

Social care: Charging for non-residential services

Under the Care Act 2014

If you need social care, the local authority will decide if you need to pay towards the cost. This factsheet looks at when social services may charge you for non-residential care services you get in the community. This information is for adults affected by mental illness in England and their loved ones and carers. It's also for anyone else interested in the subject.

Key Points.

- You might have to pay for some or all your social care costs, or it might be free. This depends on your financial circumstances. This also applies to your carer if they're receiving social care support for their caring role.
- The actual charges are different around the country. This factsheet gives an overview of how local authorities decide whether to charge you.
- You may get free aftercare services under section 117 of the Mental Health Act 1983.
- If you aren't happy with the amount your local authority is charging, then you should ask for a review of your financial circumstances.

The process of financial assessments is complicated. This factsheet contains a lot of information. To make it easier for you, this factsheet is broken up into relevant sections. You can use the links throughout this factsheet to jump to the section you need.

This factsheet covers:

1. [What are non-residential social care services?](#)
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1. What are non-residential social care services?

A residential social care service means things like care or nursing home accommodation and care. A 'non-residential service' is other types of social care including:

- help in your home,
- getting meals,
- activities such as going on trips,
- help with education, and
- going to a day centre.

These services are to help you improve your wellbeing and help you live independently.

You can apply for social care by having a social care assessment. This is where the local authority (LA) assesses your needs to see if you qualify for social care. And if you do what services might help you.¹

If you are eligible for support, the LA will assess your finances to see if you need to pay towards the costs of these services. This is called a financial assessment.²

In some cases, your social care assessment may be done as part of the Care Programme Approach (CPA). This is a way to arrange a care package for people living with mental illness and additional complex needs. It combines mental health services and health and social care support in to one plan.³

This factsheet looks at the financial assessment for non-residential services.

You can find more information about:

- Care home fees - Who pays?
- Social care assessment
- Social care: care and support planning
- Care Programme Approach (CPA)
- Supported housing

at www.rethink.org. Or call our General Enquiries team on 0121 522 7007 and ask them to send you a copy of our factsheet.

2. When can I be charged for non-residential social care services?

This section covers:

- [What services can the local authority charge me for?](#)
- [What is a financial assessment?](#)
- [How much can the local authority charge me?](#)
- [How are my income and capital treated?](#)

What services can the local authority charge me for?

The local authority (LA) can charge you for most non-residential services, except:^{4, 5}

- advice about social care services,
- a social care assessment,
- services you get under Section 117 of the Mental Health Act,
- any service or part of a service that the NHS must provide,
- the cost of community equipment and aids,
- changes or minor adaptations to your property that cost less than £1,000, and
- intermediate care, including reablement for up to 6 weeks, or longer in some cases.

Intermediate care and reablement are services the LA or NHS give people after they have been in hospital. They are to help people live more independently in their own homes. For example, the LA and NHS will arrange this care after an injury or treatment for a long-term health condition.⁶

The LA can charge you for other services such as meals at home, domestic help, personal home care, day services, and other types of help.

What is a financial assessment?

When a LA decides you are eligible for social care, they will assess your finances to decide whether you can afford to pay towards the costs.⁷ This is called a financial assessment.

In the financial assessment, the LA will look at your income and your capital to decide if you can afford to pay for your care. They should only take your income into account, and not your partner's.⁸

How much can the local authority charge me?

There is no standard charge for social care services in England. Your LA will have their own way of doing financial assessments. They must make sure the way they do the financial assessment is:⁹

- transparent,
- done in a reasonable time, and
- provides enough money to pay for your needs.

If the LA decide you have to pay, they must make sure they don't charge you any more than you can afford.¹⁰ They work this amount out by using a process called minimum income guarantee (MIG) and disability related expenditure (DRE).

What is the minimum income guarantee (MIG)?

Your LA must leave you with a minimum amount to live on after they have charged you for social care services. This is called the Minimum Income Guarantee (MIG).¹¹

How much you can be left with depends on your circumstances. The current rates are as follows.¹²

- Single person aged between 18 and 24: £74.60
- Single person over 25: £94.15
- Single person over pension credit age: £194.70
- Member of a couple, where one or both are over 18: £73.95
- Member of a couple, where both are over pension credit age: £148.65

Your MIG may be higher if you are responsible for a child, a lone parent, or a carer for someone with mental or physical health conditions.¹³

The guarantee may also be higher if you are eligible for premiums. There are 2 premiums, the disability premium and the enhanced disability premium.

