Informal carers & poverty in the UK
An analysis of the Family Resources Survey

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Introduction and summary

People who provide informal care in the UK play an important role in supporting people with support needs. Care roles are wide-ranging in terms of how much of their time is spent providing care and who they support. This research uses data from the Family Resources Survey 2013/14 to describe the situation of informal carers in the UK, and how being a carer has implications for employment, income and poverty.

Key findings

Carer characteristics

- According to the Family Resources Survey, there were at least 5.3 million informal carers in the UK, though other sources such as the Census suggest the number is higher. Overall, 12% of women are informal carers, compared to 8% of men.

- Most carers (72%) provide care to immediate family, whether a parent (40%), partner (18%), son or daughter (14%). The most common arrangement was for carers to provide support to parents who were not living with them (33%).

- 4 million informal carers are of working-age. Most (2.4 million) were caring for someone outside of their household. 2.6 million provided less than 20 hours a week of care.

- Whilst the number of working-age men and women caring for a partner was very similar (around 270,000 each), the number of women caring for someone outside of their household was almost double the number for men (1.6 million compared to 860,000).

- There are 1.1 million pensioners (people aged 65 and over) providing informal care, 21% of the overall population of pensioners. Compared to working-age adult carers, pensioner carers are more likely to be men, caring for their partner and/or caring for more than 20 hours a week.

Carer poverty

- The poverty rate\(^1\) for carers varies considerably by age, relationship to the care recipient and care intensity. Over a third (36%) of carers live in a household that receives a disability benefit. As this is a reflection of higher living costs it has been discounted from income in the following analysis.

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\(^1\) The proportion of people with a household income below 60% of the median after housing costs and (after adjusting for household size and discounting disability benefits).
• 2.1 million informal carers are in poverty in the UK. The poverty rate among carers is 22%, but this varies considerably by age, care intensity and relationship to the recipient.

• The poverty rate among working-age carers increases with the number of hours they care for, particularly after 20 hours per week. 2.6 million working-age carers provide less than 20 hours and have a lower poverty rate than the average non-carer (of 21%). 1.4 million working-age adults provide at least 20 hours of care and have a poverty rate of 37%.

• Most (75%) working-age people caring for at least 20 hours a week support someone within their household (compared to 20% of other working-age carers). In these households it is likely that both the carer and care recipient will have limited time and/or capacity to work. Nonetheless 28% of working-age adults caring for at least 20 hours per week are in full-time and 16% are in part-time work.

• As the vast majority of pensioners are entitled to state pension, having a carer and care recipient in the same household has less of an impact on income than it does for working-age adults.

• Pensioners caring for a spouse have a slightly higher poverty rate (at 16%) than non-carer couples (14%). Among other pensioners, carers have a lower poverty rate than non-carers e.g. single non-carer pensioners have a higher poverty rate (at 20%) than single pensioner carers at (14%).

**Carer employment**

• 4.1 million working-age people, one in ten of all working-age people, are informal carers. The majority of carers are able to combine caring with paid work. 2.6 million working-age carers were also in paid employment.

• Overall, there is a carer employment gap of 10 percentage points. The employment rate among working-age carers is 64%, which is low relative to the employment rate for non-carers at 74%.

• Participation in the labour market declines as caring hours increase. For people who care for just a few hours each week there is little evidence that care has an impact on labour market participation, but as care levels increase employment decreases, with a clear impact on full-time employment. Among working-age people providing 35 hours of care or more each week, just 40% were in employment.

• Despite the challenges of combining care with employment, 400,000 people are doing a full working week alongside long hours of care (20 hours or more)
• The types of employment that carers tend to do differ from those undertaken by the rest of the population. Women carers are overrepresented in caring and service sector roles relative to other women (at 20% compared to 17%), as well as administrative occupations, and under-represented in professional occupations (at 16% compared to 21%). The pattern for carer men is much the same, though less pronounced.

• Working-age people who provide care for 20 hours or more each week tend to have lower qualification levels. Overall, 70% of those who cared for 20 hours or more had no or low qualifications compared with around half of low intensity carers (52%) or non-carers (48%).
Section 1: Who cares?

Informal carers provide care on an unpaid basis, often to family members. Some will provide a few hours of care each week, perhaps doing the shopping for someone who finds it difficult to get out of the house; others will provide round the clock care and companionship. Formal care, in contrast, is provided in return for payment.

Caring for someone is personal and it is an activity that generally takes place in the home. As such, the content and value of caring is often poorly captured in standard government surveys, which tend to be geared towards measuring economic activity in specific markets, such as the labour market. Nonetheless, some key surveys do capture information on this group.

