in your earnings, you lose all of your carer's allowance for that week. Obviously, most people's earnings happen over a month, so you might not notice until the month is over, so that is four weeks. It can happen very easily.

**Q72 Chair:** Fiona, can you tell us in all the work that is going on about carer's benefit in Scotland, is this question of overpayments being looked at? Are there some proposals around?

**Fiona Collie:** Yes. It is starting from scratch, so you are able to build a system and develop it as you go along to try to improve the situation. This system will work with HMRC, but also as part of it the data will flag when someone is over their earnings threshold, so that there is a task for Social Security Scotland advisers to contact a carer directly. There are potentially—and I have to say "potentially" because we are in the very early stages of carer's support payment being rolled out, only in three areas at the moment—opportunities to prevent the level of overpayments building up that have done for so many carers across the system.

There is probably a question that may arise about the carers who are transferring to carer's support payment from carer's allowance over the period of this year. If they have overpayments with DWP, what will happen with them and the potential confusion for carers at that point? It is a question when things are changing about making sure that communication is absolutely spot on, but also ensuring that we have the right information from both bodies so that carers know what might happen if they have an overpayment or are advised of an overpayment in the intervening time.

**Q73 Chair:** That is very interesting. Thank you. It is an interesting example of where the system is becoming significantly different in Scotland from the rest of the UK and giving some very useful food for thought. Tamara, on the overpayment point, does your survey of 10,000 carers identify how many have had an overpayment?

**Tamara Sandoul:** I will have to go and check whether we asked that question specifically.

**Chair:** If you have any data on it that would be useful for the Committee to know.

**Tamara Sandoul:** I will check and let you know.

**Chair:** Thank you all very much indeed for a most interesting and helpful session. We are grateful to you all and we hope it won't be 16 years before something happens this time.

**Professor Yeandle:** Yes, and hopefully not the 30-plus years since we noticed the problem and worked out what to do about it.

**Chair:** Thank you very much indeed.