



Social Justice and Social Security Committee
2nd meeting, 2021 (Session 6), Thursday 2 September 2021

Carer's Allowance Supplement (Scotland) Bill

Suggested Themes

Introduction

This meeting forms the Committee's stage 1 scrutiny of the [Carer's Allowance Supplement \(Scotland\) Bill](#). This short bill proposes to double the Carer's Allowance Payment due to be paid this December from £231.40 to £462.80. It will also allow further increases to be made through regulations.

A summary of all written submissions is included with papers and a [briefing on the Bill](#) has been published. Almost all submissions supported the Bill but most would like to see further support provided.

The Committee will hear from two panels:

PANEL 1

- Salena Begley, MBE, Partner Engagement Manager, Family Fund
- Fiona Collie, Policy and Public Affairs Manager, Carers Scotland (representing the National Carers Organisations).
- Colin Toal, Unpaid Carer, Lanarkshire Carers

Written submissions have been received from all three organisations. The National Carer Organisations ran a survey, receiving 633 responses from unpaid carers. Their submission summarises the findings. Lanarkshire Carers include views from focus groups they have held and the Family Fund reference their research on the impact of COVID-19 on carers.

PANEL 2:

On panel two the Committee will hear from Ben Macpherson, MSP, Minister for Social Security and Local Government supported by:

- Andrew Strong, Carer Benefits Policy, Senior Policy Officer
- Kate Thomson-McDermott, Head of Case Transfer and Carer Benefits Unit
- Stephanie Virlogeux, Solicitor

The Minister wrote to the Committee about this Bill on [16th June](#) and [10th August](#).

Suggested Themes For Discussion

This paper suggests the following eight themes for discussion:

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Theme 1: Impact of COVID-19 on unpaid carers and how the Bill addresses this

The policy memorandum describes the policy aim of the Bill as linked to the extra burden created by the pandemic:

“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.”

The submissions to the Committee note that many carers have had increased costs, increased caring responsibilities and less support during the pandemic. Submissions also point out that COVID-19 exacerbated many pre-existing difficulties.

Submissions from today’s witnesses refer to the impact of COVID-19 on carers. For example the National Carer Organisations refer to research on unpaid carers in Scotland which found:

“Over three quarters (77%) reporting feeling exhausted and worn out, with 7 in 10 (72%) saying that their mental health had got worse because

of a lack of breaks and 72% of unpaid carers said their physical health had deteriorated.”

A strong theme in submissions is the impact of the reduced availability of respite services over the past year.

The National Carer Organisations call for a COVID-19 recovery action plan. They are also concerned about the potential impact of any resurgence in COVID-19 this winter.

Members may wish to consider:

- **How COVID-19 has affected carers financially**
- **How non-financial issues have affected carers' wellbeing**
- **The extent to which the Bill proposals meet the policy aim of recognising the additional pressures created by COVID-19**
- **Measures, other than this Bill, to alleviate the impact of COVID-19 on carers and the people they care for - both now and over the next few years.**

Theme 2: The amount of payment and financial memorandum

In the submissions most people considered the double payment as a helpful extra. For some it would be transformative, for others, it would allow a small treat. A few people regarded it as too small to be helpful and some thought the increase should be permanent.

Many people compared Carer's benefits to wages. This raises the much bigger issue of the purpose of carer benefits. Citizens Advice Scotland said:

“the main purpose of carer's social security payments should be to equally to compensate carers for income that would have been earned through employment.”

In his letter of 10th August, the Minister stated that the Scottish Government propose to pay CAS separately until case transfer to the new Scottish Carer's Assistance is complete. The Scottish Government has not announced a revised timetable for introduction of Scottish Carer's Assistance. However, it's expected that it will be introduced and case transfer completed by the end of this Parliament in 2025. This may be relevant when considering the Bill proposals.

The [financial memorandum](#) uses the [Scottish Fiscal Commission's forecast](#) that doubling the December payment will cost c.£21m. This will bring total spend on CAS in 2021/22 to c.£63m.

