

Information Sheet 19 – maximum charges for community support

This information sheet explains how we assess what people can afford to pay towards the cost of their personal budget or their home care and day care. The rates given apply from 12 April 2021.

People will pay either the full cost of their services or the maximum amount which they have been assessed as being able to pay, whichever is lower.

You will be contacted by a Financial Assessment and Benefits Officer, who will work out your maximum charge, or tell you if you have to pay the full cost of any services. Information sheet 15 explains more about the role of the Financial Assessment and Benefits Officer. You do not need to make any calculations yourself, but the explanation below may help you to understand what to expect.

The full rules are complicated. You may not be able to work out exactly what your maximum charge will be from the information in this sheet.

The officer who you speak to will be able to explain more about how charges are calculated. You can also contact our charges helpline, on (01670) 622 891.

■ Calculating how much you can afford to pay

You will normally have to pay the full cost of services if you have savings or other assets of more than £23,250 (this would include the value of any property that you own, except for the home you live in). Otherwise, what you pay will depend on your income as well as your savings.

We work out what you can afford in the following way:

- First, we add up your weekly income – though there are some kinds of income that we do not take into account, including earnings from any work you do, mobility allowance, savings credit, and £10 per week of any war widow/widower's pension.
- If you have savings of more than £14,250, we add an extra amount to your income (this is explained below)
- We subtract your rent or mortgage costs, and your council tax payments
- We subtract an allowance for other extra costs you may have because of your disability (which we will compare with your actual extra costs if you want us to)
- Finally we compare your remaining income with a figure for the guaranteed minimum income that you must be left with after paying charges. Which minimum income figure we use depends on the benefits you receive and whether you are below or above the state pension age (currently 66 years old). If you have less than the minimum figure which applies to you, you will not have to pay charges. If you have more, your maximum will be fixed so that you are left with at least the minimum figure.

We take into account only half of any income or savings that you share with a spouse or partner.

If you have dependent children, and rely on means-tested social security benefits, you will not have to pay home care or day care charges (apart from meals and transport charges).

■ Extra costs you have because of your disability

If you need home care or day care, you may well also have other extra costs because of your disability or illness. For example people may have extra costs for domestic help or help with their gardens, community alarm systems, special foods, unusually high heating or laundry costs or privately arranged care services.

The standard allowances for these costs which we make without asking for any detail of your expenditure are:

- £35.00 if you get the highest rate of any of the three main disability benefits – Attendance Allowance (AA), the daily living component of PIP, or the care component of DLA (all of which currently are set at £89.60 per week)
- £20 if you get the next highest rate of any of these three benefits (£60.00 per week)
- £5 otherwise

The Financial Assessment and Benefits Officer will ask if you think you have costs that are *higher* than this figure. If so, s/he will ask you to provide information about these costs so that we can consider them. If you think you will want us to take account of extra costs, please try to have evidence of these costs to hand (for instance bills and receipts).

■ The guaranteed minimum income

After subtracting all these costs from your income, we then make sure that charges do not reduce your income below the guaranteed minimum figures in the national rules. (If the result is less than these figures, you will not have to pay any charges.) The figures are:

- for a single person over state pension age, £189 per week
- for a member of a couple over state pension age, £141.55 per week
- for a single person below state pension age, in the support group for ESA, and getting high-rate disability benefits, £151.45 per week
- for other people below state pension age, various figures, depending on their exact combination of benefits

If you are also a carer for someone else, and have an entitlement to Carer's Allowance, your guaranteed minimum income is increased by £43.25 (even if the social security rules mean you are not paid that allowance).

■ Your savings

If you have savings of £14,250 or less, we will not take them into account at all. If you have savings of more than £23,250, you will pay the full cost of your services.

In between, we will add £1 per week to the figure we use for your weekly income for every £250 of savings. For instance if you have between £14,251 and £14,500, we will add £1 to your weekly income; if you have £23,100 we will add £36.

When we calculate your savings, we do not include the value of the house that you live in. However we do include the value of any other properties that you own.