You can get the disability premium if you get:¹⁴

- disability living allowance (DLA),
- personal independence payment (PIP),
- armed forces independence payment,
- attendance allowance, or
- incapacity benefit.

You can get the enhanced disability premium if you get:¹⁵

- the high-rate care component of DLA,
- the enhanced rate daily living component of PIP, or
- armed forces independence payment.

The amount of premium you get is: ¹⁶

- disability premium for a single person: £41.55
- enhanced disability premium for a single person: £20.30
- disability premium for a couple: £29.60
- enhanced disability premium for a couple: £14.60.

The LA will add together your full MIG based on these rates. You can get the disability premium and the enhanced disability premium at the same time.

The MIG should also include any housing costs such as rent or council tax.¹⁷

What is disability-related expenditure (DRE)?

The LA should also think about any extra costs you have because of a disability.¹⁸ This is known as disability-related expenditure (DRE). The local authority should ignore any income you use to meet these costs.¹⁹

DRE should include costs for the following:²⁰

- transport costs to attend a day centre when it is more than the mobility component of PIP or DLA,
- day or night care, which isn't being arranged by the local authority,
- personal assistance costs,
- extra heating costs, or
- extra costs for equipment, clothing, or bedding.

How are my income and capital treated?

In the financial assessment, the LA will look at all your income and capital to decide whether you need to pay for your care, and if so, how much.

Capital

The LA will look at any capital you have. This includes any money, savings, or assets you have. This doesn't include the value of the home you live in most of the time.²¹

If your capital is valued at less than £14,250, you may not have to pay anything toward your care.²² But the LA will look at your income too and may ask you to pay something based on this. If your capital is worth more than £23,250 then you will have to pay all the costs of your social care.²³

If your savings and capital are between £14,250 and £23,250 then you'll have to pay some money for your social care. The charge is £1 per week, for every £250 over £14,250. This is called 'tariff income'.²⁴

When the LA is working out your charges, they should work out if payments will take you below the £23,250 upper limit.²⁵

The LA don't count some types of capital when doing your financial assessment. This is called 'disregarded' capital.

Section 33 of Annex B of the Care and Support Statutory Guidance lists what capital is disregarded. You can access the Guidance here:

www.gov.uk/government/publications/care-act-statutory-guidance/care-and-support-statutory-guidance

Income

The LA will look at your income to decide if you have to pay towards the cost of your care. If your total income is more than a certain amount, then you may have to pay some costs. The LA decide what the certain amount is. It can vary from LA to LA. How much you have to pay, is decided by the LA.²⁶ But they must leave you with the minimum income guarantee and any disability related expenditure.

In the rest of this section, we look at what else the LA will include in the financial assessment.

The LA will include all the benefits you receive, but they will ignore the benefits listed below.²⁷

- Direct payments from a local authority
- Guaranteed income payments for veterans from the Armed Forces Compensation Scheme
- The mobility component of disability living allowance (DLA) and personal independence payments (PIP).

You may be getting less benefits than you are entitled to because you have been sanctioned or overpaid. The LA will assess your income based on how much the benefit should be and not how much you are getting.²⁸

If you are paid by an employer or are self-employed, the local authority won't include this income in their assessment.²⁹ Also, they won't include the following payments.³⁰

- Child support maintenance payments
- Child benefit
- Child tax credit

The local authority shouldn't include your carer's or relatives' income. They should never ask them to pay for your services. But if they are looking after your money for you they can pay the LA on your behalf.³¹

Once the LA has calculated all your income included in the assessment, they will:

- decide if you have to pay toward the costs of your care, and
- If so, how much.

Notional income

Notional income is money that you may not be getting, but the LA still includes in the financial assessment.³²

Notional income might be:³³

- income you would be entitled to but must apply for, like a pension,
- income that is due to you, but you don't have yet, or
- income you spend on purpose to reduce how much you have to pay. This is called 'deprivation of assets'.

Examples of deprivation of assets can include:³⁴

- giving money away as a gift,
- transferring property into someone else's name, or
- spending a lot more money on your lifestyle than usual.

The rules mean you can't avoid charges for your care by giving your money away.

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3. What happens after my financial assessment?

When the financial assessment starts, you should be given an 'indicative budget'. This will give you an idea of:³⁵

- If you must pay,
- what charges you must pay, if any, and
- how much the Local Authority (LA) will pay, if any.

Once all your care has been planned, and your finances assessed, you will get a 'personal budget.' This is part of your overall care and support plan.

Your personal budget should cover all your needs in the plan.³⁶

During the planning process, you, your carer, or your advocate can challenge the amount in your personal budget.³⁷ You and the LA must agree to the personal budget at the end of the care and support planning process.

