

Carer Support Payment: Island Communities Impact Assessment

Title of Policy

The Carer's Assistance (Carer Support Payment) (Scotland) Regulations 2023

The aim of this Island Communities Impact Assessment (ICIA) is to identify the potential impact of Carer Support Payment (CSP)¹ and the transfer of awards from Carer's Allowance to Carer Support Payment on carers, and the people they provide care for, who live in remote rural or island communities.

This impact assessment should be read in conjunction with the other impact assessments: Business and Regulatory Impact Assessment (BRIA); Equality Impact Assessment (EQIA); Child Rights and Wellbeing Impact Assessment (CRWIA) and the Fairer Scotland Duty Assessment.

Introduction

Carer Support Payment (formerly known as Scottish Carer's Assistance) will replace Carer's Allowance in Scotland from the end of 2023, with a phased national roll out from spring 2024. It will provide some replacement income for unpaid carers in Scotland who are less able to take on paid work, and provide recognition of their important caring role.

We have developed policy that makes changes now, and that allows for changes in future, that aim to:

- recognise the impact of caring on carers' lives, providing support in a way that takes into account that different carers have different needs, and that different caring situations have different impacts
- provide stability, and support carers to access opportunities outside of caring, where possible, and if they wish to do so
- ensure carers have a positive experience of the social security system, and maximise carers' take-up of all support available to them.

The Social Security (Scotland) Act 2018 ('the 2018 Act') sets out the broad framework for the delivery of devolved social security in Scotland. In April 2018 Scottish Ministers took executive and legal competence for Carer's Allowance.

Since 2018, Carer's Allowance has continued to be delivered during a transition period by DWP under the terms of an Agency Agreement with the Scottish Government. Carer Support Payment will be delivered by Social Security Scotland on behalf of Scottish Ministers under the 2018 Act. The new benefit will launch on a pilot basis by the end of 2023, with a phased national roll out from spring 2024. Scottish Government officials are continuing to engage with the DWP to agree a timetable for the transfer of awards to Social Security Scotland. We intend to

¹ When the consultation launched, our working title for the new benefit was 'Scottish Carer's Assistance'. Since then, we have worked with carers, carer organisations and our Experience Panel members to choose and test a preferred name for the new benefit. We can confirm that the chosen name for the benefit replacing Carer's Allowance in Scotland will be 'Carer Support Payment'.

complete case transfer as soon as possible, while ensuring the process is safe and secure, so that we can deliver improvements to Carer Support Payment. The Carer's Allowance Agency Agreement has been extended to March 2025, and we remain on track to complete case transfer by the end of 2025. The Carer's Assistance (Carer Support Payment) (Scotland) Regulations 2023 set out the detailed rules surrounding entitlement to Carer Support Payment from launch, and provide for the transfer of awards for carers already receiving Carer's Allowance in Scotland.

In our consultation on the benefit, we set out plans for how the benefit would work from launch and potential priority changes to make as soon as reasonably practical once 'case transfer' from Carer's Allowance is complete, as well as plans to improve join up across services for carers. This impact assessment covers all of these, and the transfer of awards for existing Carer's Allowance clients from DWP to Social Security Scotland. While this goes further than our obligation to impact assess the new legislation, we have chosen this approach because it allows initial plans to be seen in context, and also because it allows for feedback to further inform ongoing detailed policy development.

This policy is closely aligned with the Healthier, Wealthier and Fairer Strategic Objectives, and contributes to the following National Outcomes:

- We respect, protect and fulfil human rights and live free from discrimination
- We tackle poverty by sharing opportunities, wealth, and power more equally
- We live in communities that are inclusive, empowered, resilient and safe
- We grow up loved, safe and respected so that we realise our full potential.

Island and remote rural communities face particular challenges around distance, geography, connectivity and demography. This ICIA supports the delivery of the strategic objectives within the National Islands Plan and the Scottish Government's National Outcomes.

We are extending the ICIA by considering rurality and remoteness in the same spirit of the Act to gauge evidence whether the policy and regulations will impact remote rural communities differently to other communities.

Executive Summary

In accordance with section 13 of the 2018 Act, this ICIA has:

- Identified and described areas where Carer Support Payment will have an effect on an island community which is likely to be significantly different from its effect on other communities (including other island communities);
- Consulted and worked with island communities to develop the assessment of the extent to which the Scottish Ministers consider that Carer Support Payment can be developed in such a manner as to improve or mitigate, for island communities, the outcomes resulting from it;
- Considered and proposed mitigation or actions to support the aims of Carer Support Payment within island communities; and
- Considered any financial implications of the above.

This ICIA has considered the potential effects of Carer Support Payment, case transfer, and their impacts on people living in island and remote rural communities. The findings here are based on desk research, engagement with and feedback from carers living in island and remote communities, and analysis of the Scottish Government's consultation on Scottish Carer's Assistance (as the benefit was previously called), which closed on 23 May 2022.

- The Scottish Carer's Assistance consultation outlined the Scottish Government's proposals for how Scottish Carer's Assistance will look when it first launches, for a new extra payment for those who care for more than one person and the future of Carer's Allowance Supplement, and set out five priority proposals for future change. The consultation was launched in February 2022, and the Scottish Government response will be published later this year.
- In total, there were 192 responses to the consultation, of which 41 were from organisations and 151 from individuals. Question 45 asked respondents to set out any information they wished to share on the impact of Scottish Carer's Assistance on Island communities. Ongoing engagement with carer organisations in Scotland has been a key consideration in developing this policy. These views have been sought through the Carer Benefits Advisory Group, which was set up in November 2015 to advise Scottish Ministers on developing policy for social security benefits for carers. Members include Carers Scotland, the Carers Trust, Citizens Advice Scotland, and carer centres.
- Social Security Experience Panel members were interviewed to explore their views on proposals on how Scottish Carer's Assistance could be different from Carer's Allowance. The research was designed to provide data for a range of proposals on: how Scottish Carer's Assistance should work when it is first introduced, extra payments for carers in Scotland, and further changes to be made to Scottish Carer's Assistance in the future. The research took place from March to July 2022. It involved a survey completed by 242 Panel members and follow-up interviews with 16 participants. Many interview participants highlighted the impact of the Carer Support Payment proposals on carers who are located in rural and island communities.
- Additional consultation was sought from Island Local Authorities and Disability Access Panels in September 2022, who were asked for their views on the positive/negative impacts of Scottish Carer's Assistance on island and rural communities, and whether there are any inter-island differences to consider.
- ICIA's have previously been completed on the introduction of Young Carer Grant and the Carer's Allowance Supplement.
- In-person user research was conducted with carers and third sector organisations in the Highlands and Islands in spring 2023, as part of the development of Carer Support Payment.

The assessment and its conclusions have been reviewed taking into account the Scottish Government's published case transfer principles and two surveys regarding the case transfer process that were sent out to Experience Panel members in January and February 2019. 404 and 559 responses were received respectively. A

series of individual and group interviews were also conducted. Results from both surveys and the interviews were published in 2019².

