



The Harsh Reality – A survey on the financial circumstances of family & friends carers

There is very little information about the financial circumstances of family members who are raising children who are not able to live with their parents. Typically, family and friends carers are grandparents, aunts or uncles, who step in to care for a child because of parental difficulties, mental or physical ill health, domestic abuse, divorce or separation, alcohol or substance misuse, imprisonment or bereavement. These carers often receive little or no financial or practical support. They and the children they care for are the forgotten families of family policy. We want to change that.

This internet survey was conducted to:

- inform policy proposals on reforms to improve the situation of children currently being cared for by relatives and to assist more children to be able to remain within their wider family rather than going into the care system;
- to highlight the circumstances of the children and carers, including how they coped over Christmas.

This is the most extensive financial survey of family and friends carers conducted in the UK and it starkly highlights the financial as well as emotional sacrifices that many of these families face.

The survey was designed by Family Rights Group in conjunction with members of the Kinship Care Alliance. The internet survey was conducted over a 3 week period from 23 December 2009 until 13 January 2010. It was completed by 205 family and friends carers.

Key findings:

- i. 35% of family and friends carers had left their job, lost their job or taken early retirement in order to raise these children
- ii. Over a quarter family and friends carers had reduced their working hours or taken a lower graded job to cope with looking after the child/ren and 8% of respondents said their partners had reduced their working hours.
- iii. On average the legal costs to secure the child's future (for example to be granted a residence order or special guardianship order) was £3,640, with the majority of carers receiving no financial help towards these costs. Nine of the eleven (82%) of carers who spent over £10,000 were self-funded, while only two received legal aid. For example, in one case a grandmother and grandfather had incurred £24,000 of solicitors' and barristers' fees in the process of obtaining a Residence Order for their ten year old grandchild, during a protracted court case that involved drug tests on the mother and psychiatric reports. They did not receive any help with these costs.

iii. Over a third of carers had spent more than £1000 making changes to their home and getting things the child(ren) needed, such as clothing and bedding, when the child(ren) came to live with them.

iv. Many carers financially struggled this Christmas and worry about how they will cope:

"I had to leave a well-paid job, I struggle every day with bills, I go hungry to feed my grandson... we - don't have holidays, I have to go without any social life to afford to keep him."

- grandparent carer

"I lost my job as a direct result of having time off to attend court, care for the baby and attend his hospital appointments etc. My husband took redundancy and we had to sell our home and most of the furniture in order to pay the legal costs and fund a move of over 350 miles away to ensure the safety of our grandson... We went from a joint income of £76000 a year, a gorgeous home which we had worked hard for over 20 years to build - to having no home of our own, few possessions and living on an initial income of £9000."

- grandparent carer

Main survey findings:

1. The respondents and the children

205 family and friends carers had taken part in the online survey by 13.01.09.

a) Who responded to the survey?

i. Relationship of respondents to the child(ren) they were raising

69% grandmothers caring for grandchildren

14% grandfathers caring for grandchildren

8% were aunts caring for nieces/nephews

5% extended family raising children (e.g. great aunts, cousins)

2.5% friends raising children

1% sisters raising younger siblings

ii) Were carers single or jointly caring for the child(ren)?

Two thirds were caring for a child or children jointly with their partner and a third were looking after them alone.

iii) How many children were carers raising?

Over half (61%) were caring for one child, 27% were raising two children and 12% were raising three children or more; in some cases up to six children.

iv. Age of carers

The carers ranged in age from 23 to 74.

	% of carers in each age group
Aged 20-29	1% (2)
Aged 30-39	6% (13)
Aged 40-49	22% (45)
Aged 50-59	46% (94)
Aged 60-69	22.5% (46)
Aged 70 or over	2.5% (5)
Total	100%

So nearly half of carers (46%) were in their fifties and another quarter (25%) were in their sixties or seventies.

v. What was the legal arrangement for the placement of the child with their carer?

Nearly half (46%) had a Residence Order for the child/ren, one in six (16%) had a Special Guardianship Order, 7% were caring for a looked after child as a foster carer or were being assessed to be a foster carer, and 17% had the child/ren living with them under a private arrangement.

