

# FINANCIAL SUPPORT TO KINSHIP CARERS IN SCOTLAND

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The Child Poverty Action Group (CPAG) in Scotland works for the one in four children in Scotland growing up in poverty. We collect evidence from families living in poverty and campaign for solutions to bring about a society where children have a fair chance in life free from hardship. We provide training, advice and information on social security to frontline workers to make sure families get the financial support they need.

CPAG in Scotland provides expert advice on social security issues to frontline workers (e.g., advisers, social workers, support workers) via our advice line services, training, online resources and guides. Since 2008, our Children and Families Project has produced resources focusing on issues relating to kinship care, looked after children and their families and care-experienced young people. This period has seen significant change, both in terms of Scottish Government policy and wider social security issues. CPAG in Scotland has been able to advise on and highlight the complexities and some of the difficulties that have arisen, particularly in relation to the interaction between local authority support and the wider social security system.

Our relevant resources include the [Children's Handbook Scotland](#) and factsheets on [Scottish child payment and kinship carers](#), [Kinship carers and universal credit](#), and [Kinship care and benefits - the essentials](#). In 2015 we produced a policy report [Coping with complexity](#), examining financial support to kinship carers in Scotland and updated this report in 2022 to take account of the impact of the roll-out of universal credit: [Kinship carers and universal credit - lessons in complexity](#).

Through our advice line services and our Early Warning System, we are able to identify various issues of concern in relation to the current system of financial support to kinship carers.

## **New national minimum allowance**

We welcome the introduction of a national minimum allowance, particularly from the point of view that it will bring greater consistency in financial support to both kinship carers and foster carers across the Scottish local authorities. Where the minimum level represents an increase for individual carers, this is clearly particularly welcome for the families concerned.

## **Reviewing the level of the minimum allowance**

We are interested to know whether there is an intention to review the level of the minimum allowance on a regular basis – for example, annually in line with inflation. This is, of course, important for both foster carers and kinship carers, but we would like to take the opportunity to expand a little on this issue from the point of view of kinship carers. You will be aware that where local authorities pay an allowance to kinship carers who are also able to claim child-related benefits (such as child benefit, or the child element of universal credit) local authorities deduct the amount of these social security benefits from the kinship care allowance. This is in line with current Scottish government guidance. If the national minimum allowance is not increased regularly in line with inflation, then kinship carers who are also receiving child-related benefits will see their kinship carer allowance reduced as social security benefits increase.

### **Local authorities already paying more than the national minimum allowance**

We note that the Scottish Government announcement states:

“Where local authorities are already paying above the national minimum allowance, this will continue so that kinship or foster carers currently in receipt of the allowance will not be worse off because of this commitment.”

We are concerned that local authorities which are currently paying in excess of the new minimum allowance, either to some or all age groups, might ‘freeze’ the level of allowance, resulting over time in a real terms cut in financial support to impacted carers.

### **Implementation thus far**

We do not have clear information about whether all local authorities have started to implement the new allowance. We observe from the publicly available information on local authorities’ websites, that most have still to update their information on kinship care allowances. We would welcome further clarification on when carers can expect to receive an increase in their allowance and the ‘backdated’ payment (to April 2023).

### **Interaction with the social security system and further guidance**

The complex interactions of kinship care allowances with the social security system remains a challenge for carers, for those supporting them and for local authorities. The issues highlighted in our evidence to the Social Justice and Social Security Committee on 24/2/22 continue to cause difficulty, with new challenges emerging as a result of managed migration to universal credit. See CPAG in Scotland’s report [Kinship carers and universal credit - lessons in complexity](#).

The new minimum allowance does not alter that. The guidance to local authorities on payment of kinship carer allowances and interactions with social security urgently requires updating.