Going forward, the Scottish Government remains committed to continued close engagement with carers and stakeholders, including those from island communities, to ensure that people's experiences and voices are heard and contribute to change and improvement. This ICIA is a living document, and we have committed to continuous improvement. We will continue to review the impacts of Carer Support Payment on island and remote rural communities, to understand and address any issues identified.

Background, Policy Aims and Proposed Rules

Carer Support Payment will replace Carer's Allowance in Scotland. Carer's Allowance is a benefit for unpaid carers in recognition of the caring role and its impact on their ability to earn income from paid work.

Scottish Government estimates suggest that unpaid care is currently saving Scotland £13.1 billion per year in health and social care costs (£12.8 billion per year in social care costs, plus £320 million in health care costs).³ Following the impacts of the coronavirus pandemic, where more people undertook caring roles than ever before due to face-to-face respite services reducing, the overall level and value of unpaid care being provided in the UK is likely to have increased. As the average age of the population continues to rise, the numbers of unpaid carers in the UK are also anticipated to increase.

Origin of the benefit

Carer's Allowance developed in the UK from the introduction of the 'Invalid Care Allowance' (ICA) in 1975. The scheme followed the 1974 White Paper 'Social Security Provision for Chronically Sick and Disabled People' which stated that there was 'a strong case for the provision of a non-contributory benefit of right' to be payable to carers of sick and disabled people.

Married women were, initially, not eligible for ICA. This reflected wider societal expectations at the time, that married women would provide care for family members. In 1986, this policy was held to be unlawful by the European Court⁴ and the benefit was widened out to all carers regardless of their marital status. Further changes to the benefit were made in 2002, including the abolition of an upper age limit of 65 for applications. The benefit was also renamed Carer's Allowance.

The key criteria for Carer's Allowance now are that it provides support to unpaid or informal carers who provide 35 hours or more of care a week for people receiving

² See [Social Security Experience Panels – designing the benefits transfer process report](#)

³ National Care Service (Scotland) Bill (2022) Financial Memorandum (paragraph 72). [Financial Memorandum](#).

⁴ Jackie Drake successfully argued that the exclusion of married women from Carer's Allowance, where married men residing with their wives were not excluded, constituted a clear example of direct discrimination on the grounds of sex.

certain disability benefits, and earning below a certain amount. In 2023-24 it will provide £76.75 a week and the earnings threshold will be £139 per week.

Devolution

The Scotland Act 2016 gave the Scottish Government legislative competence over eleven benefits, including Carer's Allowance. The 2018 Act sets out the legislative framework for the administration of social security in Scotland and makes provision for operational functions such as managing overpayments, fraud, error and appeals. Since September 2018, Carer's Allowance in Scotland has been administered by the DWP under an agency agreement in advance of the replacement benefit being introduced.

Carer's Allowance in the context of reserved benefits

Carer's Allowance is arguably the most complex of the benefits being devolved to Scotland, due to its linkages with other benefits. As an 'income-replacement' benefit, it has a high number of interactions with low-income benefits delivered by DWP, upon which tens of thousands of Scotland's carers rely for help with housing and other basic needs. Carer's Allowance eligibility passports carers on low incomes to additional carer specific payments. It also entitles carers to type 1 National Insurance contributions, which can help to, for example, build up their State Pension. These interactions mean that the principle of safe and secure transition of DWP benefits to Social Security Scotland through the devolution process is particularly important, as any increase in complexity during the case transfer process would increase the risk to the ongoing payment of these benefits to carers in Scotland.

Extra payments for carers in Scotland

We prioritised support for carers in our new social security system. Our first change when the 2018 Act was passed was to introduce Carer's Allowance Supplement (CAS). This increased the existing Carer's Allowance which was the lowest working age benefit, to being in line with and now exceeding Jobseeker's Allowance through two additional payments a year. Carers who receive both Carer's Allowance Supplement payments in 2023-24 receive the equivalent of £87.15 weekly, rather than the £76.75 they would receive without the uplift.

Double payments of Carer's Allowance Supplement were made in June 2020 and December 2021 in light of the additional pressures faced by carers as a result of the coronavirus pandemic.

Since the launch of Carer's Allowance Supplement, 920,970 Carer's Allowance Supplement payments totalling £255.4 million have been made to 148,515 carers.⁵ By the end of 2023, carers in Scotland continuously in receipt of Carer's Allowance will have received an extra £3,300 through the Supplement.

In October 2019, we opened applications for Young Carer Grant, the first support of its kind in the UK, providing annual grants of £359.65 (2023-24 rate) to Scotland's

⁵ Carer's Allowance Supplement, April eligibility date 2023: [statistics published in August 2023](#)

young carers in recognition of their caring role. The payment helps them access opportunities which are the norm for other young people. Over 8,500 payments Young Carer Grant payments have been made since its introduction, with a total value around £2.7 million.

Our intention to introduce a new payment for carers of more than one person has been delayed due to the coronavirus pandemic. This support, which expands on an earlier commitment to a Carer's Additional Child Payment is known as Carer's Additional Person Payment for now and would be equivalent to £10 per week for each additional person being cared for who is in receipt of a disability benefit. We now intend to implement this commitment as part of work on Carer Support Payment, once the benefits of existing Carer's Allowance clients have been safely transferred from DWP.

Carer Support Payment policy aims

When we consulted in 2016 about Scottish benefits, most people who responded agreed that the new benefit should have a similar role to Carer's Allowance⁶ – that is, it should be a benefit to provide some replacement income for unpaid carers who have caring roles which mean they are less able to take on paid work. Most people agreed it should not be a payment for the care provided, but should provide some recognition for the caring role – by providing support with no requirement to look for work.

Carer Support Payment will be 'non-means tested' in the same way as Carer's Allowance. This means that a carer's income, other than from paid work⁷, and their household's income won't affect whether they can get the benefit, or how much they will get. Because it will be paid to people caring for at least 35 hours a week and with limited earnings, it is focused on unpaid carers who have some of the most intensive caring roles, and who are more likely to be on lower incomes.

In March 2020, we published a discussion paper on the new benefit⁸, setting out draft aims for what the new support should do. The aims sit within the broader framework of the National Carers Strategy⁹. They also need to be seen in the context of wider social security provision available to carers from DWP. It is vital that DWP continue to recognise Carer Support Payment recipients as carers for the purposes of paying Universal Credit and other benefits.

The aims are:

⁶ Most respondents to our 2016 consultation on social security, supported the goal we set for Scottish Carer's Assistance, that it would be 'not a payment for care [but] provide some financial support and recognition for those who choose to, or who have had to give up or limit their employment or study because of caring responsibilities'. (further details in [Analysis of written responses to the consultation on social security in Scotland - gov.scot](#))

⁷ Carer's Allowance is an 'income-replacement' benefit so carers may not be earning more than £132 per week (2022/23 rate) from employment, after tax, National Insurance and some expenses. More information on is available at: [Carer's Allowance: Eligibility](#)

⁸ [Scottish Carer's Assistance discussion paper](#)

⁹ [National Carers Strategy](#)

Aim 1. Carer Support Payment provides income for unpaid carers in recognition of their vital role and its impact on their lives. It is delivered in a way that takes into account that different carers have different needs, and that different caring situations have different impacts.

