



THE CARER'S ALLOWANCE BILL 2008

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The Carer's Allowance Bill was proposed as a Private Members Bill to the Committee for Social Development of the Northern Ireland Assembly on 7 February 2008 by Mr David McNarry MLA. The Bill makes provision preventing the adjustment of Carer's Allowance by reference to State Retirement Pension.

To facilitate Members' consideration of the Bill this paper provides background details about the legislative and policy context and summarises the main justifications which have been put forward in support of the Bill. The content of the Bill and its financial implications are also outlined.

SUMMARY OF KEY POINTS

On 7 February 2008 Mr David McNarry MLA presented a proposal for a Carer's Allowance Bill to the Committee for Social Development. The Bill was subsequently introduced and passed its First Stage in the Assembly on 31 March 2008. The second stage is scheduled for May 2008. The Bill is the first Private Member's Bill to be introduced into the Assembly following devolved powers being restored on 8th May 2007.

The Bill makes provision preventing the adjustment of Carer's Allowance by reference to State Retirement Pension. In effect, the Bill will allow carers who are pensioners to receive the Carer's Allowance and the State Retirement Pension at the same time.

Three main arguments for the Bill have been put forward. These are, firstly, to address the poverty and social exclusion of carers. Secondly, to provide recognition for carers and the vital role they perform. Finally, the economic benefit to Northern Ireland which results from the unpaid contribution of carers is seen as the third major justification for the Bill.

The Department for Social Development has raised two main issues relating to the Bill. The first is the overlapping benefits rule which prevents Carer's Allowance and State Retirement Pension being paid at the same time. The second is the principle of parity, which seeks to maintain conformity between Westminster and Northern Ireland in relation to social security, child support and pension policy.

If the Bill is enacted, it has been estimated that a financial outlay of £20m per annum will be required to pay Carer's Allowance to the 13,700 pensioners in Northern Ireland who are currently claiming, but not receiving Carer's Allowance. It is not known how many new claims for Carer's Allowance from pensioners will arise if the Bill is enacted.

The Equality Commission and the Human Rights Commission have both welcomed the proposals contained within the Bill.

As regards the wider policy context, the UK government has produced a national strategy and dedicated funding for a range of initiatives to support carers. The national strategy is being revised at present in conjunction with consultation with carers, support groups and allied professionals.

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1.0 INTRODUCTION

The Carer's Allowance Bill [NIA 13/07] (the Bill), makes provision preventing the adjustment of Carer's Allowance by reference to State Retirement Pension. In effect, the Bill will allow carers who are pensioners to receive the Carer's Allowance and the State Retirement Pension at the same time. On 7 February 2008, prior to formal initiation of the legislative process, Mr David McNarry MLA presented the proposal to the Assembly's Committee for Social Development. The Private Member's Bill was introduced into the Assembly and passed the First Stage on Monday 31 March 2008. The Second Stage debate is planned in May 2008.

2.0 BACKGROUND

Concerns about the circumstances of carers, particularly older carers, have come to government and public attention over recent years from carers and their campaigning groups, groups which champion the rights of the elderly, the general public and politicians at both local and national level.

Many have expressed concern about the financial difficulties faced by carers who are pensioners. Research has shown that this group face significant financial hardship due to a range of factors related to their caring role. A prominent issue for older carers is the loss of eligibility to the Carer's Allowance once State Retirement Pension is claimed. Many maintain that the continuation of Carer's Allowance at this stage in life would help to alleviate pensioner poverty and give recognition to the vital role carers perform in society.

The loss of entitlement to Carer's Allowance was one of the issues mentioned most frequently to government in a recent consultation on its plans for a revised national carer's strategy.¹ The action proposed to government was:

The Carer's Allowance to be available to all those who care, irrespective of age and other benefits claimed

The same message for government was reported by support group *Carers UK* which carried out its own consultation on the proposal to revise the national strategy:

Carer's jobs may finish when they retire but their caring doesn't. Carers were extremely angry that their Carer's Allowance stops when they reach retirement age. They want to be able to claim a proper pension which they have contributed to all their lives, as well as receive financial recognition, in the shape of Carer's Allowance, for continuing to care.²

¹ *New Deal for Carers Findings from Stage One of the Adult and Young Carer's engagement programme*. Interim report. November 2007 Appendix 1 page 84 and page 79
<http://www.dh.gov.uk/en/SocialCare/Deliveringadultsocialcare/Carers/NewDealforCarers/index.htm>

² *Carer's Voices: Shaping the 2008 National Strategy for Carers* Carers UK
<http://www.carersuk.org/Policyandpractice/NationalCarersStrategy/Carerspriorities>

The Carer's Allowance Bill focuses on older carers and seeks to remove the barriers to these men and women receiving Carer's Allowance and State Pension at the same time.