2. Legal advice and costs

The survey explored whether carers had paid legal costs in connection with the children coming to live with them, the amount paid and whether they'd received any assistance with these costs.

a) What legal costs had been incurred and what help, if any had they received?

Half of the family and friends carers (52%) had incurred legal costs in connection with the child/ren coming to live with them. Of these, almost two thirds (60%) had incurred costs obtaining a Residence Order, just over a fifth (23 %) had incurred costs obtaining a Special Guardianship Order, and one in eight (11%) had gone through care proceedings. A quarter (25%) had incurred other legal costs either in connection with legal proceedings e.g. judicial review, non-molestation order, adoption, or legal advice without proceedings (e.g. for a safeguarding conference).

Eighty five respondents answered a question about the amount of legal costs they had incurred. The average expenditure was £3,640. These costs ranged from less than £200 for an uncontested

application for a court order, to several thousand pounds for a contested application. Some of the respondents (18%) had kept costs low by representing themselves in court throughout the legal proceedings and another 13% represented themselves for part of their case.

The majority of these carers (56%) had received no financial assistance with their legal costs; 30% had received full financial support (either through legal aid or from a local authority); and 14% had received some financial assistance.

Over two thirds of those who incurred substantial costs received no financial assistance. Thirty seven of the family and friends carers had spent £2,000 or more on their application. Seven of these had had their costs met fully or partly by legal aid, and five more had had their costs met by the local authority; the other twenty five (68%) had paid the full costs themselves.

Eleven of the family and friends carers had spent more than £10,000 on the legal costs of contested applications, with the highest expenditure being £38,000. Nine (82%) of the carers who spent over £10,000 were self-funded, while only two received legal aid. For example, in one case a grandmother and grandfather had incurred £24,000 of solicitors' and barristers' fees in the process of obtaining a Residence Order for their ten year old grandchild, during a protracted court case that involved drug tests on the mother and psychiatric reports. They did not receive any help with these costs.

3. The impact on carers' paid work on the children coming to live with them

The impact appears to have transformed the employment situation of the majority of carers.

134 family and friends carers answered this question, of these:

- 53% had left their job, lost their job or taken early retirement (35% of total survey respondents)
- 39.5% had reduced their working hours or taken a lower graded job to cope with looking after the child/ren (26% of total survey respondents).
- 14% had increased the hours they worked (9% of total survey respondents), and 13% said their partners had reduced their working hours (8% of total survey respondents).

4. Additional costs when the child/ren came to live with the carer

Carers were asked how much they had spent making changes to their home and getting things the child/ren needed when the child/ren came to live with them. Responses ranged from under £100, in a handful of cases where the child/ren had been stayed regularly before they came to live permanently with the carer, to over £10,000 where the carer had to move house or extend their home to accommodate the child/ren. A third (35%) of the carers had spent between £500-£1000 and over a further third (38%) had spent over £1000. Items most commonly bought were clothes (88%) and shoes (76%), beds (74%) and bedding (83%), other furniture, school uniform and toys.

"The children arrived with nothing. Not even a spare nappy for the baby. I had to meet all their startup costs."

"At that time living in a caravan, we had to buy a larger caravan."

"9yr old has chronic bowel problem so have to buy pads/wipes/bags etc"

"Constantly replacing furniture and TV's that were smashed due to children's aggression"

"Twin Pram as my son was only 12 months himself"

"When the children came to me they only had the clothes they were in."

A minority (13%) received help from the local authority to meet these costs, but most funded these costs themselves out of their savings and wages.

Half (50%) of carers paid for out of school activities and clubs for the children, with a quarter paying over £10 a week. One in five also pay for childcare costs with 17% of respondents paying more than £20 a week in childcare.

Although three quarters (74%) of the family and friends carers received child benefit for the child/ren they were caring for, and half (49%) received child tax credit, only a minority received benefits specifically to support them as carers: Residence Order Allowance (13%), Special Guardianship Order Allowance (11%), Fostering Allowance (10%), Guardian's Allowance (4%).

16% of the carers were in receipt of income support. A quarter of respondents (23%) received housing benefit and almost a third (29%) received council tax benefit.