Members may wish to consider:

PANEL 1 & 2

- **Whether the December increase should be a permanent part of CAS and Scottish Carer's Assistance**

- **Whether the purpose of Carer Benefits is to “compensate carers for income that would have been earned through employment”, and if so, what this suggests about the amount that should be provided**

Theme 3: Alternative approaches for carers not entitled to the payment

Many submissions point out that only a small minority of carers are eligible for Carer’s Allowance/CAS and suggest that the payment is extend to more or all unpaid carers.

A respondent to the National Carer Organisations’ survey said:

“The majority of elderly carers are not entitled to carers allowance and miss out. A great proportion of Scottish unpaid carers are the elderly”

Another that:

“Carers who have previously applied or received carers allowance but due to the underlying claim/overlapping benefit rule we lose out on the supplement others get. Surely something can be put in place so we don't miss out in these circumstances.”

The ‘overlapping benefit rule’ means that it’s not possible to get two ‘earnings replacement’ benefits at the same time. For example, its not possible to get the full State Pension at the same time as Carer’s Allowance.

Another rule that prevents carers getting Carer’s Allowance is the earnings limit of £128 per week.

In addition, young carers cannot get the Young Carer Grant if they are in receipt of Carer’s Allowance at the time they apply for the Young Carer Grant.

The policy memorandum comments on alternative social security approaches saying:

“Options other than a top up to Carer’s Allowance Supplement would have dependencies on the UK Government, and/or would require the development of a new delivery mechanism which could put existing benefits, including the roll out of new benefits, at risk.”

[...]

“a Coronavirus Carer’s Allowance Supplement payment is the only way to get additional financial support to carers who typically will have the most intense caring roles and tend to be in the lower half of income deciles.”

The CAS is only one part of how carers are supported. In his letter of 10th August, the Minister outlines wider support. This includes:

- £68m in 2021-22 for Carers Act implementation, (which provides a right to a care plan and duty to provide support where needs meet local criteria)
- Accepting recommendations of Independent Review of Adult Social Care designed to improve carer support.
- £1.4m holiday voucher scheme
- Investing in carer centres
- Improving information on the support available

Members may wish to consider:

- **Whether anything additional can/should be provided to those unpaid carers who won't be entitled to the additional payment – particularly those who are on a low income**
- **Whether individuals receiving the Young Carer Grant should also qualify for CAS**
- **Whether it would be possible/desirable to provide additional financial support outwith social security payments**

Theme 4: Regulation making power

The Bill proposes that increasing the amount of CAS paid should, in future, be done by regulations under the affirmative procedure rather than a Bill.

Looking across social security generally, regulations to change the amount of benefit paid can be subject to negative, affirmative or super-affirmative procedure depending on the legislation it is based on. However, most Social Security Scotland benefits are subject to the super-affirmative procedure – requiring a report from the Scottish Commission on Social Security.

There was a variety of views on this in the submissions. CPAG recommended that all social security regulations should be super-affirmative, while others suggested that changing the amount of payment ought to require little scrutiny.

Members may wish to consider:

PANEL 1 & 2

- **Whether the affirmative regulation making power is appropriate for increasing the CAS payment in future**

PANEL 2

- **How the Scottish Government will assess and determine if future increases in the amount of CAS is required**
- **Whether the Scottish Commission on Social Security should consider future regulations to increase the amount of the CAS payment and the reasons for this view**

Theme 5: Promoting CAS

Carer's Allowance is deducted from Universal Credit but CAS is not. If people do not realise this they may decide not to claim Carer's Allowance not realising that they will lose out on CAS. For example, in their submission CPAG point out that the interaction between Carer's Allowance, CAS and Universal Credit results in individuals considering there is no financial incentive for them to apply for Carers Allowance. CPAG consider it needs to be made clearer this is not the case in Scotland and that there is merit in claiming Carers Allowance to qualify for CAS.

This matters more as the value of CAS increases.

