

JUST.

NEWS RELEASE

Monday 25th November 2024



£6,400 a year average loss in annual salary by carers cutting work to support elderly loved ones, retirement specialist Just Group reveals

- **Three in 10 carers aged 45-75 reduced working hours or quit completely**
- **Average loss of earnings was nearly £539 a month – equal to £6,464 a year**
- **Only one in five of those who have reduced or stopped work are claiming Carer's Allowance**

Nearly a third (31%) of people aged 45-75 who are providing informal care to elderly family members said they had reduced their working hours or stopped work, in many cases costing them thousands of pounds of lost income and undermining future career progression.

New research¹ from **retirement specialist Just Group** found one in 10 (10%) of 1,000 carers had given up work completely and a further two in 10 (21%) had reduced their working hours.

Fewer than four in 10 (37%) said their work life carried on as normal while the remainder were mainly either retired (16%) or not working previously (14%). Male carers were more likely than female to say their employment carried on as usual (43% v 32%).

Of those who had stopped or reduced work, a quarter (24%) said it had cost them up to £200 a month and a third (34%) between £201-£500 a month. The average amount in lost salary was nearly £539 a month (£6,468 a year), with one in six (17%) saying it had cost more than £1,000 a month.

Carer's Allowance is the key benefit aimed at helping those providing informal care to elderly relatives. This tax year it is worth £81.90 a week (£4,259 a year) to those providing at least 35 hours a week care for a severely disabled person, provided their earnings are less than £151 a week. The benefit is removed for earnings above this level.

One in five (20%) carers who had reduced or stopped work said they received Carer's Allowance. Nearly half (47%) said they knew about the benefit but did not claim it. A quarter (25%) said they had heard of it but were not sure how it worked while the remaining 9% said they had never heard of it.

“Caring for an elderly relative can be personally rewarding but is often a sacrifice in terms of income from employment where people stop work, reduce their hours or move to more flexible but less well paid positions,” said **Stephen Lowe, group communications director at Just Group**.

“The economic benefit to the country from informal care is put at billions of pounds a year. But the vast majority of workers receive no direct support for the hours of caring they put in. It is literally a labour of love.”

Carer's Allowance will become more generous with a rise in the weekly amount paid to £83.29 – equal to around seven hours of the National Living Wage of £12.21 an hour – from April 2025 along with a rise in the earnings limit of £45 to £196 a week (£10,192 a year).

News release

The government says this will result in 60,000 more carers eligible for the benefit by 2029/30 while the 1.4 million currently claiming will be able to earn more from work before losing eligibility. It is also reviewing the ‘cliff edge’ approach that removes all the benefit if working hours exceed the limits.

“The amount of income and opportunity being lost due to people caring is immense, not just at a personal level but for the country as a whole in terms of lower economic activity and productivity,” said Stephen Lowe.

“It reinforces the importance of putting in place a permanent ‘fix’ for social care. The more that people are able to plan and pay for themselves to receive the care they aspire to, the less the responsibility on family members and the country as a whole to look after them.”

ENDS

Enquiries

Media

Stephen Lowe, Group Communications Director

Lucy Grubb, Head of Media & PR

Telephone: +44 (0) 1737 827 301
press.office@wearejust.co.uk

Temple Bar Advisory

Alex Child-Villiers
Sam Livingstone
Alistair de Kare-Silver
Juliette Packard

Telephone: +44 (0) 20 7183 1190

Notes to Editors:

About the research

1 – Just Group, Polling conducted by Opinium between 6th and 20th August 2024 with a nationally representative sample of 1,000 UK adults aged 45-75 and providing care for a relative

About Just

Just (Just Group plc) is a FTSE-listed specialist UK financial services company.

A leader in the individual retirement income, care and defined benefit de-risking markets, Just has been trusted to manage more than £25 billion of customers’ retirement savings and has helped customers release over £6.8 billion from their properties.

Just provides the following wide range of products, advice and professional services to individual customers, financial intermediaries, corporate clients and pension scheme trustees:

Marketed Products

- De-risking solutions for pension scheme trustees who want to remove the financial uncertainty of operating defined benefit pension schemes;
- Individually underwritten retirement income products delivering a guaranteed income for life;

News release

- Long term care plans that provide those people moving into residential care with peace of mind by knowing a regular payment will be made to the care provider for the rest of their life;
- Lifetime mortgages for people who want to safely release some of the value from their home.

Professional services

- Regulated financial advice and guidance services for individuals wanting help in using their pension savings and/or releasing some of the value from their home; and
- A range of business services tailored for our corporate clients, ranging from consultancy and software development to fully outsourced customer service delivery and marketing services.

The companies within Just Group are authorised and regulated in the United Kingdom by the Financial Conduct Authority and / or the Prudential Regulation Authority.

The information contained in this press release is intended solely for journalists and should not be relied upon by private investors or any other persons to make financial decisions.

Just Group plc is registered in England and Wales with company number 08568957. Its registered office is at Enterprise House, Bancroft Road, Reigate, Surrey, RH2 7RP. Just is a trading name used by Just Group plc and its group companies. For information about Just Group plc and its group companies visit www.justgroupplc.co.uk or www.wearejust.co.uk. Please contact us if you would like this document in an alternative format.



www.justgroupplc.co.uk



@wearejust_pr