3.0 ISSUES RELATING TO CARER'S ALLOWANCE AND STATE RETIREMENT PENSION

The Department for Social Development has highlighted two key issues in relation to the Bill: the overlapping benefits rule and the "parity principle". Comment on each of these is provided below.

3.1 Overlapping Benefits Regulations

The social security system classifies the State Retirement Pension and Carer's Allowance as earnings replacement benefits. Many people can be eligible for both of these benefits at the same time; however social security legislation (the *Overlapping Benefits Regulations*)³ prevents the system providing twice for the same contingency.⁴

Consequently, an amendment of the *Social Security Administration (Northern Ireland) Act 1992*⁵ is necessitated. The Bill will amend this legislation to exclude consideration of State Pension when assessing entitlement to Carer's Allowance. The Bill will do this by inserting a new subsection into the Act stating the circumstances which the regulations may not cover. Section 6 on pages 11 and 12 of this paper details the content of the Bill.

The Department for Social Development has stated in correspondence with the Committee for Social Development that *'If the Bill were to be enacted, it is possible that there would be pressure to abolish the Overlapping Benefits provisions in relation to other benefits'*.⁶

3.2 The Parity Principle

The principle of parity between GB and Northern Ireland in the field of social security is long standing⁷ and was recognised in the Belfast Agreement⁸, which stated that:

26. *The Assembly will have authority to pass primary legislation for Northern Ireland in devolved areas, subject to:*

....

(e) option of the Assembly seeking to include Northern Ireland provisions in United Kingdom-wide legislation in the Westminster Parliament, especially on devolved issues where parity is normally maintained (e.g. social security, company law).

³ *The Social Security (Overlapping Benefits) Regulations (Northern Ireland) 1979*
[http://145.229.156.3/BLUE.NSF/BByVolume/12E41FC19CF123498025628500557E53/\\$FILE/Document.PDF?openelement](http://145.229.156.3/BLUE.NSF/BByVolume/12E41FC19CF123498025628500557E53/$FILE/Document.PDF?openelement)

⁴ According to the Regulations a person may receive some of the Carer's Allowance in retirement – but only if less than the full rate of State Pension is payable.

⁵ *The Social Security Administration (Northern Ireland) Act 1992*
http://www.opsi.gov.uk/Acts/acts1992/ukpga_19920008_en_1.htm

⁶ Letter to Committee for Social Development from Mr J O'Neill Social Security Policy and Legislation Division DSD 31 January 2008

⁷ See for example Ditch J (1988) *Social Policy in Northern Ireland Between 1939-1950* and Lawrence R J (1965) *The Government of Northern Ireland: Public Finance and Public Services 1921-1964*.

⁸ <http://www.niassembly.gov.uk/io/agreement.htm>

Under the Northern Ireland Act 1998 (the 1998 Act), however, social security, child support and pensions were not designated as either excepted or reserved matters.⁹ In other words, they were devolved and the Assembly has legislative competence in these areas. Section 87 of the 1998 Act does, however, make specific provision in relation to these areas stating, amongst other things, that:

87.— Consultation and co-ordination.

(1) The Secretary of State and the Northern Ireland Minister having responsibility for social security (“the Northern Ireland Minister”) shall from time to time consult one another with a view to securing that, to the extent agreed between them, the legislation to which this section applies provides single systems of social security, child support and pensions for the United Kingdom.

(2) Without prejudice to section 28, the Secretary of State with the consent of the Treasury, and the Northern Ireland Minister with the consent of the Department of Finance and Personnel, may make—

(a) arrangements for co-ordinating the operation of the legislation to which this section applies with a view to securing that, to the extent allowed for in the arrangements, it provides single systems of social security, child support and pensions for the United Kingdom; and

(b) reciprocal arrangements for co-ordinating the operation of so much of the legislation as operates differently in relation to Great Britain and in relation to Northern Ireland.