Aim 2. Carer Support Payment provides stability and supports carers to access opportunities outside of caring, where possible, and they wish to do so.

Aim 3. Carer Support Payment is designed to ensure carers have a positive experience of the social security system, and to maximise carers' take-up of all support available to them.

In addition to setting out the broad framework for the delivery of devolved social security in Scotland, the 2018 Act also allows Scottish Ministers to create a new social security system using a distinct 'Scottish approach', which has our values of dignity, fairness and respect at its core. Carer Support Payment will contribute to this. It will also help to deliver our overall vision for unpaid carers in Scotland, that unpaid carers can provide the best possible care, supported by a system that recognises and values their contribution, allowing them to lead a full life in addition to their caring role.

The policy contributes to the following National Outcomes:

- We are healthy and active
- We tackle poverty by sharing opportunities, wealth and power more equally
- We are well educated, skilled and able to contribute to society
- We respect, protect and fulfil human rights and live free from discrimination.

Case transfer

The first priority of Carer Support Payment is the safe and secure transfer of Carer's Allowance awards in Scotland currently managed by DWP to Social Security Scotland. Scottish Government officials are engaging with DWP to agree a timetable for the transfer of awards to Social Security Scotland. We intend to complete case transfer as soon as possible, while ensuring the process is safe and secure, so that we can deliver improvements to Carer Support Payment. The Carer's Allowance Agency Agreement runs until March 2025, and we remain on track to complete case transfer for all disability and carer benefits by the end of 2025. Scottish Ministers have developed a safe and secure transfer process, which will require no action on behalf of the individual wherever possible, and has been designed in line with the following case transfer principles:

- no individual will be required to re-apply for their benefit
- individuals will continue to receive the right payment, at the right time
- we will complete the case transfer process as soon as possible while ensuring it is safe and secure
- we will maintain clear communications with clients during the transfer process.

Carer Support Payment rules

It is planned that Carer Support Payment will develop over time, in line with the agreed benefit aims.

Policy on launch

On introduction, Carer Support Payment will provide an improved, more accessible service to carers, joining up with wider services to help carers access information on the wide range of support available to them.

Eligibility for the new benefit will broadly mirror Carer's Allowance to enable the safe and secure transfer of awards from DWP to Social Security Scotland. However, there will be some changes, to reflect existing differences in wider Scottish social security policy and principles. As set out in the regulations which this impact assessment accompanies:

1. Core eligibility will mirror Carer's Allowance in that carers will need to be 16 or over, providing 35 hours of care or more a week to someone getting certain disability benefits, and not earning more than £139 per week from paid work.¹⁰
2. Payment amounts will be in line with Carer's Allowance, though carers will continue to receive additional support through Carer's Allowance Supplement.¹¹
3. Residence requirements for receipt of the benefit will mirror those for devolved disability benefits, including the 'past presence test' which will require presence in the Common Travel Area for 26 of the past 52 weeks. The test will also be dis-applied in some circumstances, including where a person is receiving support under the Special Rules for Terminal Illness, has a refugee or humanitarian protection status, or is caring for someone who meets these criteria.
4. Carer Support Payment may be temporarily stopped in a number of situations where Carer's Allowance would be suspended or ended, reducing the need to make new applications.
5. Re-determination and appeal processes and timescales will mirror the disability benefits, providing more time for carers to request a re-determination compared with the low-income benefits and clarity on timings for re-determination decisions.
6. Eligibility will be expanded to include more carers in full-time education. In particular, the benefit will be available for the first time to people aged 20 and over in full time education at any level, and people aged 16 to 19 in full-time advanced education. As part of the national roll-out, this will also be extended to

¹⁰ After deductions

¹¹ Carer's Allowance Supplement will continue to be paid in the same way as now until we safely and securely transfer the awards of carers in Scotland receiving Carer's Allowance from the Department for Work and Pensions (DWP) to Social Security Scotland. Consequential amendments will provide necessary provisions for CAS to be paid to those getting CSP as well as CA until case transfer is complete

include some carers aged 16 to 19 in full-time non-advanced education in exceptional circumstances.

Other differences from Carer's Allowance from launch will be:

7. Applications for Carer Support Payment will not be accepted in advance, while Carer's Allowance applications may be accepted up to three months before a carer expects to become entitled to support. Our understanding is that this provision is not currently well used. Our intention is that Carer Support Payment applications will be handled more quickly. Providing an advance application option is likely to add more complexity and confusion to the application system. Backdating provisions in place for Carer Support Payment will prevent carers from losing out on support they are entitled to where they are not able to apply from the first day of their entitlement. Nevertheless, the potential for advance applications will be kept under review as part of continuous improvement.
8. Carer Support Payment will be paid four weekly in arrears as standard, while Carer's Allowance offers a choice of weekly in advance payments. Carers whose benefits are transferring from Carer's Allowance will continue to receive weekly in advance payments and weekly in advance payments will be available to carers who are terminally ill, or caring for someone who is terminally ill. However, the overall approach is intended to reduce the potential for overpayments.

During the case transfer period and beyond, further improvements to link carers to wider support available to them will be made.

Further improvements to eligibility after completion of case transfer

We plan to bring forward further regulations to provide for changes we are committed to making to Carer Support Payment in future. These are planned for as soon as practicable after case transfer completes. These are set out below.

9. We are committed to introducing a new Carer's Additional Person Payment. Detailed policy is under consideration taking into account the feedback from the consultation. This payment is intended to provide an extra £10 per week for carers receiving Carer Support Payment who have a significant caring role for more than one person in receipt of disability benefits.
10. We plan to provide short-term assistance in some situations where a Carer Support Payment decision is being challenged, and provide support to carers when the person they care for is challenging a decision and receiving short-term assistance. Because of the complex links the existing Carer's Allowance benefit has with support which remains reserved, we need to continue to work with the Department for Work and Pensions to consider the impacts on other benefits before finalising our plans. We plan to deliver short-term assistance and related support for Carer Support Payment after case transfer is complete, rather than when the benefit first launches.
11. We plan to increase the period that Carer Support Payment is paid after the loss of a person being cared for from eight to twelve weeks.

12. We plan to pay Carer's Allowance Supplement alongside Carer Support Payment in future, so that carers receive a higher regular income.

Potential changes under consideration for the future

Further potential changes which could be made in future to Carer Support Payment eligibility and rules were set out in the public consultation. We are using the consultation responses to inform our on-going consideration of these potential changes. These are set out below.

13. To increase the period of time that Carer Support Payment is paid when a person being cared for goes into hospital or residential accommodation.

14. To extending eligibility so that Carer Support Payment could be available to people who are caring for two different people for a total of 35 hours.

15. To increases to the earnings threshold and consider whether a 'run on' of support could be introduced to where a carer has earnings over the threshold.

Scope

This impact assessment covers the changes to be made through regulations at launch, and also looks at impacts on island and remote rural communities as a result of our wider Carer Support Payment policy. We will continue to consider and monitor impacts through ongoing policy development and evaluation, and publish further impact assessment documents with future regulations.