This section draws on this survey data to consider the extent of informal care provided in the UK, both in terms of the number of people that are providing care and the amount of care that they provide. It also outlines some of the key characteristics of informal carers, providing some background to the analysis of poverty levels and labour market participation among carers that follows in Sections 2 and 3.

The number of informal carers

This paper draws primarily on data from the Family Resources Survey but we start by comparing estimates of the number of informal carers from different sources, to see how these vary across datasets and with the definitions that are used. Table 1 sets out some recent estimates of the number of informal carers in the UK.

According to the Census there were 6.5 million carers in the UK in 2011. Meanwhile, the estimate derived from the Family Resources Survey is significantly lower than this with an average of 5.3 million between 2011/12 and 2013/14. These estimates differ for a number of reasons. First of all, the definition of a carer and what constitutes care is not set in stone. The way the term is defined in each survey will be different and the way that people are asked about the care they provide is important because they may not necessarily think of themselves as carers. Informal carers tend to be defined as those who care on an unpaid basis for a family member, friend or neighbour with a disability or long-term condition\(^2\). Some informal carers live with the person they care for, while others travel long distances to provide care.

\(^2\) This includes parents looking after dependent children if that child has a disability or long-term condition.
Figure 1.1: The number of people undertaking informal care

<table>
<thead>
<tr>
<th>Source and date</th>
<th>Carer population</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Census 2011</td>
<td>6.5m</td>
<td>A person who provides unpaid help or support to someone due to long-term physical or mental ill health or disability, or problems related to old age</td>
</tr>
<tr>
<td>Family Resources</td>
<td>5.3m</td>
<td>A person who gives help on an informal basis, i.e. not as part of a paid job. Help may include going shopping for someone or helping with paperwork</td>
</tr>
<tr>
<td>Survey 2011/12 to 2013/14</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Census 2011, Family Resource Survey 2011/12 – 2013/14

Around 714,000 people in 2014/15 received the benefit Carers Allowance (CA). This is a small subset of informal carers because only those who provide full-time care to someone with who is claiming a disability benefit\(^3\) can be eligible. A further 410,000 people have an “underlying entitlement” to CA but do not receive it as they receive another means-tested benefit instead. Not everyone who is eligible will want to negotiate the claims process for CA, or be aware of the extra benefit.

The analysis presented in this paper draws on the Family Resources Survey because it allows us to look at demographic, income and employment characteristics of informal carers. In the context of this survey, informal care can include going shopping on someone else’s behalf, or helping with paperwork, as well as providing for someone’s intimate physical care needs.

**Carer characteristics**

According to the FRS, most informal carers are women (60%) but a large minority are men. Around 4.1 million informal carers are of working-age, 1.1 million are aged over 64 (21%), and 130,000 are children (3%). The following graph looks at how the proportion of people providing informal care varies by age and sex.

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\(^3\) The person cared for must be in receipt of either the daily living component of Personal Independence Payment; the middle or highest care rate for Disability Living Allowance; Attendance Allowance; Constant Attendance Allowance at or above the normal maximum rate with an Industrial Injuries Disablement Benefit, or basic (full day) rate with a War Disablement Pension; or Armed Forces Independence Payment (AFIP)
The proportion of people providing informal care tends to increase with age until it falls among pensioners. At the peak age of 55 to 64, a fifth of women (20%) and 13% of men are informal carers. At this stage in life, people are likely to be providing care to older parents, as well as looking after immediate family in the home.

Among those aged 75 and over a higher proportion of men are informal carers (10%) than women (8%), but this is due to the number of widows in this age group as the number providing care is still slightly higher among women than men (210,000 compared to 200,000).

Only a small proportion of children (1%) provide unpaid care. Though they are clearly deserving of support and policy attention, due to the small size of this group within the Family Resources Survey we are not able to provide further analysis of the characteristics of child carers in this report.

It is not possible to provide an accurate and detailed breakdown of the ethnic composition of carers within the Family Resources Survey. However the 2011 Census shows that caring is common across all ethnic groups with between 5% and 11% providing informal care. The lowest rates are among people of mixed ethnicity which is likely to be a reflection of the younger age profile of these groups.

The Family Resources Survey estimates that 29% of informal carers have a disability (1.5 million people) compared to 18% of non-carers. This gap is partly linked to age.
profile of carers. Nonetheless, after controlling for age, a higher proportion of working-age carers have a disability than working-age non-carers. Among pensioners where overall levels of disability are much higher, the difference between carers and non-carers is relatively small.

