

# **Carer's Allowance Supplement (Scotland) Bill**

**Fairer Scotland Duty Assessment**

**July 2021**



**Scottish Government**  
Riaghaltas na h-Alba  
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<p><b>Title of Policy, Strategy, Programme etc</b></p>	<p><b>Carer's Allowance Supplement (Scotland) Bill</b></p>
<p><b>Summary of aims and expected outcomes of strategy, proposal, programme or policy</b></p>	<p>The purpose of Carer's Allowance Supplement (Scotland) Bill is to make provision for a further increased Carer's Allowance Supplement to carers in Scotland as a result of the effect of coronavirus. Secondly, the Bill is to confer a power to make regulations to allow for greater flexibility to enable the Scottish Ministers to increase the amount of future payments of Carer's Allowance Supplement if Ministers consider it appropriate for additional financial support to be made to unpaid carers.</p> <p>Carer's Allowance Supplement (£231.40 in 2021-22) is a payment made twice annually to persons who, on the qualifying date for each supplement, were in receipt of Carer's Allowance and are resident in Scotland (or otherwise met the eligibility conditions referred to in section 81(2A) of the Social Security (Scotland) Act 2018 ("the 2018 Act").</p> <p>Carer's Allowance Supplement payments are made in recognition of the vital role of carers and to address the fact that Carer's Allowance is otherwise the lowest of all working age benefits. It was initially set at a level which would raise Carer's Allowance to the equivalent of Jobseeker's Allowance but, following uprating of the supplement, the combined support was more than Jobseeker's Allowance in 2020-21.</p> <p>An increased amount of Carer's Allowance Supplement was also paid to carers in Scotland who qualified for Carer's Allowance on 13 April 2020 in recognition of the impact of coronavirus, through provisions made in the Coronavirus (Scotland) (No. 2) Act 2020 (paragraph 6 of schedule 1 of that Act temporarily modified the 2018 Act to insert a new section 81(4A)). The Scottish Government intend to provide for the expiry of this provision in September 2021 since this payment period has passed and it is no longer necessary.</p> <p>The actual number of unpaid carers living in Scotland is not known but it was estimated that there were around 700,000 to 800,000 before the Covid-19 pandemic.</p>

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	<p>Recent polling<sup>1</sup> suggests that number could have since grown to over a million.</p> <p>The coronavirus outbreak has had an impact on many of Scotland's unpaid carers that is specifically connected to their caring role. While it is not possible to quantify this impact precisely, the Scottish Government considers that many unpaid carers will have experienced a loss of income and increased costs during the coronavirus outbreak.</p> <p>In most cases, this is likely to be more severe for those unpaid carers with a more intensive caring role and lower financial resilience. The Scottish Government considers that the receipt of Carer's Allowance is a way of identifying these unpaid carers, because it requires 35 hours or more caring per week with a weekly income threshold of £128. Around 83,000 unpaid carers in Scotland receive Carer's Allowance, and they are more likely to be in the lower income deciles and report having poorer health outcomes and lower levels of educational attainment.<sup>2</sup></p> <p>The Bill aims to provide unpaid carers who receive Carer's Allowance with extra financial support in recognition of the extra burden the pandemic has placed on carers and due to the loss of income and increased costs many have faced as a result of the coronavirus outbreak. It is intended that this will help to mitigate negative financial impacts and help to relieve some of the stress associated with additional and different caring responsibilities. This is in line with the Scottish Government's broader policy objective to support carers to protect their health and wellbeing, so they can continue to care if they so wish, and have a life alongside caring.</p> <p>This extra support will be paid as an increased amount of Carer's Allowance Supplement for the period from 1 October 2021 to 31 March 2021. As the extra support for this period is intended to help address the effects of the coronavirus outbreak, the amount by which the Carer's Allowance Supplement is increased is referred to in this document as the 'Coronavirus Carer's Allowance Supplement'.</p>

<sup>1</sup> [CW\\_2020\\_Research\\_Report\\_WEB.pdf \(carersuk.org\)](#)

<sup>2</sup> [Family Resources Survey: financial year 2019 to 2020 - GOV.UK \(www.gov.uk\)](#)

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	<p>The Bill also proposes to confer a delegated power to enable the Scottish Ministers to introduce regulations to provide unpaid carers who receive Carer's Allowance with extra financial support if necessary.</p> <p>The provision of the Carer's Allowance Supplement under section 81 of the 2018 Act was intended as a short term measure until Carer's Allowance for unpaid carers in Scotland was replaced by a new carer's assistance under the framework of the 2018 Act.</p> <p>The delays to delivery of the programme for the devolution of social security resulting from the coronavirus pandemic mean that the provisions in section 81 of the 2018 Act will be in place for longer than previously anticipated. The Scottish Government considered limiting the use of the power specifically to responding to the current coronavirus pandemic, but consider that recent experiences have highlighted the need for greater flexibility to respond to unforeseen future events and that a broader power would be more appropriate.</p>
<b>Summary of evidence</b>	<p>Careful consideration has been given to the merits of providing additional support to unpaid carers in response to coronavirus. A number of financial pressures have been identified that are likely to impact unpaid carers, including:</p> <ul style="list-style-type: none"> <li>• reductions in income caused by coronavirus, unrelated to an increase in caring responsibilities.</li> <li>• reductions in income caused by an increase in caring responsibilities, due to coronavirus, resulting in carer's having to reduce hours of employment;</li> <li>• direct costs of increases in the amount of care needed to be provided by the carer to the cared for person as a result of reductions in care previously provided by other sources, either another unpaid carer, or care through health and social care services;</li> <li>• higher costs as a result of the current restrictions which may be greater for carers given the specific needs of cared for persons, including additional heating and electricity costs from having to stay at home or additional costs in providing food, activities or other resources at home for cared for people, which they</li> </ul>