Key Findings

This section provides an overview of issues for Scottish island and remote rural communities which are relevant for Carer Support Payment policy and regulations.

Rural Scotland accounts for 98% of the land mass of Scotland, and 17% of the population are resident there.

Scotland has 93 inhabited islands, of which only five are connected to the Scottish mainland by bridge or causeway.

The Islands Act identifies 6 local authorities representing island communities in Part 4 of the Act (Section 20 (2), which are Argyll and Bute Council, Comhairle nan Eilean Siar/Western Isles, Highland Council, North Ayrshire Council, Orkney Islands Council, Shetland Islands Council. Amongst them, Orkney, Shetland and Western Isles are entirely island authorities, while Highland, Argyll and Bute and North Ayrshire local authorities cover island regions as well as mainland regions.

Respondents to the National Islands Plan Survey¹² described a lack of employment, training and higher education opportunities and a lack of childcare options to fit with residents' working patterns; a poor variety of housing types, sizes and tenures to meet people's needs, and a lack of affordable housing. Respondents also had mixed

¹² [National Islands Plan Survey](#)

experiences of accessing healthcare services, and of speed and reliability of internet connections.

Island stakeholders have emphasised the importance of understanding the island experience. Each island has its own specific considerations and constraints. The National Islands Plan highlighted that experiences of island life vary considerably by island group. Differences were particularly striking between residents of Orkney Mainland and Outer Isles, and Shetland Mainland and Outer Isles, with "mainland" islanders generally more positive about a range of measures. These differences may be attributable to proximity to a small town (associated with access to services and more diverse economies) and direct access to mainland Scotland from the "mainland" islands, unlike in the outer islands. Different age groups, too, have distinct experiences of island life, and a young person's views can contrast with those of an older person living in the same island group.¹³

Stakeholders noted that issues of limited available services and the costs of accessing those services are not specific solely to island communities, but that mainland rural and remote communities suffer from many of the same issues and challenges, although reliance on ferries was an extra barrier to accessing services.

Demography

Scotland has 93 inhabited islands with a total population of 103,700 (2% of Scotland's population) as per the 2011 Census¹⁴. The population of the islands increased by 4% (3,963) between 2001 and 2011.

Remote rural areas have a higher (23%) proportion of older people (65+) than the rest of Scotland (17%)¹⁵. Scotland's population is projected to age, with the population of people aged 75 years and older projected to increase in all areas. In the Highlands and Islands, the population overall is also projected to decline.¹⁶

Older adults are far more likely to be impacted by the effects of caring. This was highlighted in the Carers Trust - Experiences of Older Adult Carers in Scotland¹⁷ report, which noted that respondents aged 70 and above reported higher levels of being physically impacted by their caring role.

87% of all respondents agreed that their mental health and wellbeing had been affected by their caring role, of which 32% reported that it had been affected greatly. This trend was similar between male and female older adult unpaid carers, and, similarly to physical health, respondents aged 80 and above reported the highest levels of being affected greatly. Additionally, due to the cost of living crisis, 25% reported they felt financially worse off now when compared to their financial situation 12 months before.

For males, the life expectancy in remote rural and accessible rural areas is around 79 years, nearly 2 years more than life expectancy in the rest of Scotland. For

¹³ [Scotland's Census 2011: Inhabited islands report 2015 \(NRS\)](#)

¹⁴ [Scotland's Census 2011: Inhabited islands report 2015 \(NRS\)](#)

¹⁵ [Rural Scotland Key Facts 2015 - People and Communities Services and Lifestyle Economy and Enterprise](#)

¹⁶ [Population Projections for Scottish Areas \(2018-based\) | National Records of Scotland](#)

¹⁷ [Carers Trust - Experiences of Older Adult Carers in Scotland](#)

females, the life expectancy in rural areas is around 83 years, nearly 2 years more than in the rest of Scotland.

According to the 2011 Census, 83% of island residents reported their health as being 'very good' or 'good' compared with 82% for Scotland as a whole. The proportion of island residents with a long-term (lasting 12 months or more) health problem or disability that limited their day-to-day activities was just under 20%, including 9% who reported their daily activities were limited 'a lot'. The corresponding proportions for Scotland as a whole were very similar¹⁸. 17% of island residents are under the age of 16, which is the same proportion as per Scotland as a whole¹⁹.

Based on StatXplore information to the end of February 2023, the proportion of men and women in receipt of Carer's Allowance does not differ substantially between island communities and Scotland as a whole. A lower proportion of the population is below 55 on the islands, with a substantially higher 65+ group (40% of all entitled are over 65, whereas this figure is only 29% in Scotland as a whole). The over 65 group mostly have underlying entitlement to the benefit, due to receipt of the State Pension which is an overlapping benefit.

User research for Carer Support Payment highlighted a lack of understanding of underlying entitlement among carers which could prevent older carers from accessing associated support.

Access

The Scottish Government published its first Benefit Take-up Strategy in 2019, setting out the ongoing work of the Scottish Government and Social Security Scotland to address barriers to benefit uptake.²⁰ Costly or complex access to services was identified as one of the key accessibility barriers, particularly pertinent to those in island communities. User research for Carer Support Payment found that living remotely often translates into limited services, whether health care, government services, or limited access to specialised knowledge and skilled workers.

Only a third of island residents say that it is easy to connect between different forms of transport when making journeys to or from their home.²¹ Bus services can be unreliable and are often community run, and taxis are not often available. Even where buses are available, they often run rarely, and timetables do not always meet the needs of people living in the community. This leads to a reliance on neighbours, friends and families driving as primary transport.

Island stakeholders have described the extra complexity and expense of travelling to access medical treatment on the mainland. Specialist services may only be available in cities a great distance from islands, which can mean extra travel and accommodation costs for patients and carers. Travel infrastructure was also cited as a frequent issue, particularly the reliance on ferries which are often subject to

¹⁸ [Scotland's Census 2011: Inhabited islands report 2015 \(NRS\)](#)

¹⁹ [Scotland's Census 2011: Inhabited islands report 2015 \(NRS\) The footnotes had 2015 in them, but it's last updated in 2021?](#)

²⁰ [Social Security \(Scotland\) Act 2018: benefit take-up strategy - October 2021](#)

²¹ [Supporting documents - National Islands Plan Survey: final report](#)

disruption, and can delay both islanders accessing treatment on the mainland, and professionals coming to the island to provide support.

Carers interviewed for Carer Support Payment user research in the Highlands and Islands also described the difficulties of accessing healthcare, especially specialist appointments or support. Often, they have to travel extensive distances to see a specialist, some of them having to take several ferries, flights and spend a few nights away to reach a hospital. This is particularly challenging for those who have to organise travel to accommodate complex needs, for example, travelling with an oxygen tank. In more acute cases, clients and the cared-for person may need to take be airlifted to the nearest hospital. However, those in more critical conditions may not be able to travel by air and they are often not diagnosed or lack medical attention, actions that may lead to worsened conditions and higher pressure on the carer. GPs and local hospitals in remote areas are often understaffed or are staffed with seasonal doctors, which may lead to a lack of trust, and fatigue in having to repeat their medical histories and needs.