**Hours of care**

Around 1.3 million informal carers (26%) provide care for less than 5 hours a week and a further 980,000 (19%) for less than 10 hours a week. So for many their caring role occupies a relatively small share of their time, though they may be balancing this with other responsibilities, possibly including full-time employment. At the other end of the scale, 1.9 million carers (38%) provide at least 20 hours per week of support including 710,000 who care for at least 50 hours. For 15% of informal carers (760,000) the number of hours they spend caring varies from week to week but for the vast majority that care is of a high intensity.

**Figure 1.3: Number of informal carers by weekly hours of care provided**

<table>
<thead>
<tr>
<th>Hours of Care Provided per Week</th>
<th>Number of Carers</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-4 hrs</td>
<td>1,300,000</td>
</tr>
<tr>
<td>5-9 hrs</td>
<td>980,000</td>
</tr>
<tr>
<td>10-19 hrs</td>
<td>720,000</td>
</tr>
<tr>
<td>20-49 hrs</td>
<td>640,000</td>
</tr>
<tr>
<td>50+ hrs</td>
<td>710,000</td>
</tr>
<tr>
<td>Varies: 0-19 hrs</td>
<td>180,000</td>
</tr>
<tr>
<td>Varies: 20+ hrs</td>
<td>590,000</td>
</tr>
</tbody>
</table>

Source: Family Resources Survey. Data is a three year average for 2011/12 to 2013/14.

Overall younger carers are more likely to care for fewer hours a week than older carers. 35% of carers aged 16-24 care for less than five hours a week falling to 19% among carers aged 75+. The proportion of carers giving higher intensity care (at least 20 hours per week) has a less consistent age trend. Among the working age it peaks for the age groups 25-34 and 45-44 at 38% and 39% respectively.

But an even greater share of pensioner carers provide a large amount of care each week with 58% of carers aged 75+ caring for 20 hours or more. The tendency for older carers to provide more hours of care is a function of the fact that they are more likely to be providing care to a live-in partner and care needs tend to increase with age. Among all age groups under 75, most carers provide less than 20 hours of care a week.
The carer relationship

The context in which care takes place is important in terms of considering poverty risks. Working-age adults with substantial care commitments will be sacrificing their income from employment in order to undertake unpaid care, and those who care for a partner, or who live alone, may have little earned income to draw on.

Most carers (72%) provide care to immediate family, whether a parent (40%), partner (18%), son or daughter (14%). The most common arrangement is for carers to provide support to parents that are not living with them (33%). Just over half of carers providing care to someone who does not live with them (54%). A small but important minority of carers (8%) were looking after more than one person on an unpaid basis.
The next graph looks at the composition of working-age and pension age carers by sex and care recipient. It shows that most working age carers provide care to someone outside of their household (most commonly a parent). But among pensioner carers just under half (46%) are caring for their partner.

The number of working-age men and women caring for their partner is relatively similar (about 270,000 each) whilst the number of women providing care to someone outside of their household is almost double the number of men (1.6 million compared to 860,000). Among pensioners this gender trend persists but is much less pronounced.
Among the 2.9 million people who provide informal care to someone outside their household, the vast majority (84%) care for less than 20 hours a week. Conversely among the 2.2 million people providing care to someone within their household, most (75%) do so for at least 20 hours a week.

The graph below summarises the key characteristics of informal carers discussed in this chapter.

*130,000 informal carers are children.

Source: Family Resources Survey, three-year averages for 2011/12 to 2013/14
Section 2: Carers and poverty

In this section we look at how household income and poverty varies among informal carers and how it compares to the rest of the population. Before looking at the poverty rate, it is important to consider the role of disability benefits in the household income of carers.

If a carer looks after someone within their household who receives a disability benefit\(^4\) their combined household income will be higher as a result. However, disability benefits are paid in recognition of the additional living costs faced by people with a disability. So if disability benefits go towards these additional costs they do not make the recipient materially better off than someone without a disability.

Over a third (36%) of carers live in a household that receives a disability benefit compared to 10% of non-carers. As this additional income reflects an additional cost we have discounted it in from income. Therefore in this section incomes refer to disposable household income: after tax and housing costs and discounting disability benefits.

Overall, 1.2 million informal carers were in poverty. The poverty rate for carers, at 22%\(^5\) in the three years to 2013/14, is slightly higher than that for non-carers at 20%\(^6\). But this masks considerable variation in the poverty rate among the carer group. As the previous chapter showed “informal carers” covers a broad range of people in terms of age, who they care for and for how long all of which have implications for income and poverty. The remainder of this chapter looks at how these three factors impact the overall income of carers.

