

The Rt Hon Pat McFadden MP
Secretary of State for Work and Pensions
Department for Work and Pensions
Caxton House
Tothill St
London, SW1H 9NA

Sent via email to Secretaryofstate@dwp.gov.uk

Friday 10 April 2026

Dear Secretary of State,

As members of the Carer Poverty Coalition, we are writing to you ahead of the 50th anniversary of Carer's Allowance. First introduced on 12th April 1976¹, Carer's Allowance was originally designed to provide a "measure of income maintenance" for single women unable to undertake paid employment due to their caring responsibilities for disabled, ill, or older relatives.²

Over the past five decades, the nature of unpaid care and the labour market have changed profoundly. Today, nearly 3 million people in the UK combine paid work with unpaid care³, yet the design of Carer's Allowance still largely reflects the assumptions of the 1970s; namely that many women will be out of paid work and in a position to provide unpaid care to their families.

The result is a system that too often leaves carers struggling financially and pushed out of paid employment as a direct result of their caring responsibilities. Nearly two thirds (62%) of carers in receipt of Carer's Allowance live in poverty, facing significant financial hardship while providing essential care that our health and social care systems rely on.⁴ A benefit designed to support carers should not leave the majority of its recipients in poverty.

The current design of the benefit also acts as a deterrent for carers looking to undertake paid employment. The 'cliff-edge' nature of the earnings threshold means that carers can lose their entire allowance if they earn just £1 over the limit. Not only does this have significant consequences for carers, it represents a significant loss for the economy, with DWP estimating that £37 billion is lost each year due to carers being out of work.⁵

Since 1976, several Governments have made important changes to Carer's Allowance, including this Government's welcome increase to the earnings threshold in 2024 and the decision to peg it to 16 times the National Living Wage. We have also welcomed Government's response to the Sayce Review of Carer's Allowance

¹ As Invalid Care Allowance

² DWP, [Attendance Allowance, Disability Living Allowance and Carer's Allowance: Retrospective equality impact assessment](#), September 2010

³ Office for National Statistics (2021) *Census 2021*

⁴ Carers UK and WPI Economics (2024), [Poverty and financial hardship of unpaid carers in the UK](#)

⁵ <https://www.gov.uk/government/publications/keep-britain-working-review-final-report/keep-britain-working-final-report>

overpayments, and its wider work into the prospect of introducing a taper on earnings within Carer's Allowance.

However, we believe that the 50th anniversary of Carer's Allowance provides an important opportunity to review whether the current system still serves the carers it is intended to support.

Since 2024, we have collectively made a series of recommendations for how the benefit system could be immediately improved, including:

- Increasing the level of Carer's Allowance (and associated premia) by at least £11.72 per week in England and Wales to align with the effective rate of Carer Support Payment and the Scottish Carer Supplement in Scotland
- Scrapping the 21-hour study rule
- Mirroring Scotland's Carer Additional Person Payment, which provides £10 per week for each additional person cared for
- Including a new payment for carers who reach state pension age but are unable to combine with Carer's Allowance due to the overlapping benefits rule

While these are important steps that we want Government to take, many carers would still face significant financial hardship.

That is why, on the 50th anniversary, we call on Government to commission a comprehensive review of Carer's Allowance and related carers' benefits. Such a review should examine in detail how caring intersects with employment, social security, poverty, and financial security.

Unpaid carers provide vital support to communities and public services every day. A modernised system would not only reduce poverty amongst carers but also help them to remain connected to the labour market, unlocking further opportunities to achieve some of the Government's wider goals – increased participation in paid work, less reliance on the social security system, reductions in poverty and financial hardship, and economic growth.

After 50 years, Carer's Allowance needs a fresh perspective. 26 years on from the last full review of the benefit as part of the 1999 National Carers Strategy, we ask that you use this opportunity to commission a comprehensive review that ensures Carer's Allowance recognises and values the essential contribution of unpaid carers across the UK.

We look forward to your response.

Yours sincerely,

Helen Walker, Chief Executive, Carers UK

Kirsty McHugh, Chief Executive, Carers Trust

Caroline Abrahams, Charity Director, Age UK

Ceri Smith, Head of Policy and Evidence, MS Society

Richard Evans, Director of Engagement, The Motor Neurone Disease Association

Katy Styles, Founder, We Care Campaign
Michele Stokes, CEO, Carers in Hertfordshire
Claire Britson, Impact and Policy Director, Newcastle Carers
Fiona Collie, Head of Public Affairs, Carers Scotland
Rob Simkins, Head of Policy and Public Affairs, Carers Wales
Joleen Cunningham, Public Affairs and Resources Manager, Carers Northern Ireland
Helen Barnard, Director of Policy and Research, Trussell
Sally Tsoukaris, General Secretary, Civil Service Pensioners Alliance (CSPA)
Graham Whitham, CEO, Resolve Poverty
Vicky Keeley, CEO, Sefton Carers Centre
Claire Turner, CEO, Carers Leeds
Tracey Hawkins, CEO, Sandwell Young Carers
Andy Barrick, CEO, Multiple System Atrophy Trust
Dr Daniella Jenkins, Executive Director, UK Women's Budget Group
Stuart Tattersall, Chief Executive, Greenwich Carers Centre
Sharon Brooks, Chief Officer, Carers Voice Norfolk and Waveny
Abdul Abdullahi, Welfare Rights Manager, Tower Hamlets Carers Centre
Lorraine Brooks, Executive Director, Carers Centre SA Ltd
Rachael Stokes, CEO, Kingston Carers Network
Lauren Marks, Head of Policy and Influencing, Young Lives vs Cancer
Jacqueline Cannon, CEO, The Lewy Body Society
Sabine Goodwin, Director, Independent Food Aid Network
Joanna Solanki, CEO, N-Compass Towards A Brighter Future
Christine Fewster, CEO, Hartlepool Carers
Kate Young, Director, All Wales Forum of Parents and Carers of People with Learning Disabilities
Frances Lawrence, CEO, Dementia Carers Count
Kerry Hearsey MBE, Chief Executive, Princess Royal Trust for Carers in Hampshire
Alice Dias, CEO, Carers Hub Lambeth
Juliet Tizzard, Director of External Relations, Parkinson's UK
Kirsten Alderson, CEO, Suffolk Family Carers

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Simon Fenton, CEO, Forward Carers CIC

Ben Whalley, CEO, Gaddum

Maggie Pordage, Director of Adult Services, Imago Community