There are striking differences in reported levels of access to health, social care and wellbeing services between the island groups. Almost all residents of Orkney Mainland and Shetland Mainland report that they can easily access a hospital, a dentist and a pharmacy. However, substantially fewer residents of Orkney Outer Isles and Shetland Outer Isles report this.

Carers interviewed as part of user research for Carer Support Payment described the increased pressure on carers due to limited or non-existent support groups. It can also be challenging to access respite care or paid care, to allow carers to access employment or short breaks: due to a limited population and low workforce migration, the Highland and Islands have a large number of vacancies, especially in the care sector. Third-sector organisations provide vital support, but they are often overstretched due to budget constraints or lack of staff, meaning that carers have to wait for long periods to receive the support they need.

Connectivity

Digital exclusion and unreliable broadband services were cited by respondents to the consultation as being an issue for island communities, although it was also noted that direct face-to-face communication can be a challenge due to geographical distance.

In addition, carers may be “digitally excluded” – limited in accessing the internet, either because they lack digital skills or confidence in using a computer and online services and/or because they do not have access to the internet.²² Digitally excluded groups²³ are more likely to be:

- Those over 65 years of age

²² [Exploring the UK's digital divide - Office for National Statistics](#)

²³ [Cambridge Centre for Housing & Planning Research: The Digital Divide: what does the research tell us?](#)

- Economically inactive working age adults, lower income households, lone adult households, people in communal establishments or other non-private housing
- Disabled people
- People on lower incomes and households in locations without fibre broadband internet access.

It is therefore likely that island carers will be disproportionately impacted by digital exclusion, due to the overlap in demographic trends between carers and digitally excluded groups.

Digital exclusion was felt to be a significant barrier among carers interviewed for Carer Support Payment user research. Factors included age, with older carers less likely to use digital services, and lack of skills and confidence. For some who lacked digital confidence before becoming carers, taking on caring responsibilities compounded the issue and meant that they lacked the time and capacity to learn the skills they needed to get online. Digital exclusion was identified as a barrier to carers accessing information about benefits, negatively impacting benefit uptake.

Carers also expressed that their concerns around digital security limited their use of online services, with third sector organisations playing an important role in supporting carers with advice around online security. The prevalence of conflicting information, and the experience of information overload, made it difficult to find information. As a result, carers often didn't trust information accessed online.

Issues with rural mobile phone reception and broadband connection were compounded by limited public services, with some rural areas lacking local libraries or hubs with public computer facilities. Where these services do exist, limited public transport can prevent carers from accessing them. Reliable internet solutions, such as satellite internet, can be prohibitively expensive for carers.

Research undertaken by the Scottish Government²⁴ and stakeholders in 2020 found that a lack of connectivity in rural or remote communities has been compounded by the impacts of the Covid-19 pandemic. An absence of good quality internet connection can significantly impact on an individual's ability to socialise and partake in cultural activities, particularly where people already have mobility restrictions as a result of a disability or health condition.

Research from the National Islands Plan Survey²⁵ showed that islanders are generally confident in using the internet for most tasks, but slightly less confident in using the internet to attend online health and social care appointments. The majority of respondents could access the internet from home. However, speed and reliability of internet connections are an issue for many, particularly in Orkney and Shetland Outer Isles. Mobile signals vary, with particularly poor reports from Orkney Outer Isles. There is a difference²⁶ in coverage between rural and urban areas. Rural areas tend to have poorer coverage and slower speeds. Connectivity varies between islands and island groups. While 62% of island residents agree that their internet

²⁴ [The Impacts of covid-19 on equality in Scotland: Executive Summary](#)

²⁵ [National Islands Plan Survey: final report, published 2021](#)

²⁶ [Connected Nations 2022: Scotland](#)

connection at home is reliable, there is significantly lower agreement in Shetland Outer Isles (30%) and Orkney Outer Isles (35%).²⁷

Stigma

Stakeholders have identified potential cultural barriers to applying for social security benefits, particularly in rural and island communities.

User research for Carer Support Payment, as well as previous user research and experience panels conducted for Best Start Grant, Funeral Support Payment and Young Carer Grant, identified a risk of stigma hindering applications for benefits.

Young carers identified the close-knit nature of island communities as a potential barrier to claiming Young Carer Grant²⁸, emphasising the sensitive nature of disclosing caring responsibilities and the receipt of disability benefits, and the need for privacy and dignity.

User research for Carer Support Payment found cultural barriers to accessing support and information, with a perception that Highland and Island communities tend to 'look after their own' and do not feel they should claim benefits for this. The perception of care as a duty can act as a barrier to carers seeking support, and carers may end up seeking support only in extreme circumstances. Another barrier identified was the potential reluctance from the cared for person to apply for benefits or acknowledge a need for help. Carers emphasised the private nature of island communities, which could prevent care from becoming visible.

Levels of stigma can vary between islands and island groups. Stakeholders²⁹ said that the proportion of incomers in island communities and the size of those communities could impact the level of stigma, and also that stigma was more prevalent in smaller communities, where people living with financial hardship are living close to those with relative wealth.

User research for Carer Support Payment found that benefit stigma translated into a lack of awareness of benefits and support, preventing carers from accessing necessary support. The Highlands and Islands were perceived to have a higher degree of benefit stigma than elsewhere in Scotland. Carers identified a reluctance to ask for help in island communities, particularly from older carers who may refuse to apply, perceiving this to be taking money away from others in need of assistance. Benefit stigma was found to negatively impact carer's mental health and self-identity. The recent Carers Week Report on unpaid carer identification³⁰ noted over two-third (68%) of people who currently provide unpaid care or have provided care in the past have never identified or called themselves a carer. Over a third (34%) of carers with experience of providing care saw their health and wellbeing suffer as a result and over a fifth (23%) 23% said it had affected their job or ability to work.

²⁷ [National Islands Plan Survey: final report, published 2021](#)

²⁸ [Young Carer Grant: island communities impact assessment](#)

²⁹ [Footnotes - The Social Security \(Miscellaneous Amendment and Transitional Provision\) \(Scotland\) Regulations 2022: islands communities impact assessment screening template –](#)

³⁰ [Carers Week Report 2023](#)

Poverty

On average, rates of poverty tend to be lower in rural areas. However, the barriers to leaving poverty may be greater for those in rural areas.³¹ For example, poor public transport networks mean that people may not have good access to opportunities for education and employment, particularly if they rely on bus networks.

Issues with access to employment were also noted by carers interviewed for Carer Support Payment user research, who reported that, due to the needs of the cared for person, they found it hard to find employers who could accommodate their caring needs. Some island carers reported that they would like to work, but were unable to due to a lack of available paid carers.

In 2019, the fuel poverty rate for remote rural (43%) households was higher than for urban (24%) households or rural households (29%)³². Higher living costs on islands, combined with higher fuel costs, can create the conditions for extreme fuel poverty for households on low incomes.