Working-age carers

The poverty rate among working-age carers at 25% is 4 percentage points higher than working-age non-carers. The most obvious way providing informal care would increase the poverty rate for working-age adults is if it prevented them from doing paid work. The graph below shows the proportion of carers in poverty by the number of hours they care each week.

It shows that people who care for fewer hours have a lower poverty rate. Among those who care for less than 10 hours per week the poverty rate is lower than the non-carer rate. As the next chapter will show this group also has a higher

\(^{4}\) Disability Living Allowance, Attendance Allowance or Personal Independence Payments

\(^{5}\) Poverty is measured as having a household income below 60% of the median (incomes are adjusted to account for household size).

\(^{6}\) If disability benefits were included in household income the poverty rate would be 17% for carers compared to 20% for non-carers.
employment rate than non-carers. These two things may be linked: someone may care for less than 10 hours per week due to work commitments.

Generally the poverty rate among carers increases with the number of hours that they are caring. There is a particularly sharp increase in the poverty rate at 20 hours. People who care for 20 to 49 hours per week have a poverty rate of 35% and those who care for 50 or more hours have a poverty rate of 38%. The poverty rate among those who care for a variable number of hours per week at 36% is high, but most people in this group are caring for at least 20 hours.

Figure 2.1: Poverty rate among working-age by number of hours caring a week

Overall the graph shows that those who care for at least 20 hours a week (higher intensity carers) have a higher poverty rate than the average working-age adult; whilst the poverty rate for those who care for less than 20 hours a week (lower intensity carers) have the same or lower poverty rate.

As discussed at the end of the previous chapter, there is a link between the number of hours spent caring and the relationship to the care recipient. The vast majority of people who provide less than 20 hours a week of care support someone outside of their household (80%), whilst most people who provide at least 20 hours of care a week support someone within their household (76%). These factors – the number of hours spent caring and whether the person cared for lives in the same household – affect income: the first because it will determine the amount of time the carer is able to be in paid employment; the second because if the carer shares a household with the care recipient their combined income will be affected by the care recipient’s ability to work as well.
The high poverty rate among carers who care for at least 20 hours a week is not surprising. Their care commitments will limit the number of hours they are able to work, reducing their income and increasing their risk of poverty. In total 1.4 million working age adults spend at least 20 hours per week caring for someone and 520,000 of them are in poverty. Although most high-intensity carers are not in work, a large minority are: 28% are in full-time and 16% are in part-time work. Employed high-intensity carers have much lower levels of poverty than workless ones (16% for full-time and 25% for part-time workers, compared with 52% for workless carers).

It is surprising though that lower intensity carers have a lower poverty rate (at 18%) than the average non-carer (at 21%). The next graph shows how different types of carers are spread across the income distribution compared to the average.
The first group consists of those who care for someone within their household for at least 20 hours per week (amounting to 1.1 million people). They are underrepresented in the top of the distribution and over represented at the bottom. This is linked to the limited employment opportunities within a household where one person requires high intensity care and another provides it.

Similarly, the 430,000 working-age adults who care for someone within their household for less than 20 hours per week are more likely to be in the bottom half of the income distribution and less likely to be in the top. But the trend is less exaggerated than for higher intensity carers because their care commitments are likely to be less of a restriction on employment.

Figure 2.4: income distribution of working-age carers by care intensity and recipient

![Figure 2.4: income distribution of working-age carers by care intensity and recipient](source: Family Resources Survey, average for 2011/12 to 2013/14)

The two groups on the right of the graph show contrasting patterns. The 340,000 people who care for someone outside of their household for at least 20 hours per week are much more likely to be in the bottom fifth and less likely to be in other groups. Their care commitment will restrict employment and, as they do not live with the person they care for, they are unlikely to receive a disability benefit.

By contrast, the 2.1 million working-age adults who care for someone outside of their household for less than 20 hours per week are heavily concentrated in the top half of the income distribution. Their care commitments will be less inhibiting on employment and, as they do not share their household with the care recipient, it is more likely that their household will contain multiple earners.

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7 Among this group 80% are in households that receive a disability benefit, which has been discounted from the analysis. If it had been included the largest group would have been those in the second poorest and middle fifth, rather than the bottom fifth.
This group seemingly have higher incomes than the typical working-age non-carers. The reason for this is not known but there are many possible explanations. One is that lower intensity carers are more likely to have higher incomes because they use this to pay for additional care; whilst those with lower incomes provide high intensity care because they cannot afford the alternative. Another explanation is that this group of carers is more likely to be “self-selecting”. For example, if an older parent is in need of care any of their children could take responsibility for this and the person that takes on the caring role might do so because their higher income enables them to.