5. Financial impact of Christmas

The family and friends carers were asked how they had managed financially at Christmas. Many respondents used the word "struggled" when describing how they had coped with the extra expenditure. A handful had received help from friends, family or social services, but many described how they saved hard during the year, borrowed money (on credit cards, through catalogues, bank overdrafts or doorstep loans), ate into their savings, and cut back on things for themselves or other family members, in order to give the children they cared for a happy time.

"Christmas last year was pretty hard, had to rely on a loan from DHSS that had to pay back at £36 per fortnight."

"We sacrificed things for us to ensure our grandson didn't miss out"

"This Christmas financially has been the worst. We do not have enough to keep one adult and a growing child."

"Savings were severely depleted."

"We managed, because we have been there before with our own children and as usual we go without to make sure our granddaughter gets the best we can afford."

"Barely scraped through and got into a bit of a mess have had to get a loan."

"I had to budget throughout the year to get the children what they wanted. Adults in the family never got any presents so that the children could get."

"I had to take out a loan to give my grandson a decent Christmas."

6. Overall financial impact of the child/ren coming to live with the carers

Asked about the overall financial impact of the children coming to live with them, respondents were frank in identifying the enormous financial strain they were under. For many, the cost of providing for the children's day to day needs had meant giving up their own hopes of a comfortable and secure middle age and retirement. Some had had to abandon plans to downsize their homes to fund their planned retirement, or had to spend their savings moving to a bigger home or extending their home to accommodate the children.

Many respondents had had to give up work or reduce their hours to look after the children, while others had had to defer plans for retirement. For those older family and friends carers who were already retired, there was real anxiety as they saw their hard-earned savings dwindle away, knowing that there was no prospect of getting back to work to achieve financial security for themselves and the children. Some mentioned how they deliberately buffered the children from any financial impact, choosing to go without things themselves so that they could spend more on the children; some acknowledged however that this could be at the expense of their other children or grandchildren. Some referred to the financial help they received from local authorities or from state benefits as making a great difference to their ability to cope financially.

"I have to keep working to look after them and provide for their future College/University education These children have been through so much living with an addicted mother. I want to give them the best start possible but I am tired."

"We can never afford to go anywhere or do anything as everything costs money. I feel like a beggar all the time."

"My wife is 75, I am 74. We are both severely disabled, the stress financially and healthwise is immense and we could do with some help please."

"The main problem is that, because of my age, I will never work again which means there will be no more money coming in. When I calculated my financial needs for my retirement they did not include raising my grandson. I am now frightened to spend money on non-essentials such as holidays and meals out in case I don't have enough money as my grandson grows up."

"It was this or she would have been adopted and lost to us, we love her to bits so we manage. My wife gave up work and we live on pension/savings. My son has a learning disability and lives at home, lucky he has a job."

"Used up all my savings and now have debt for the first time in years."

"We have recently done up her bedroom, which was a mess when she came to us (daughter's old room) and have paid for entirely new furniture for it... we have had to meet this expense now, on a pension, and out of savings which once spent will never be replenished."

"I took on a lifelong financial burden nearly ten years ago. I don't get to spend my hard earned pension on myself as I planned. I have not had a proper holiday for nine years. I look to save money all the time. I'm sick of bargains... I think that I should be paid an allowance as are foster parents who provide less stability and are less reliable for long term care as they are strangers doing a job & not taking on a commitment. I'm not in dire need but I should be more comfortably off than I am and would have been had I not decided to save my grandchild from the care system. She does not keep me young, she keeps me on my rheumatic toes and the costs of advancing age are likely to increase. She resents not having the same things as her class mates and is losing her self esteem because she doesn't have what they have."

"Financially crippled, over-crowded, no time to myself, My own children feel left out (14 and 11)."

"We are unable to save for our future, no more holidays abroad, any spare goes on the grandchildren. Instead of taking early retirement my husband has continued working."

"It has been terrible. Prior to this I was a Matron and on a good wage. Also until my mother's death in June of this year she was living with us as well as the two grandchildren and also my son. People need to be aware that many people are trying to look after their elderly parents and also grandchildren. I feel strongly that there should be financial assistance the same as foster carers get. These children are disadvantaged enough without adding poverty into the equation. How do I get these children through university when the time comes and I am only receiving a pension?"