Local authority Comhairle Nan Eilean Siar have previously stated in their written evidence to a fuel poverty strategy consultation undertaken by the Scottish Government, “it is essential to factor in higher living costs to an understanding of poverty in remote and rural areas. Poorer households in the islands are likely to be significantly worse off financially than an equivalent-earning mainland household because of the higher cost of living”³³.

Poverty in rural areas may be more isolating in its impact, due to the greater visibility of individuals within rural communities and a rural ideal of self-reliance. Poor adults in remote rural areas have been found to have particular problems with low levels of support.³⁴ The majority of carers are in the bottom half of income deciles, and face additional costs related to caring including fuel, food and transport. Furthermore, research has shown that poverty disproportionately affects those with a disability, with disabled people experiencing higher poverty rates than the rest of the population.³⁵

A recent report on the experiences of older adult unpaid carers in Scotland³⁶ found that 82% of all respondents agreed that their caring role had financially impacted them, of which 25% felt as though it had greatly impacted them.

³¹ [Scottish Index of Multiple Deprivation: Rural deprivation - Evidence Summary](#)

³² [Scottish house condition survey: 2019 key findings](#)

³³ [Fuel Poverty \(Targets, Definition and Strategy\) \(Scotland\) Bill: island communities impact assessment](#)

³⁴ [University of Glasgow - Poverty and social exclusion in urban and rural areas of Scotland](#)

³⁵ [University of Leicester: The Energy Penalty: disabled people and fuel poverty](#)

³⁶ [Experiences Older Adult Unpaid Carers in Scotland - Carers Trust](#)

Cost of living

There is widespread evidence that rural areas, and remote and island communities in particular, experience higher costs of living for some goods and services.

A lack of choice and accessibility for people living in island communities means that shopping, mobile phone services and broadband can be more expensive for carers living in island communities compared to those on the mainland. The greater distances mean that day to day travel, postage, fuel, daytrips and holidays are also more expensive for carers in remote communities.³⁷

In rural and remote areas, the costs of travel to essential services are generally much higher. Those experiencing poverty may be unable to afford transport, which reduces their quality of life and increases social isolation. In circumstances where there is no public transport infrastructure, families may be forced to run a car, putting pressure on their finances.

Highlands and Islands Enterprise³⁸ found that, typically, the minimum cost of living in remote rural Scotland ranged between 10% and 35% more than the equivalent in urban Britain in 2016. The additional costs are mainly from shopping, broadband, delivery costs, transport, childcare, and fuel costs. More recent research has shown that additional minimum living costs for a household in remote rural Scotland typically add 15-30% to a household budget, compared to urban areas of the UK.

Citizens Advice Scotland have identified issues of grid, utilities, digital and travel as key barriers for people in remote rural areas. Furthermore, a typical food basket can cost as much as 50% more on islands in Scotland, while transport can be up to £40 a week more expensive due to longer distances for commuting and a higher price for petrol.³⁹

On top of the increased cost of living for island and remote rural communities, carers have additional costs relating to care. Recent research by Carers UK⁴⁰ found that carers face increased costs for equipment, travel and food. On top of reduced capacity to work to earn money, carers often have to spend a larger proportion of their income on energy costs to keep the person they care for warm and to manage their condition. They may have higher food bills, and higher transport costs because the person they care for needs support to travel or the carer has to travel to provide care.

Recent research on the impact of the cost-of-living crisis⁴¹ showed that a quarter of carers were cutting back on essentials such as food and heating to make ends meet, highlighting that those on the lowest incomes were struggling the most. The research

³⁷ [Young Carer Grant: island communities impact assessment](#)

³⁸ [A Minimum Income Standard: For Remote rural Scotland; Loughborough University, UHI & Highlands and Islands Enterprise; 2013](#)

³⁹ [A Minimum Income Standard: For Remote rural Scotland; Loughborough University, UHI & Highlands and Islands Enterprise; 2013](#)

⁴⁰ [Under Pressure: Caring and the cost of living crisis - Carers UK](#)

⁴¹ [Unpaid carers spiralling into poverty as the cost-of-living crisis bites: cutting back on food and heating to make ends meet | Carers UK](#)

showed that over a third (35%) of carers are spending 20% of their income or more on energy, with one in five (19%) of carers in the lowest income households spending 50% or more of their income on energy.

Even where one or more individual in the household is in employment, the same level of income secures a lower standard of living than it would for a household without someone with a disability or long-term health condition. This is because disabled people face higher costs than non-disabled people, such as the cost of specialist equipment, therapies and home adaptations to manage a condition.⁴² Disabled people living in island and remote rural communities may face higher costs, for example travel costs, as individuals may have to pay the cost of taxis if they need to travel to and from hospital where it is not possible to use public transport (and/or public transport may not be available).

The Joseph Rowntree Foundation reported that levels of poverty among disabled people are generally underestimated.⁴³ Because disabled people's needs are often greater than for those without a disability, the cost of living for disabled people is frequently higher. These costs are higher in island and remote communities due to an environment that is less accessible, with higher costs for reasonable adjustments to technology, housing and transport.

Assessment

Through our process of engagement, we identified potential issues affecting carers in islands and remote rural areas. These included a lack of local providers, reduced availability of services, and the increased transport costs of accessing those services, as well as potential difficulties for people trying to access online information in areas of poor digital connectivity (which may be more likely in island and remote rural areas). Stigma, accessibility, and the higher cost of living were all identified as possible barriers for island and remote rural carers.

Our engagement identified support for policy proposals that are likely to benefit island communities and communities living in remote rural areas.

Alongside other Scottish Government initiatives for carers, the evidence gathered in this ICIA suggests that Carer Support Payment and case transfer will have a positive impact on carers in remote rural and island communities. We do not believe that it will have a negative impact on island communities.

Potential impacts for island and remote rural communities

Summary

- Social Security Scotland's Local Delivery service will allow island and rural carers more choice and flexibility in how they access Carer Support Payment. This may reduce the need to travel or have online access in order to apply for benefits, which can be barriers for island communities, and could reduce the stigma around applying for benefits, which can be greater in remote rural

⁴² [Income and benefits | JRF](#)

⁴³ [New Policy Institute: Disability, long term conditions and poverty](#)

communities. A greater awareness of support available and alternative methods of application will benefit carers who may be digitally excluded.

- Changes to the current Carer's Allowance rules to allow more carers who are studying full-time to access Carer Support Payment will help to remove barriers to education and provide more stable support.
- Improved join-up to wider carer support services could positively impact island and rural carers facing lack of access to local services.
- Improved signposting and clear communication will benefit carers, including those with underlying entitlement to the benefit. Demographic data shows that a large proportion of island carers may be at pension age, meaning that they will not be eligible for Carer Support Payment, but will have underlying entitlement.
- The automatic transfer of existing Carer's Allowance awards, rather than requiring clients re-apply for their benefit, will be particularly beneficial given the challenges many island communities face with transport and internet connectivity.
- Similarly, the automatic nature of this transfer will help to reduce any barriers caused by stigma around applying for benefits.
- In addition to this, the use of temporary stops in some situations where Carer's Allowance awards would currently end will reduce the requirement to re-apply for support where carers have periods where they are temporarily not entitled to support.
- Action to protect payments as part of the case transfer process, and continued payment of the additional support provided by Carer's Allowance Supplement, will be of particular benefit given the increased living costs associated with living in an island community.