(3) Such arrangements as are mentioned in subsection (2)(a) or (b) may include provision for making any necessary financial adjustments, other than adjustments between the National Insurance Fund and the Northern Ireland National Insurance Fund.¹⁰

Commenting on the proposal for the Bill, the Department for Social Development has stated in correspondence¹¹ with the Committee for Social Development that:

Under the policy of parity, Northern Ireland benefit costs are funded in line with the actual entitlement of claimants. This results in an annual subvention of around £180m per year from the GB National Insurance Fund and £2.4 billion to fund non-contributory and income-related benefits. The proposals for the Bill clearly breach the parity principle and the additional costs would fall to the Northern Ireland block. There is also the possibility that Treasury would take the view that GB should not be subsidising Northern Ireland to pay enhanced benefits. For example, if Northern Ireland can find £20m to pay enhanced benefits, Treasury may argue that Northern Ireland does not need the current level of subsidy to maintain parity with the rest of the United Kingdom. Paragraph 5.4.3 of the Statement of Funding Policy for Devolved Administrations provides for a review of the funding arrangements if Northern Ireland social security policy is changed to differ from the rest of the UK.

⁹ These matters are, however, out with the legislative competence of the Scottish Parliament as they are "reserved matters" under the provisions of Section 29 and Schedule 5 of the Scotland Act 1998

¹⁰ Northern Ireland Act 1998

http://www.opsi.gov.uk/Acts/acts1998/ukpga_19980047_en_1

¹¹ Letter to Committee for Social Development from Mr J O'Neill Social Security Policy and Legislation Division DSD 31 January 2008

4.0 THE POLICY CONTEXT

In consideration of the *Carer's Allowance Bill* it is useful to examine policy developments in GB and locally given the principle of parity between Westminster and Northern Ireland in matters of social security and pensions.

4.1 Key developments in carer's policy in GB

- The government introduced a national strategy for carers in 1999.¹² It was the first cross-cutting strategy for carers and was accompanied by the first dedicated spending on carers. This began at £20 million and was worth £185 million per year in 2007. The national strategy examined some issues such as carer's employment and pensions for the first time but did not consider carer's benefits.
- 2000. The Department of Work and Pensions allocated £500 million over three years to upgrade carer's benefits.
- 2001. Carers welcomed the fact that reliable and accurate information on their number and circumstances was to be collected by government through the inclusion of a question on carers on the Census.
- *The Carer's (Equal Opportunities) Act 2004* was the result of a Private Members Bill which was taken through Parliament by Dr Hywel Francis MP. The Act, (which applies to England and Wales) gave carers new rights in relation to information, carer assessments and local authority support.
- 2004 An All Party Parliamentary Group for Carers was formed at Westminster
- 2006. In the preparation of a White Paper, *Our health, our care, our say*¹³, the Department of Health (GB) conducted a public consultation. This revealed considerable support for carers and the Department's response was the New Deal for Carers¹⁴. An overall package of £33 million in funding was allocated to create or expand a range of initiatives such as a national advice and information service, and an Expert Carers training programme to support the health and wellbeing of carers and those they are caring for.
- 2007/08 Government has been revising the national carer's strategy. The new strategy is to be published in late spring 2008¹⁵.

4.2 Carers policy in Northern Ireland

- In 2000 the Minister for Health, Social Services and Public Safety Bairbre de Brun commissioned a strategy for carers in Northern Ireland.

¹² *Caring about Carers: a National Strategy for Carers* Department of Health January 1999
http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_4006522

¹³ *Our health, our care, our say – a new direction for community services* Department of Health 2006
http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_4127453

¹⁴ <http://www.dh.gov.uk/en/SocialCare/Deliveringadultsocialcare/Carers/NewDealforCarers/index.htm>

¹⁵ <http://www.publications.parliament.uk/pa/cm200708/cmhansrd/cm080229/text/80229w0020.htm>

- In 2002 DHSSPS (NI) published *Valuing Carers* which examined proposals for a carer's strategy for Northern Ireland. Government recognised the need to protect carer's physical, social and *financial* wellbeing, and said:

It is essential that we act positively to protect the interests of carers and to foster a climate where they can continue to care for as long as they wish and are able to do so, without jeopardising their own health or financial security or reducing their expectations of a reasonable quality of life¹⁶.

- 2006 *Caring for Carers* – a strategy for carers in Northern Ireland was published. The strategy noted that a fifth of carers in Northern Ireland are aged 60 plus. It also acknowledged that older carers form an increasing number of all carers and that:

...older carers are likely to offer higher levels of personal and physical care than carers in other age groups. Many older carers are not only caring intensively for many hours per week, but often they have been caring over a long period of time, and in addition may be caring for others while suffering from health problems themselves. More overall support is needed for older carers so as to alleviate the impact of caring in old age¹⁷.