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	<p>would normally access through schools or other services.</p> <p>As noted in the Scottish Parliament's Social Security Committee report on the Social Security response to COVID-19<sup>3</sup>:</p> <ul style="list-style-type: none"> <li>• there are multiple increased difficulties for unpaid carers as a result of the pandemic – including reductions in social care packages and reduced access to respite care and childcare provision;</li> <li>• the wider impact of the economic downturn has resulted in contraction in a sudden loss of employment, significant contraction across a number of key sectors, restricted re-employment options and little opportunity for seasonal work;</li> <li>• private renters, many of whom will have caring responsibilities, are at increasing risk of evictions, debt and homelessness;</li> <li>• there are disproportionate impacts across a range of outcomes for a number of groups, including unpaid carers. Overlaps between these groups mean that impacts may be magnified for some people.</li> </ul> <p>In September 2020, Carers UK carried out a survey of unpaid carers on their practical, emotional and financial experiences during the pandemic<sup>4</sup>. Key statistics from this publication are:</p> <ul style="list-style-type: none"> <li>• 80% of carers in Scotland who responded to the survey reported that the needs of the person they care for have increased since the Covid-19 pandemic;</li> <li>• 7% of carers had reduced hours to manage their caring responsibilities and 7% had given up work to care since the Covid-19 pandemic;</li> <li>• 63% of carers have reported feeling more stressed;</li> <li>• 55% of carers said it had an impact on their health and wellbeing;</li> <li>• 29% of carers in Scotland who responded to the survey reported that they are struggling to make ends</li> </ul>

<sup>3</sup> [The Social Security Response to Covid-19 \(azureedge.net\)](https://www.azureedge.net)

<sup>4</sup> [Caring Behind Closed Doors: six months on - Carers UK](https://www.carersuk.org)

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	<p>meet, with 10% revealing they were/had been in debt as a result of caring.</p>
<b>Summary of assessment findings</b>	<p>An Equalities Impact Assessment has been completed assessing impacts for groups with protected characteristics. It identifies that the Coronavirus Carer's Allowance Supplement, will have a direct positive impact on women, and an indirect positive impact on the disabled adults and children they care for.</p> <p>Coronavirus Carer's Allowance Supplement is expected to have a positive impact on the finances of carers on lower incomes which may reduce the economic inequality gap between carers. Carer's Allowance Supplement recipients tend to be in the lower income deciles. The New Policy Institute produced some research at UK level and reported that poverty levels among carers increases with the amount of care provided.<sup>5</sup> More recent Family Resources Survey information suggests that those caring for fewer hours are less likely to be in poverty and that this is the case up to around 20 hours after which it is not clear.<sup>6</sup> Adults in the most deprived areas are more likely to provide regular unpaid care than those in the least deprived areas (18% versus 13% respectively)<sup>7</sup>. There is an income threshold for Carer's Allowance which means that recipients cannot earn more than £128 per week (after deductions) through paid work (in 2020-21). While some recipients may have significant capital and non-earnings income, most are expected to have lower than average earnings.</p> <p>The majority of Carer's Allowance recipients (69%) are women<sup>8</sup>. Evidence shows that women are more likely to rely on social security payments as part of their incomes as men, and there is some evidence that women typically act as 'poverty managers', going without food and other vital resources so that other family members do not.<sup>9</sup></p>

<sup>5</sup> New Policy Institute (2016) [Informal Carers, Poverty and Work](#)

<sup>6</sup> Scottish Government (2019) [Scottish Health Survey 2018 Volume 1 – Main Report](#)

<sup>7</sup> Scottish Government (2019) [Scottish Health Survey 2018 Volume 1 – Main Report](#)

<sup>8</sup> Summary statistics for Carer's Allowance at May 2019, Social Security Scotland

<sup>9</sup> Sources: CAS Business Case 2018; Close the Gap (2020) Working Paper 21: Gender Pay Gap Statistics; and Engender (2016) Securing women's futures: using Scotland's social security powers to close the gender equality gap

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	<p>There is some initial evidence to show women may be disproportionately affected by the economic impact of the pandemic due to lower incomes and increased caring responsibilities.<sup>10</sup></p> <p>The Scottish Government anticipates that the Carer's Allowance Supplement (Scotland) Bill will, therefore, be likely to have a positive impact on carers, with women more likely to experience a positive impact on their finances. This is in keeping with the aims of the Fairer Scotland duty to reduce inequalities of outcome.</p>
<b>Sign off</b>	<p><b>Name: Ian Davidson</b></p> <p><b>Job title: Deputy Director – Social Security Policy, Social Security Directorate</b></p> <p><b>21 June 2021</b></p>

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<sup>10</sup> Sources: <https://views-voices.oxfam.org.uk/2020/04/care-poverty-and-coronavirus-across-britain/>  
<https://www.carersuk.org/for-professionals/policy/policy-library/caring-behind-closed-doors-report>



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