Demography

Research shows a substantially higher 65+ group of carers on the islands than on the mainland: 40% of all those entitled to Carer's Allowance are over 65 whereas this figure is only 29% in Scotland as a whole. The over 65 group mostly have 'underlying entitlement' to the benefit due to receipt of the State Pension which is an overlapping benefit.

Stakeholders described a 'perfect storm' of a lack of support for carers with 'underlying entitlement' to Carer Support Payment. Rural and island carers tend to be older and unable to access or qualify for the financial support available through Carer's Allowance, while the caring role itself can be more intense due to a lack of social care provision and access to services. Older carers also tend to be particularly affected by digital exclusion.

Stakeholders have emphasised the importance of providing supporting information to carers with underlying entitlement to Carer Support Payment only. Clear communication and signposting to carer support services will be a priority in the delivery of Carer Support Payment, which will positively impact this group.

We have made improvements to communications with carers around underlying entitlement in particular, based on user research and testing, which are intended to

help these carers feel more recognised for their role and signpost them to linked support they may be entitled to and wider carer services. The Carer Support Payment communications and engagement strategy will include messaging and activity that seeks to target older carers, and communicate in ways that suit their needs, to help them to understand the case transfer process. Views will continue to be gathered from older carers to inform future improvements to Carer Support Payment communications.

Access and connectivity

Limited public transport, the extended time required to travel, and increased costs to attend appointments were highlighted by island stakeholders, as was a lack of digital technology, connectivity and skills.

Stakeholders highlighted the possible impacts of travel and accommodation costs for carers if, for example, a cared-for person is in hospital on the mainland, as is often necessary, especially for specialist treatment. It is also possible that Local Authorities may not always be able to support disabled people within the Local Authority area, and that carers may have to travel long distances if cared-for people are placed in, for example, respite care on the mainland. NHS compensation may not cover the costs of travel and accommodation for these carers. Experience panel interview participants noted the lack of carers groups, networks and services for carers and cared for people in rural and remote areas, and the benefits of shared information and support that come through these services, noting that caring work can therefore be particularly isolating in island communities. They highlighted the importance of linking support for carers locally, including in rural areas.

Experience Panel members also noted the issue of reliance on a car and the additional cost of petrol and possibly adaptations, for example wheelchair adaptive vehicles.

The policy is not reliant on high-capacity broadband or access to public transport and is therefore not likely to lead to unfair access.

Social Security Scotland's Local Delivery service operates within every local authority area in Scotland including island and remote rural communities, offering clients a choice in how they access the service by offering multi-channel access including support in outreach locations, home visits, or via video or telephone appointments. Support is tailored to each area to ensure that the service meets the needs of the local population. Island and rural carers may be more likely to experience digital exclusion, and will benefit from flexibility and choice in accessing support from Social Security Scotland.

User research for Carer Support Payment highlighted the importance of trusted, personalised support and local knowledge, and found that island carers will benefit from accessing support from Local Delivery staff who understand the challenges in their particular areas. This will also benefit carers affected by digital exclusion, providing in-person support where required.

The Social Security Scotland Client Survey for 2021/22 showed that experiences of accessing Social Security were very similar across island, rural and urban groups. Islanders reported positive experiences of contacting Social Security Scotland, and of getting the support and advice that they needed. Islanders were more likely than urban or rural respondents to access Local Delivery support in person, through home visits or at arranged venues.

Local Delivery services are co-located with Local Authorities, Health & Social Care and Third Sector agencies. For example, in the Western Isles they are co-located with Comhairle nan Eilean Siar, in Orkney with Skills Development Scotland, in Shetland with the NHS, and in Argyll & Bute, in community outreach locations with LiveArgyll. Local Delivery has used digital support for appointments aligned with health and social care services, for example, Near Me video calling, which is also used by the NHS. In the Western Isles, some community trusts have invested in Near Me facilities, increasing access for communities.

Transferring existing Carer's Allowance awards automatically, rather than requiring clients to re-apply for their benefit, will be particularly beneficial given the challenges many island communities face with transport and internet connectivity.

For Carer Support Payment, we will develop a communications strategy which will aim to ensure that clients and their families or carers, the third sector, local government, education and health sectors and advice providers are aware of the benefit, know how to apply and understand the eligibility criteria.

Where a decision is made that a client is not entitled to assistance, Social Security Scotland will provide a reason why, as set out in the Social Security (Scotland) Act 2018, to ensure that decisions are understood and that our processes are as transparent as possible.

We will also publish guidance on Carer Support Payment in a way that takes account of differing communication needs, so that entitlement is clearly understandable. Social Security Scotland will create a bank of Carer Support Payment stakeholder resources and content in accessible formats that will be proactively supplied to relevant stakeholder organisations through the National Stakeholder Engagement team, for organisations to distribute to people in local communities. Easy read versions will be made available and application forms can also be set out in a number of different languages or formats upon request. If applying by phone, Social Security Scotland can also provide an interpreter where English is not the applicants' first language⁴⁴.

Social Security Scotland currently creates all its promotional materials in seven alternative community languages, including Gaelic. Social Security Scotland will produce communication materials in other languages on request. Social Security Scotland communications will work with community radio and foreign language press to provide messaging on Carer Support Payment to communities. In some circumstances printed marketing materials may not be the right way to engage with communities and where this is the case, we will provide an engagement approach

⁴⁴ [Social Security Scotland – Information on Benefits](#)

through work carried out by the National Stakeholder Engagement and Local Delivery functions.

The Western Isles will be one of the initial Carer Support Payment pilot areas, allowing us to ensure this can identify any particular issues which may affect island communities and anything which should be taken into account around the delivery of the benefit in these areas. This will inform continuous improvement work through pilot, the national roll-out and beyond.

Intensity of caring role

Stakeholders told us that social care provision is often not available in the islands, and where available, has been particularly impacted by the pandemic, with day centres closed. In rural and island communities, the caring role can be more intense due to lack of access to services and respite, and challenges with accessibility and transport.

Carer's Allowance and Carer's Allowance Supplement already target carers with intensive caring roles who on average are likelier to be on lower incomes, and Carer Support Payment will continue that with improvements being planned for future changes, which will positively impact carers, including in particular those with multiple caring roles.

Stigma

Previous stakeholder engagement found that clients based in smaller communities can be apprehensive that other people locally will be aware of them interacting with Social Security Scotland, and this could lead to a reluctance to engage. User research for Carer Support Payment found that islanders may prefer to keep sensitive information out of the public eye, with benefit stigma more prevalent among the older population. Lack of trust in services can act as a barrier to accessing support. Local knowledge and trust were identified as essential in engaging carers with support. Social Security Scotland's approach to positioning services in familiar local locations is planned to increase clients' comfort levels, inspire trust and provide a degree of discretion which will encourage interaction and take up of services.⁴⁵

To help address the stigma around claiming benefits, the Charter for Social Security Scotland⁴⁶ commits us to promoting a positive view of social security, explaining it is a public service to be proud of, and a human right there for all of us who need it; publicly challenging the myths and stereotypes about social security to help reduce stigma and negativity; and changing the language on social security, introducing more positive words to describe the service and the people who use it.