**Pension age carers**

Next we turn to pensioners. Unlike working-age adults, pensioner carers have a lower poverty rate (at 14%) than non-carers (at 16%). Again there are important compositional factors to consider.

The next graph shows the number of pensioner carers by care intensity and if they are in a couple. It shows that the vast majority of pensioner carers are in a couple (80%) which has an important impact on the overall poverty rate as pensioner couples tend to have a much lower poverty rate than single pensioners.

About half (48%) of pensioner carers provide at least 20 hours of care a week, compared to 35% for working-age carers. Most higher intensity carers care for their spouse, while most lower intensity carers do not. But as the vast majority of pensioners are entitled to state pension, the impact on income of having a high intensity carer and care recipient in the same household is less dramatic.
The graph below shows how this poverty rate varies for different groups. It shows that single pensioners who are not-carers have the highest poverty rate at 20%, higher than single carers at 14%. Among couples, the poverty rate for non-carers was 13%, lower than those caring for their spouse, at 16%, but slightly higher than those caring for someone else, at 11%. So those caring for a spouse have a higher poverty rate than non-carers, but for other pensioner carers have a lower poverty rate than non-carers.

The next graph looks at how incomes of these groups compares further up the distribution. Among non-carers in couples a small proportion are in the bottom fifth of
the income distribution with the remainder spread fairly evenly. Similarly a low proportion of those who care for someone other than their spouse are in the bottom fifth and a high proportion are in the middle and fourth quintile.

Again a low proportion of those caring for their spouse are in the bottom fifth but they are also underrepresented in the top half. This is likely to be due to having two pension incomes which elevate the household to the middle of the distribution; but the caring commitments and needs within the household limiting other income sources available to those in the top (such as employment\(^8\)).

**Figure 2.7:** income distribution of pensioner by carers and non-carers

![Income Distribution Chart]

Source: Family Resources Survey, average for 2011/12 to 2013/14

Single carer pensioners are less likely than non-carers to be in the bottom fifth but more likely to be in the next fifth. Single pensioners are predominantly low intensity carers and mostly care for someone outside of their household. The tendency for pensioner carers looking after someone outside of the household to have a higher income than non-carers is mirrored among working-age adults.

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\(^8\) Table 4.3 from the Pensioner Income Series 2013/14 (DWP) shows that the main difference in the income sources of couple pensioners in the top fifth and other pensioners is the much higher proportion with an earned income.
Section 3: Carers and the labour market

The extent to which the labour market is able to accommodate people with caring responsibilities is important; participation in the labour market is a key protection against poverty and 4.1 million people, one in ten working-age people, were informal carers in 2013/14. This section looks at the labour market participation of working-age carers and how caring shapes the opportunities that are open to them.

Labour market participation

The majority of working-age carers are able to combine caring with paid work. Over the three years to 2013/14, an average of 2.6 million working-age carers were in employment. However, the overall employment rate, at 64%, is low relative to the employment rate for the rest of the population at 74%. There is therefore a carer employment gap of 10 percentage points.

This gap reflects the fact that a smaller share of carers are full-time employees. The following graph shows that just over half of working-age people with no caring responsibilities were employed full-time (51%), compared to 38% of carers.

Women who were providing unpaid care had the lowest employment rate over this period, with 61% of female carers in employment, 9 percentage points lower than the rate for non-carers. Whilst the employment rate for carer men was higher, there was a slightly larger gap in the employment rate of male carers relative to non-carers, with 68% of male carers in employment, 10 percentage points lower than non-carers.

Relative to other women, those who provide unpaid care were slightly more likely to be part-time employees (24%, compared to 22% of other women), which is unsurprising given that more flexible forms of work may be needed to fit around caring responsibilities. However, the proportion of men who are part-time employees remains the same regardless of carer status (at 6%).
Figure 3.1: Working-age employment rates by gender and type of work

Source: Family Resources Survey, average for 2011/12 to 2013/14. Working-age population defined as adults aged 16-64 years old.

Table 2 describes the share of employment that is undertaken by women across a range of employment types. Though women who care have lower employment rates than men, they still make up the majority of carers in employment (59%). On average, over the three years to 2013/14, there was an even split in terms of the number of employee women and men who were combining employment with unpaid care. But more men were self-employed (just 42% were women) and far more women were part-time employees than men: 87% of part-time employee carers were women.

