



Under Pressure: Caring and the cost-of-living crisis in Scotland

Introduction

Scotland is facing a cost-of-living crisis with soaring energy costs alongside rising prices of goods and services including basics like food. These rising costs will impact on everyone throughout Scotland but we are particularly concerned about the impact on unpaid carers.

Caring already comes with additional costs that can significantly impact carers financial situation. Carers' have less financial resilience; caring is unpredictable and therefore very hard to plan for financially.

They face additional costs from equipment and care costs. Our recent research found almost two thirds (63%) of carers are spending their own money on care or support services or on products for the person they care for.

Alongside this, carers often have to spend a larger proportion of their income on energy costs to keep the person they care for warm and manage their condition, higher food bills due to the nutritional requirements to support the person they are caring for, and having higher transport costs because the person they care has reduced mobility.

On top of this, lower income households spend a larger proportion than average on energy and food and will therefore be relatively more affected by increases in prices.

The online survey was carried out in February 2022 and 249 carers Scotland responded. As not all respondents completed every question in the survey, a number of the figures given in this briefing, are based upon responses from fewer than 249 carers.

Rising costs

We asked carers how their financial situation has changed over the last 6 months. Nearly two thirds (62%) of carers said their financial situation had got worse. The vast majority of carers (92%) have seen their energy bill increase. Nearly three quarters (73%) of carers are also spending more on food and drink and 63% are spending more on cleaning products.

Carers have also seen increases in the cost of products and services they need for the person they are caring for. With 38% spending more on supplies to keep the

person safe such as PPE, 33% spending more on supplies such as incontinence pads, and 18% spending more on equipment such as adaptations or medical devices. 44% of carers said they has seen the cost of care services increase.

Carers current finances

We asked carers about their current financial situation and worryingly 52% of carers said they were unable to afford their monthly expenses. Carers told us what steps they were taking to manage their finances. Two thirds (66%) were cutting back on heating, and 17% have already fallen into arrears with their energy bills. 39% of carers were using their savings to manage their monthly expenses, significantly impacting their ability to plan for the future and to have the money they need for retirement.

Worries about the future

We asked carers how they felt about the expected increases in the cost of living. Over half (60%) of carers did not feel confident that they would be able to manage their monthly expenses in 6 months' time. Carers also told us that they are increasingly worried about how they were going to continue to manage in the face of rising costs. The vast majority 85% were worried or extremely worried about how they will manage their monthly expenses if costs keep increasing.

80% of carers said they felt stressed and anxious when thinking about their finances. Carers told us they were also worried about what steps they would need to take to manage their current finances. 87% were worried they would have to cut back on heating, and over 4 in 10 (41%) were worried they would have to use a foodbank.

Impact of rising energy costs

Over half (59%) of carers were worried that the increases in energy bills would lead to significant financial hardship. Worryingly, 51% of carers thought the increases in energy bills would negatively affect their health or the health of the person they care for, and 48% thought they would not be able to heat their home to a safe level.

Recommendations

Without additional support, many unpaid carers will face a significant impact on their finances. More unpaid carers will be pushed into poverty, and many carers already in poverty will struggle and face even further financial hardship. With no sign of these financial pressures easing in the short to medium term the consequences will have a lasting impact on carers' finances and quality of life.

Whilst there are actions that can and should be taken by the Governments of UK and Scotland, we recognise that much greater and broader response is needed by, for example, energy companies, supermarkets, transport providers and more to alleviate

the wider costs of living. We call on these providers to consider how they can, individually and collectively, help to reduce costs for unpaid carers.

However, there remains a clear role for the Scottish Government to ensure carers are supported at this extremely difficult time. The Scottish Government should:

- Work with the UK Government to:
 - increase Carer's Allowance in line with current inflation predictions for April 2022. Carer's Allowance is set to rise by only 3.1% in April 2022, while inflation (CPI) is expected to reach 7.25%.
 - increase the qualifying earnings limit for claiming Carer's Allowance to ensure that carers are able to work at least 16 hours at National Living Wage and ensure that it continues to rise with NLW increases. This is an interim step of greater improvements sought on the introduction of Scottish Carer's Assistance.
- Increase Scottish benefits for carers: Carer's Allowance Supplement, Young Carer Grant and Child Winter Heating Assistance in line with current inflation predictions.
- Continue to provide the Carer's Allowance Supplement at a higher rate to compensate for the additional costs faced by carers and seek to extend to those with an underlying entitlement or in receipt of a carer element in universal credit.
- Urgently reduce care charging: at a minimum requiring all local councils to include heating and other additional costs of living for disabled and older people within Disability Related Expenditure
- Make available additional hardship funding for carers, including ringfencing part of the Scottish Welfare Fund for unpaid carers and/or add caring responsibilities as qualifying criteria alongside benefits for crisis and community care grants.
- Where not already available, expand home energy efficiency programmes to those in receipt of Carer's Allowance and the Carers Element of Universal Credit to help reduce the costs of heating the home
- Ensure unpaid carers and those they care for continue to receive access to free Covid-19 tests. This includes unpaid carers where the person they are caring for now resides in residential care.

Strategic actions and investment:

- To support carers facing hardship in the short, medium and long term, develop a Carer Poverty Strategy detailing how the Scottish Government and partners will seek to reduce poverty amongst carers. This should look at all aspect of poverty amongst carers and identify measures within the Scottish Government's powers to reduce this.

- Prioritise extending free bus travel to unpaid carers in the next phase of expansion.
- Prioritise extending free dental care to carers in the next phase of expansion
- Introduce a carer discount card, similar to or in partnership with the Blue Light Card (which is available to NHS and social care staff, including volunteers of some organisations). To support identifying and supporting carers, consider options to deliver this as part of an Adult Carer Support Plan or Young Carer Statement.
- In introducing Scottish Carer's Assistance to replace Carer's Allowance, reform the benefit in order to better support people to care, including those in employment or education
- During the COVID-19 pandemic, there has often been a rise in needs of the person being cared for and in the needs of carers, particularly facing an impact on their physical and mental health. Sufficient funding is needed to:
 - continue essential services providing capacity and sustainability of the care sector
 - enable carers centres and other services that directly support carers to meet demand
 - enable carers to have a break from caring so that they have the confidence that good-quality services will be available when they need them.

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