Carer Support Payment, alongside a range of support for carers, intends to promote a positive carer identity. The automatic transfer of existing Carer's Allowance

⁴⁵ [Social Security Scotland Island Communities Impact Assessment Place Project - Final V1.0](#)

⁴⁶ [Social Security Scotland: our charter](#)

awards, rather than requiring clients to re-apply for their benefit, will ensure carers do not miss out on Carer Support Payment due to stigma around applying for benefits.

Cost of living

Consultation respondents told us that it costs more to access services, and that the cost of living is higher for island communities, including food, fuel and transport. Fuel poverty rates are also higher on the islands. Overall, it was felt that island communities are more economically disadvantaged than their mainland counterparts. Respondents described issues that compound financial hardship, including:

- low pay which is often linked to seasonal employment.
- the historical low take up of benefits.
- the possible need to run a car at the expense of other essential requirements to access further and higher education, employment, and essential services.
- the increased cost of food, fuel, and travel.

Consultation respondents and Experience Panel interviewees suggested an additional payment to rural and island carers to help address the additional costs of fuel, food and transport; the financial impact of not living near key services and the challenges of employment on the islands.

Respondents further noted that it can be difficult to find part-time employment on the islands and thus obtaining additional finance for a household is more challenging. A small number of Experience Panel survey respondents noted the possibility of becoming self-employed, but they were concerned about the potential issues that can arise about earning thresholds. A few also mentioned that taking on paid employment would not provide them with more financial security. In rural areas, a limited range of employment opportunities and the additional cost of transport could risk a carer becoming financially worse off by going over the threshold for Carer's Allowance.

Stakeholders noted that carers living in rural and island areas are often affected by higher costs of living which are likely to increase in the current financial environment, but the financial support available through Carer's Allowance is the same. This puts carers in rural and island areas at an economic disadvantage.

Given the documented increase in cost of living for both island communities and carers, it is likely that the cost-of-living crisis will severely impact island carers.

Proposed future changes could give carers more flexibility in accessing education and employment, which could be helpful in meeting the increased cost of living in island communities.

There is a high prevalence of seasonal work in island and remote rural areas dependent on tourism and other seasonal industries. Carers may benefit from proposed changes to the earnings threshold for Carer Support Payment, giving them more flexibility in accessing seasonal employment.

The proposed increase to Carer Support Payment payments for longer when a cared for person goes into hospital or residential care would benefit carers who face additional travel to mainland health and social care services.

Action to protect payments as part of the case transfer process will be of particular benefit given the increased living costs associated with living in an island community.

Wider landscape of support

A range of support from the Scottish Government will positively impact island carers, including the introduction of the Winter Heating Payment in February 2023, providing a stable £50 payment every winter irrespective of the weather, temperature, or where recipients live. This approach will have a positive impact on families which have a disabled person, a young person or an older person of pension age who are living in island communities and will therefore have a positive impact on carers. Carers who are in receipt of Carer's Allowance or Universal Credit may also be eligible for support to tackle fuel poverty from Warmer Homes Scotland.

Further support is available to access breaks in care from the Short Breaks Fund and associated grants and projects, which take into consideration the additional costs of providing breaks to carers in rural and island communities.

Conclusion

This impact assessment has highlighted that living in island and remote communities presents unique challenges for carers.

The introduction of Carer Support Payment and the case transfer process are expected to have a positive impact on carers across Scotland, regardless of location.

Carer Support Payment will help to address a number of issues raised in this ICIA such as the higher cost of living in remote rural and island communities, and challenges faced in relation to connectivity and accessibility.

Research shows a substantially higher 65+ group of carers on the islands than on the mainland (40% of all entitled to Carer's Allowance are over 65 whereas this figure is only 29% in Scotland as a whole). The over 65 group mostly have underlying entitlement to the benefit due to receipt of the State Pension which is an overlapping benefit.

We recognise that the cost of living is on average higher for island and rural carers and that this payment does not adjust for this factor. Therefore, it is likely that the value of Carer Support Payment in real terms will be lower for island and rural carers. This could amount to a disadvantage for an island or rural community, compared to mainland communities, or between island groups.

Island and rural carers will benefit from wider cross-governmental work to positively impact remote rural communities, and carers throughout Scotland:

- Through the National Plan for the Islands, actions have been identified to tackle the higher costs of fuel, transport and housing as well as to drive inclusive and sustainable economic growth. These actions are likely to have a more direct and positive impact on tackling the cost of living for all residents in island communities.
- A range of work is being undertaken by the Scottish Government to address the challenges that people in island and rural communities face. For example, the Islands Strategic Group was established in August 2016. The group considers strategic issues affecting the island communities of Scotland, and to ensure greater involvement of the relevant councils in helping to identify and design solutions to the unique needs and challenges these communities face.

Action to protect payments as part of the case transfer process will be of particular benefit given the increased living costs associated with living in an island community.

The Social Security Scotland Local Delivery service will improve outcomes for island and rural communities by offering flexibility and choice in accessing support. The automatic transfer of existing Carer's Allowance awards, rather than requiring clients re-apply for their benefit, will be particularly beneficial given the challenges many island communities face with transport and internet connectivity.

The Scottish Government has concluded that no further changes to Carer Support Payment are necessary as a result of the ICIA.

Monitoring and review

In the course of this ICIA and those for other Social Security benefits, evidence was gathered from stakeholders through a variety of channels.

Island and rural communities are represented on Experience Panels, with 34 island members as of October 2022. Experience Panels continue to meet with stakeholders from island communities, and have held interview and focus groups in island locations to gather views on experiences of the existing (DWP) social security system; the branding of Social Security Scotland; Young Carer focus groups; Social Security Charter interviews; and Local delivery focus groups.

- From launch, Carer Support Payment will provide an improved service to carers, joining up with wider services to help carers access information on the wide range of support available to them, including other social security benefits they may be entitled to
- Following launch of Carer Support Payment, an annual client evaluation is planned to monitor how the new benefit is working in practice, to identify any unintended consequences at an early stage, and to gauge any requirement for continuous improvement. The Scottish Government will also continue to ensure that carer voices and experiences are reflected in policy development by continuing to work alongside both the Experience Panels members and the Carer Benefits Advisory Group to monitor any arising issues raised by either

group or in any Ministerial correspondence. This will be a continuous improvement process and where any unintended consequences are identified, steps will be taken to rectify them as early as possible.

- The Scottish Government will also put in place a monitoring and evaluation plan for Carer Support Payment prior to implementation and will engage with stakeholder organisations in developing this plan.
- The Social Security (Scotland) Act 2018 places a duty on the Scottish Ministers to report annually to the Scottish Parliament on the performance of the Scottish Social Security system during the previous financial year. The report is to describe what the Scottish Ministers have done in that year to meet the expectations on them set out in the Social Security Charter.