Figure 3.2: Women’s share of employment by carer status and employment type

<table>
<thead>
<tr>
<th>Employment type</th>
<th>Carers</th>
<th>Non-carers</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>All employment</td>
<td>59</td>
<td>46</td>
<td>13</td>
</tr>
<tr>
<td>Full-time employee</td>
<td>50</td>
<td>40</td>
<td>10</td>
</tr>
<tr>
<td>Part-time employee</td>
<td>87</td>
<td>79</td>
<td>8</td>
</tr>
<tr>
<td>Self-employed</td>
<td>42</td>
<td>30</td>
<td>12</td>
</tr>
</tbody>
</table>


Employment rates vary across the UK depending on local labour markets, but the carer employment rate gap persists across the country. Across the UK regions the carer employment rate is between 5 and 16 percentage points lower than the non-carer employment rate. On the whole the gap is smaller in areas where the non-
carer employment rate is higher so that areas with stronger labour markets tended to have the smallest carer employment gaps. In areas where the employment rate was lower there also appeared a slightly higher proportion of people providing higher intensity care.

The amount of care that people provide will constrain the amount of time they have available for work, and vice versa. The following graph shows the employment rates of carers according to the number of hours of care they provide each week.

The first thing to note is that while participation in the labour market declines as caring hours increase, there are still a significant number of people that are doing a full working week alongside a full caring week. 21% of people providing 35 hours of care or more per week were in full-time work over the three years to 2013/14. Overall 400,000 people are combining a full-working week with long hours of care (20 or more hours).

Figure 3.3: Carer employment rates by hours of care provided

![Graph showing carer employment rates by hours of care provided](image)

Source: Family Resources Survey, average for 2011/12 to 2013/14. Working age population defined as adults aged 16-64. Analysis excludes those doing variable hours which were less than 35 hours per week.

Second, for people who care for just a few hours each week there is no evidence that care has an impact on labour market participation. Indeed, lower intensity carers actually have a higher employment rate than people who provide no informal care: 77% of lower intensity carers (people caring for less than 10 hours) were in work over the three years to 2013/14, compared to an employment rate for non-carers of 74%. But as care levels increase employment decreases, with a clear impact on full-
time employment. Among people providing 35 hours of care or more each week, 40% were in employment.

In terms of unemployment, carer men were particularly exposed over the recent downturn, rising to around 7% in 2010, and the share that was unemployed was still above pre-recession levels by 2013/14. The proportion of carer women that were unemployed, meanwhile, increased by two percentage points between 2003/04 and 2013/14, but this was broadly in line with the trend for non-carer women.

Figure 3.4: Proportion of working-age people who are unemployed

Source: Family Resources Survey. Data is a three year average; working age population defined as those aged 16-64 years old.

Carers in employment

It is clear that many carers are combining their caring responsibilities with paid work, but there is evidence that this involves trade-offs in terms of career progression, and other labour market outcomes (Heitmuller, 2004). This section describes the kinds of occupations that are undertaken by carers and shows that they are more likely to be in low-skilled work in administrative and service occupations.

The occupations that people do are strongly influenced by their background. The following graph compares the proportion of carers in each occupation to the rest of the population, controlling for gender differences. We see that women carers are overrepresented in caring and service sector roles, as well as administrative occupations, and under-represented in professional occupations. The pattern for carer men is much the same, though less pronounced.
In the three years to 2013/14, 20% of women in employment who were providing informal care were in caring, leisure and service sector jobs relative to 17% of women in employment who were not carers, a difference of 3 percentage points. Meanwhile, 16% of employed carer women were in professional occupations, compared to 21% of employed non-carer women.

Carers appear to occupy a weaker position in the labour market, with carers as a whole more likely to enter low skilled, service sector roles than the rest of the population. In a flexible labour market, where the biggest adjustments are experienced by those with the least bargaining power, this makes sense. But lower skill levels are another factor that can increase the risk of unemployment and low-quality employment. The final section considers the qualification profile of carers compared to the rest of the population.

**Carer qualifications**

People with higher level qualifications tend to do better in the labour market, as qualifications can enable people to access a wider range of jobs, and command higher pay. This section considers how the qualification levels of carers compare to...
the wider population. As the previous section has shown, the amount of care that people provide is an important factor in shaping their labour market prospects. The graph that follows compares the qualification profile of non-carers by the amount of care provided each week.⁹

People who provide care for 20 hours or more each week tend to have lower qualification levels. 23% had no qualifications in 2013/14, while just 12% of non-carers had no qualifications.