The strategy gave direction on the development of support services for carers and indicated that a range of initiatives were to be introduced or expanded such as breaks for carers, the Direct Payments system, Carer Coordinator posts and Carer's Centres.

5.0 WHAT IS THE RATIONALE FOR THE CARER'S ALLOWANCE BILL?

Mr David McNarry MLA has put forward three main justifications for his Bill¹⁸:

1. To address the poverty and social exclusion of carers.
2. To provide recognition for carers and the vital role they perform.
3. The economic benefits for Northern Ireland because of the (unpaid) contribution of carers.

5.1 Poverty and social exclusion

One of the main driving forces behind the Bill is that it would help to address the poverty and social exclusion experienced by older carers. The Bill supports government policy on this issue.¹⁹

The reasons why carers are at risk of poverty and social exclusion are known to government and are summarised concisely in the Department of Health's (GB) carer's strategy of 1999.²⁰

¹⁶ *Valuing Carers* DHSSPSNI 2002 page 9 http://www.dhsspsni.gov.uk/valuing_carers-2.pdf

¹⁷ *Caring for Carers: Recognising, Valuing and Supporting the Caring Role* DHSSPS(NI) 2006 Page 19 <http://www.dhsspsni.gov.uk/ec-dhssps-caring-for-carers.pdf>

¹⁸ See *Carer's Allowance Bill* Committee for Social Development Official Report (Hansard) for 7 February 2008 <http://www.niassembly.gov.uk/social/2007mandate/moe/080207.htm>

¹⁹ See OFMDFM's *Lifetime Opportunities* strategy on poverty and social inclusion page 53 <http://www.ofmdfmi.gov.uk/antipovertyandsocialinclusion.pdf>

- Loss of income. Carers often have to significantly reduce the hours that they work or have to give up work altogether; some are forced to take up a more junior position. This has a financial and emotional impact. Carers are disadvantaged in many ways through the loss of earnings; few are able to acquire the savings and other financial assets which often supplement the income of people in retirement. Carers report problems with debt and are often unable to keep up mortgage and rent payments on their homes. Others report having to cut back on essentials such as food and clothing or find themselves living in fuel poverty.
- Loss of companionship at work. Social exclusion is a very real possibility. Many carers experience social isolation, lose workplace skills and reduced confidence.
- A period without pension contributions has, in the past, had a long-term effect which lasted through retirement. The recently introduced *Pensions Act* aims to improve the financial position of older carers; however these are *long-term* measures and will not benefit those pensioners who are currently in financial distress.²¹
- The impact on women may be disproportionately large, especially if they have already had a period out of paid employment whilst caring for young children.

Two recent (2007) research studies on carers in Northern Ireland and the UK support these explanations - and add another:²²

- The current benefits system does not allow carers an acceptable standard of living according to *Carers UK*. This carer-led group is highly critical of the Carer's Allowance and has called on government to address its shortcomings. A wholesale review of the income that carers have - through employment, tax credits, benefits or pensions would be the first stage of a process aimed at providing "*financial support that is fit for purpose*".

As mentioned above, the national strategy for carers (1999) is being revised at present and as part of the process a consultation with carers took place in 2007. The government wished to discover what would make the biggest difference to carers' lives both in their role as a carer and in their lives outside caring. The findings of the consultation had this to say about the financial circumstances of carers:

²⁰ *Caring about Carers: a National Strategy for Carers* (see Chapter 3) Department of Health January 1999
http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_4006522

²¹ The *Pensions (Northern Ireland) Act 2008* applies from April 2010 and will help carers build up entitlement for the State Pension by accumulating Carer's Credits. Consequently many more carers will be eligible for a full State Pension and State Second Pension. It will apply to people caring for at least 20 hours a week for people in receipt of Attendance Allowance, DLA (middle or highest rate care component) or Constant Attendance Allowance. In addition the Act also reduces the number of qualifying years for entitlement to State Pension to 30 for men and women. This means that carers with disrupted contribution records can still build up entitlement to a full Basic State Pension.

http://www.opsi.gov.uk/legislation/northernireland/acts/acts2008/nia_20080001_en_1

²² *Out of Pocket*. Carers UK 2007

<http://www.carersuk.org/Newsandcampaigns/CarersRightsDay/CarersOutofPocket>

Real change not short change. Carers UK 2007

<http://www.carersuk.org/Policyandpractice/Research/Financialimpactofcaring/1201109152>

Many carers say they live in near poverty due to providing their caring role. This impacts on their ability to provide for others in the family and consequently some feel guilty at the sacrifices they have to make in order that the family member is cared for. Carers are concerned about their limited ability to provide for themselves in old age due to lack of eligibility for pension contributions and the perceived low level of savings that can accrue before they lose entitlement to the Carer's Allowance.