What is included in my personal budget?

Your personal budget will be part of your overall care and support plan. It will include all the details of how much:³⁸

- your care costs,
- you will have to pay for your care, and
- the local authority (LA) will pay for your care.

Your personal budget won't include any details about any reablement or intermediate care you are getting.³⁹ The LA can't charge for these services. For more information see [Section 2](#).

Depending on the care you're offered, you can ask the LA to use your personal budget to pay for the services you need. Or you may be paid

your personal budget, so that you can pay for those agreed services yourself.⁴⁰ This is called a direct payment.

The LA should do a 'light-touch' review of your personal budget and care and support plan 6 to 8 weeks after you have signed it off. It should then be reviewed fully around every 12 months.⁴¹

You can find more information on:

- Social care: Care and support planning under the Care Act 2014
- Social care: Direct payments

at www.rethink.org. Or call our General Enquiries team on 0121 522 7007 and ask them to send you a copy of our factsheets.

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4. Will I have to pay if I get services under section 117 aftercare?

You may be entitled to Section 117 aftercare, if you have been in hospital under the certain sections the Mental Health Act 1983. The sections are 3, 37, 45A, 47, or 48.⁴²

This means that the local authority (LA) and CCG have a duty to provide free aftercare services for your mental health.

The LA should tell you which services you will get free under Section 117. If you need other services that aren't covered, this will be covered by the Care Act and the rules above.

You can find more information on '**Section 117 aftercare**' at www.rethink.org. Or call our General Enquiries team on 0121 522 7007 and ask them to send you a copy of our factsheet.

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5. I am a carer and get social services support. Do I have to pay?

Your Local Authority (LA) has a duty under the Care Act to assess your needs as a carer if you ask them to. As part of the assessment, they will decide if you have any needs as a carer that are eligible for support.⁴³

If you have eligible needs the LA will decide whether to charge you for the costs of the support you need.⁴⁴ If they decide to charge you, they may carry out a financial assessment following the rules above.⁴⁵

If they charge you, it should be fair, affordable and should never affect your health, wellbeing and ability to provide care.

The LA should only charge you, as a carer, for services provided to you. They should never charge you for any services given to the person you care for. Those services should only be assessed on the finances of the person you care for.⁴⁶

You can find more information on '**Carer's assessments – Under the Care Act 2014**' at www.rethink.org. Or call our General Enquiries team on 0121 522 7007 and ask them to send you a copy of our factsheet.

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6. What if I can't afford the charges?

You should tell the Local Authority (LA) if you feel you can't afford the amount they are charging you. You can tell the person who did the assessment with you and ask them to review it.⁴⁷

The LA must not charge you more than you can afford.⁴⁸

You could use a 'budgeting form' to show that you can't afford to pay the charges. You can get advice and information about budgeting on the Mental Health and Money Advice Service website here: www.mentalhealthandmoneyadvice.org/en/managing-money/how-do-i-manage-my-money-if-i-have-mental-health-problems/budgeting/

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7. How can I deal with problems about charges?

You may have problems with the local authority (LA) charging you. You can deal with problems informally or formally.

The LA should make sure you know how to appeal their decisions or complain if you want to.

What are the informal options?

It is best to try and deal with the problem informally first.

You can talk about your concerns with the professional who is in charge of your care plan. If you don't have a care plan, you should contact the person who did the assessment or speak to social services. You can ask them to explain their decision or discuss your concerns.

If you speak to someone, keep a note of:

- who you spoke to,
- when you spoke to them, and
- what you discussed.

If you are under the Care Programme Approach (CPA), you can discuss any problems with your care coordinator or key worker.

What are the formal options?

Complaints

If you want to complain, you must use the local authority's (LA) complaints procedure.

If you aren't happy with the response you get from the LA, you can take your complaint to the Local Government Ombudsman (LGO).

Legal action

You should be able to deal with most problems informally or through the complaints procedure. However, if you feel that the LA aren't following the law, you could get legal advice. You would need to speak to a community care solicitor.

You can find more information on:

- Complaining about the NHS or social services
- Legal advice – How to get help from a solicitor

at www.rethink.org. Or call our General Enquiries team on 0121 522 7007 and ask them to send you a copy of our factsheet.

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Further Reading

The information in this factsheet is correct at the time of writing. You can find more information in the most recent version of the Care and Support Statutory Guidance, which is available via the www.gov.uk website. Local Authorities also have a duty to provide information and advice.

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This factsheet is available in large print.

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