In 2013/14, just over half of working-age people who were not providing care (52%) had a qualification that was at least broadly equivalent to an A-level. Many (39%) had higher level qualifications such as a degree or some higher education.

Meanwhile, people providing less than 20 hours of care were slightly less likely to have higher level qualifications (48% had a qualification at A-level or above), with a greater share (a further 42%) reporting that they had lower level qualifications (at GCSE level and below). 10 per cent of low intensity carers had no qualifications. Overall, 70% of those who cared for 20 hours or more had no or low qualifications compared with about half for low intensity carers (52%) or non-carers (48%).

Figure 3.6: Highest qualifications of working-age people by amount of informal care provided

Source: Family Resources Survey 2013/14. Working age population defined as those aged 16-64 years old.

⁹ Note that the Family Resources Survey does not ask about qualifications in a way that is consistent with other surveys, such as the Labour Force Survey. Most notably, it does not include information on attainment for a number of key qualifications, including GCSEs. The estimates presented here follow the ONS approach to classifying qualifications as far as possible.
Conclusions & implications for policy

Each year, millions of people provide care to friends and family on an informal basis. Our analysis has identified some groups of carers that face particular challenges when it comes to meeting living costs and participating in employment. This section summarises the preceding analysis – highlighting which carers are at increased risk of poverty and considering what can be done to alleviate this poverty.

Which groups are at risk of poverty?

This paper has demonstrated that people who provide informal care to a disabled or elderly family member or friend are not necessarily at greater risk of poverty than the rest of the population. Much depends on the amount of care provided, the caring relationship, and whether this has an impact on the capacity of carer households to take on employment. When considering the incomes of carers it is particularly important to discount any disability benefit that is received by the household as these benefits are paid to cover the additional costs that disability brings.

Our analysis shows that caring is associated with a higher risk of poverty amongst working-age carers who provide long hours of care. The poverty rate is particularly high (at 37%) for the 1.4 million working-age adults who care for 20 hours a week or longer.

There is a link between the number of hours spent caring and the relationship to the care recipient which further impacts household income. The majority of working-age adults who provide at least 20 hours of care per week (76%) support someone within their household, whilst those who care for less than 20 hours tend to be supporting someone outside their household (80%). In a household where an adult requires high intensity care and another provides that care, the scope to increase income through employment will be limited.

We now turn to consider what scope there is to address the increased risk of poverty experienced by this group of carers.

The role of employment in tackling high intensity carer poverty

Anti-poverty strategies tend to emphasise employment-focused policies as a key means of tackling poverty, often based on the observation that those in employment have a lower risk of poverty than workless households. This section considers

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whether this focus is appropriate when it comes to tackling poverty amongst working-age carers.

Two key factors – which have implications for earnings – help to explain the higher poverty rate that we identify for working-age high intensity carers. Longer hours of care reduce the amount of time that is available to take on paid employment, whilst families where someone is providing intensive care for a partner stand to lose out on two incomes. Where high-intensity carers\(^{11}\) are able to take on employment, they have much lower levels of poverty than workless carers (16% for full-time workers and 25% for part-time, compared with 52% for workless carers).

But whilst there is a correlation between employment and lower poverty rates for carers, it need not follow that poverty levels can be reduced by supporting more high intensity carers into work. In part, this is because a carer’s decision to work and care will depend on a range of factors, including the availability of job opportunities, the scope for flexibility, the availability of social care services and the health of the carer.\(^{12}\)

A focus on employment entry might not therefore be effective, or realistic, for this group, at least in the short-term. This is because some carers will have little prospect of moving into work in the short- to medium-term. Hirst (2002) finds that carers providing long hours of care are likely to be heavily involved from the outset of caregiving and for longer periods than those providing fewer hours of care each week. In addition, turnover is lower among co-resident carers, somewhere in the order of 30% cease caring per year.\(^ {13}\) All of these challenges are reflected in the employment rate for this group. 45% of working-age people who care for 20 hours or more were in employment, less than two thirds of the rate for working-age non-carers (at 74%).

From another perspective, carers who have spent a significant length of time out of the labour market are likely to struggle to find well-paid work. Qualification levels tend to be low amongst the carer population, potentially limiting the opportunities that are available to this group.

But this is not to say that employment-focussed policies should not play a role in tackling carer poverty. Rather, the point is that employment support needs to reflect the reality of carers’ lives and provide support over the long-term. The next section discusses the support that is available to carers in more detail and sets out some recommendations.