...Some carers have to live off the person they are caring for which makes them feel like a parasite 'feeding on the host' (the person being cared for)²³.

Under Direct Rule, Government goals on poverty and social exclusion were expressed in Northern Ireland's anti-poverty and social inclusion strategy "Lifetime Opportunities".²⁴ This states that 54,000 pensioners in Northern Ireland are living in poverty. The strategy expresses concern for those at risk of poverty, poor health, both physical and mental, and "the despair that comes from having no apparent prospect of improvement". One of the strategy's major goals for older people is:

OLDER CITIZENS – BEYOND WORKING AGE

Our goal is to ensure older people are valued and respected, remain independent, participate as active citizens and enjoy a good quality of life in a safe and shared community²⁵

The Bill supports this goal for older citizens in Northern Ireland by providing recognition and an enhanced financial provision for men and women whose caring role begins at or continues beyond the age of retirement.

5.2 Recognition of the contribution made by carers

The second main motivation for the Bill is to achieve greater recognition in society of carers and the contribution they make. The Member, in proposing the Bill paid respect to carers as:

...those unsung heroes of all ages [who] qualify for an allowance until they reach pensionable age, but they are still heroes after that²⁶

One of the main messages for government from its consultation on the revised national strategy was:

Increased financial resources for carers would give carers access to a higher standard of living, raising many above the poverty line and increasing their opportunities to a life outside of caring. It would also raise the value society

²³ *New Deal for Carers Findings from Stage One of the Adult and Young Carer's engagement programme.* Interim report, page 20. November 2007

<http://www.dh.gov.uk/en/SocialCare/Deliveringadultsocialcare/Carers/NewDealforCarers/index.htm>

²⁴ The strategy was developed during the period of direct rule which ended in May 2007.

²⁵ *Lifetime Opportunities* (2006) OFMDFM page 53

<http://www.ofmdfmi.gov.uk/antipovertyandsocialinclusion.pdf>

²⁶ Mr David McNarry MLA *Carer's Allowance Bill* Committee for Social Development Official Report (Hansard) for 7 February 2008

<http://www.niassembly.gov.uk/social/2007mandate/moe/080207.htm>

*places on carers and the role they provide, hence increasing the level of recognition and respect for carers*²⁷.

Carers in Northern Ireland have said that this Bill would provide recognition for them and the contribution they make.²⁸

5.3 The economic benefits for Northern Ireland because of carers

The third major justification for the Carer's Allowance Bill is that the vast savings made by the state due to the (unpaid) contribution of carers justifies the considerably smaller expense of paying Carer's Allowance to all pensioners. Government is aware of the economic benefits to Northern Ireland made by carers and said in 2002:

*It is clear that carers enable many thousands of vulnerable people who need support to continue to lead independent lives in the community. At the same time carers reduce the amount of input that social services and other agencies need to make*²⁹

Carers support groups emphasise that our economy relies to a considerable extent on the unpaid care provided by family and friends. They point out that the estimated net costing of £20.6 million per year that the Bill would necessitate is infinitely smaller than the estimated £3.12 *billion* that it would cost to replace the current contribution of carers with state financed residential or nursing care. The Northern Ireland branch of *Carers UK* recently commented³⁰:

The dramatic rise in the value of carers' support is a warning to policy makers about the extent to which our economy relies on the care provided by family and friends. It shows that if only a small number were to give up caring – perhaps through ill health or lack of support – the economic impact could be disastrous. Given our demographics and ageing population, it shows the urgent need for better recognition and support for carers.

²⁷ *New Deal for Carers Findings from Stage One of the Adult and Young Carer's engagement programme*. Interim report, page 79 November 2007
<http://www.dh.gov.uk/en/SocialCare/Deliveringadultsocialcare/Carers/NewDealforCarers/index.htm>

²⁸ *Assembly Debates Carers Benefits*. Carers UK – Northern Ireland

<http://www.carersni.org/Newsandcampaigns/AssemblyDebatesCarersBenefits>

²⁹ *Valuing Carers* DHSSPSNI 2002 page 9 http://www.dhsspsni.gov.uk/valuing_carers-2.pdf

³⁰ *Carers save Northern Ireland £3.12 billion per year*. News release by Carers UK – Northern Ireland 20 September 2007

<http://www.carersni.org/Newsandcampaigns/Newsreleases/1190294177>

6.0 CONTENT OF THE BILL

The Bill has three clauses and no Schedules. The Explanatory and Financial Memorandum³¹ (EFM) explains the content of each section, thus:

Clause 1: Adjustment of Carer's allowance

Clause 1, subsection (1), (2) and (3) of the Bill amends section 71 of the Social Security Administration (Northern Ireland) Act 1992 by inserting a new subsection stating the circumstances which regulation may not cover. This will prevent the adjustment of Carer's Allowance payable to a person by reference to the retirement pension payable to that person or to the person's wife, husband, civil partner or dependent or a dependent's wife, husband or civil partner.