As CAS is paid automatically to those who already get Carer's Allowance, take-up of CAS is 100%. However, there is no official estimate of the number of people eligible for Carer's Allowance who don't apply for it.

Members may wish to consider:

- **Whether better information is needed to ensure that people realise that CAS is not deducted from Universal Credit. If so, what measures ought to be taken and by who.**

Theme 6: Frequency of payments

Some respondents to the call for views would rather payments were spread throughout the year – either weekly or monthly. This would mean that people received a CAS payment for each week or month that they were eligible for Carer's Allowance.

At the moment the system is an approximation of this because to qualify you have to be receiving Carer's Allowance on just one specific date for each lump sum payment. Some people will lose out on a CAS payment if they stop getting Carer's Allowance just before the qualifying date. Other will gain if they stop getting Carer's Allowance just after the qualifying date.

Moving to weekly or monthly payments would be administratively more complex.

Members may wish to consider:

- **The advantages and disadvantages of paying CAS for each week that a person receives Carer's Allowance**
- **If lump sum payments were to remain is there a way eligibility could be calculated to more accurately reflect the number of weeks that someone received Carer's Allowance**

Theme 7: Plans for Carer's Assistance

CAS was introduced in 2018 as a temporary benefit until Scottish Carer's Assistance was introduced.

The Scottish Government is developing proposals for Carer's Assistance and has been holding discussions over the summer which will inform a public consultation. Further details are given in the letter from the Minister of 10th August included with papers.

When it is first introduced eligibility for Carer's Assistance will be the same as for Carer's Allowance. Even after the completion of case transfer the Scottish Government argues that scope for change could be limited. This was discussed in the [March discussion paper](#). Key constraints are:

- DWP need to recognise Scottish Carer's Assistance as the equivalent of Carer's Allowance so that recipients continue to get additional amounts included in other reserved benefits. (eg. Carer element in Universal Credit)
- Any expansion of eligibility that created increased costs would need to be paid for by the Scottish Government

Improvements will therefore focus on administration.

Members may wish to consider:

PANEL 1

- **Whether witnesses' views on the Bill are affected by the fact that CAS is likely to continue as a separate payment until case transfer to Scottish Carer's Assistance is complete**
- **Whether witnesses are satisfied with the approach to consultation and engagement on proposals for Carer's Assistance**
- **Witnesses' views on the message from the Scottish Government that there may only be limited scope for change to eligibility rules, but much larger scope for improving administration and application processes**

PANEL 2

- **Whether the Minister can discuss any findings from the assessment of proposals for Carer's Assistance that has been taking place over the summer**
- **Whether a future increase in CAS payments (beyond December 2021) is being considered as part of the modelling work on Carer's Assistance**
- **Whether the Scottish Government are having discussions with DWP about how different options for Carers Assistance might be treated in reserved benefits**
- **When the public consultation on Carer's Assistance is due to be published**
- **When does it expect Carer's Assistance to be introduced**

Theme 8: Scrutiny approach

The previous increased payment of CAS in June 2020 was brought in by emergency COVID-19 legislation.

Further COVID-19 legislation was passed by the Parliament in June 2021. The provisions in the CAS Bill to increase the payment made in December 2021 were not included by the Scottish Government in this most recent COVID-19 legislation.

The Minister wrote to the Committee on 16 June 2021 to ask the Committee to support the Scottish Government's request that the Bill be considered on an expediated timetable.

There has been no formal consultation conducted by the Scottish Government on the Bill's proposed increased payment being made in December 2021.

PANEL 2:

- **Whether consideration was given to include proposals for the December 2021 increase in CAS payment in the most recent COVID-19 legislation**
- **Seek assurances from the Scottish Government the proposed increase in CAS payment will deliver the Bill's aims when it has not conducted a formal consultation on its proposals**
- **How the Scottish Government will measure and evaluate whether the increase in CAS payments has delivered its policy objectives**
- **What engagement work would take place on any future use of the regulation making power to increase CAS payments . (If the regulation making power were super-affirmative, then consultation with SCOSS would be required).**

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20 August 2021**