\(^{11}\) Those caring for 20 hours or more each week


Policy implications and recommendations

In all, this analysis points to the important role that the benefit system, in alliance with a carefully targeted employment support package, could play in tackling carer poverty. A full review of current policy as it relates to carers is beyond the scope of this research; but we can identify some key policy areas that require attention if we are to tackle carer poverty.

Access to support and quality formal care
Carer assessments enable local authorities to tailor the support they can offer to carers’ needs. This support might include funding carers to access basic services to support them in their caring role (e.g. counselling, help with housework, and leisure classes), providing respite care for those who provide substantial hours of care on a regular basis, and, offering advice and information services. In practice, though, few carers receive this level of support: the National Audit Office found that the number of informal carers receiving any of these carer services, following an assessment, fell from 387,000 in 2009/10 to 354,000 in 2012/13, representing approximately one in fifteen carers.14

However, recent national carer strategies have sought to make carers assessments more widely available. In England, the Care Act (2014) changed the requirement that carers had to provide ‘a substantial amount of care on a regular basis’ to be entitled to a carer’s assessment. Local authorities are now required to undertake an assessment where it appears that a carer may have support needs of any level. A ‘whole family approach’ to assessment will also be required under the new Care Act regulations and guidance, which will help in identifying individuals within the family who provide support, including young carers.

To the extent that this leads to the better integration of formal and informal care arrangements and reduced informal care responsibilities, where carers are struggling with or wish to rebalance their commitment, this should have a positive impact on all carers. In particular, it could benefit the 400,000 carers who currently combine a full-time working week with long hours of care. But the impact will depend on the availability and quality of local care services.

Working-age carers require personalised and flexible employment support
Whilst recent policies have directed a considerable amount of attention at supporting carers in their caring roles, relatively little attention is paid to the labour market barriers that carers may face. This is a concern as many will be taking time out of the labour market, or will find their employment choices are limited as they need to find flexible work that fits around caring responsibilities.

There would be little point in requiring high intensity carers to actively search for work, but given the difficulties that carers can face in the labour market there is a case for developing a flexible employment support package that recognises the commitments that carers have, and takes a long-term approach to tackling the barriers they face. The labour market outcomes that we have highlighted suggest this opportunity is not generally available within the current system, though increased personalisation is a focus of the new Universal Credit, which will replace Carer’s Allowance in the next few years.

Attention should also be paid to the challenges faced by carers who are in employment. Our analysis suggests that carers are over-represented in caring, leisure and service sector work, and that higher intensity carers struggle to combine care and work. Increasing the availability of quality part-time, flexible work, as well as raising awareness of the right to request flexible working, will likely be important in supporting carers to enter and stay in employment.

Support carers to improve their qualifications and access training
The Department for Work and Pensions should review the training and education support that is available to support carers to build up their qualifications. Just over half (52%) of non-carers had a qualification equivalent to an A-level or higher in 2013/14, compared to just 30% of high intensity carers. A large share (23%) of high intensity carers had no qualifications, in sharp contrast to the 10% of low intensity carers and 12% of non-carers with no qualifications. This will be a significant barrier for those carers who wish to re-enter the labour market, or to progress into better paid work.

Further research is needed to understand the barriers to increasing carer participation in education and training. One potential issue is that full-time carers in receipt of Carer’s Allowance are not allowed to participate in full-time education (of 21 hours or more per week), but it is likely that the challenge of raising carer qualification levels extends beyond this, reflecting a lack of awareness training and education opportunities or the limited availability of flexible courses that would be valued by carers.

Changes to disability benefits should consider the impact on carers
Finally, the analysis of household incomes in this report has discounted disability benefits. Many carers live in households that receive a disability benefit and there is a range of literature that argues that this is a more accurate way of representing material wellbeing among households with disabled members.

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15 For a discussion of some of the issues facing Young Adult Carers, see Aylward, N. (2009) Access to Education and Training for Young Adult Carers, NIACE.
Disability benefits reflect the additional cost associated with having a disability and this income helps the household to meet these costs. In the absence of these benefits there would be less income remaining after these costs to meet the other basic needs of all household members, including carers. Disability benefits can also enable a disabled person to pay for care meaning they require fewer hours of informal care. This may reduce the number of higher intensity carers who, this research has shown, have a high poverty rate.

If entitlement to such benefits is revised, as is the case with the transition from Disability Living Allowance to Personal Independence Payments, the impact is felt not just by the disabled person themselves but their entire household. It may affect the role of informal carers, particularly as entitlement to Carer’s Allowance is based on whether someone is providing full-time care to someone on these benefits. Such revisions to disability benefit entitlement should account for the impact on the entire household and in particular the resultant demands on informal carers.