Clause 2: Commencement

Clause 2 states that the Bill will come into operation on the 1 April 2009

Clause 3: Short title

This clause sets out the short title of the Bill

7.0 FINANCIAL IMPLICATIONS OF THE BILL

Although most carers who are pensioners are not eligible for a Carer's Allowance payment (due to the Overlapping Benefits rule, see page 5), making a claim for Carer's Allowance can be advantageous to them (as a passport to other benefits such as housing benefit and pension credit). Currently 13,700 such carers over retirement age are claiming but not receiving a Carer's Allowance payment. If the Bill is made the cost of paying Carer's Allowance (currently £48.65 weekly) to these carers is estimated to require a net expenditure of £20.6m per annum by the Department of Social Development (DSD).

In addition, carers of retirement age currently not claiming because of the Overlapping Benefits rule will be able to successfully claim Carer's Allowance if the Bill is made. It is not possible to estimate how many new claims will arise however and an estimate of cost cannot therefore be provided.

³¹ *Carer's Allowance Bill* Explanatory and Financial Memorandum

8.0 HUMAN RIGHTS AND EQUALITY CONSIDERATIONS

In relation to Equality³² and Human Rights considerations, the EFM states that:

Equality Impact Assessment

A copy of the Member's proposal was sent to the Equality Commission on 6 February 2008. The Chief Commissioner responded and advised that the Commission is supportive of the main proposals as outlined in the Bill.

Human Rights Issues

A copy of the Member's proposal was sent to the Human Rights Commission on 6 February 2008. The Chief Executive responded and advised that the proposals are to be welcomed and that the Commission supports the proposed Bill.

9.0 SUMMARY

This paper began in Section 2 with a brief summary of the background to the *Carer's Allowance Bill*. Obstacles to the success of the Bill were outlined in Section 3. These were twofold, namely overlapping benefits legislation and the principle of parity between Westminster and the devolved administrations in certain areas of policy.

An examination of the legislative and policy context for the Carer's Allowance Bill in Section 4 showed that government is aware of the primary causes of the poverty and social exclusion that many carers experience later in life.

The rationale for the Bill outlined in Section 5 centred upon the argument that the Bill would help address the poverty and social exclusion of older carers and provide the greater social recognition that many carers wish to see. In addition, many supporters believe that the financial outlay for the Bill is justified due to the vast savings made already to the public purse because of the unpaid activity of carers.

The final sections of the paper looked briefly at the finer detail of the content of the Bill (Section 6) and its financial implications (Section 7). The Department for Social Development has estimated the Bill will require a net expenditure of £20.6 m per annum.

10.0 CONCLUSION

The opening section of this paper reported the frustrations of *Carers UK* members due to the fact that they cannot receive both Carer's Allowance and a state pension:

Carer's jobs may finish when they retire but their caring doesn't. Carers were extremely angry that their Carer's Allowance stops when they reach retirement age. They want to be able to claim a proper pension which they

³² A potential area for conflict with equality legislation stemming from the Bill is in relation to the difference in retirement ages for men and women (that exists due to historical reasons). However, a legal derogation will allow the disparity to continue until it is rectified by the *Pensions (Northern Ireland) Act 2008* which takes effect after April 2010.
http://www.opsi.gov.uk/legislation/northernireland/acts/acts2008/nia_20080001_en_1

*have contributed to all their lives, as well as receive financial recognition, in the shape of Carer's Allowance, for continuing to care.*³³

Consequently, Carers UK are calling for the Overlapping Benefits rule to be removed so that older carers “get the recognition they deserve”.³⁴

³³ *Shaping the 2008 National Strategy for Carers* Carers UK

<http://www.carersuk.org/Policyandpractice/NationalCarersStrategy/Carerspriorities>

³⁴ Carers UK <http://www.carersuk.org/Policyandpractice/PensionsAct/AllabouttheAct>