

Social care: Charging for non-residential services

Under the Care Act 2014

If you need social care services, the local authority may ask you 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.



KEY POINTS

- The local authority may charge you for some non-residential social care services.
- 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 if you are under section 117 of the Mental Health Act 1983.
- A carer may or may not be charged for social care services.
- If you are not happy with the amount your local authority is charging, then you should ask for a review of your circumstances.

This factsheet covers:

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

A 'non-residential service' is a service you get to meet your social care needs outside of hospital or a residential setting, such as a care home. These services are to help you improve your wellbeing and help you live independently. This could include:

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

Services are organised through a social care assessment. This is where the local authority (LA) assesses your needs to see what services might help.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 the financial assessment.²

In some cases, your social care assessment may be done as part of the Care Programme Approach (CPA). This is a wider framework that mental health services use to bring someone's health and social care under one plan.³

This factsheet looks at the financial assessment for non-residential services. This does not include supported or residential accommodation. Charging for residential care services is different to community services.

You can find more information about:

- Care home fees- who pays
- Social care assessments
- 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 or the 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 £1000, 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 when they have been in hospital. They are to help people live more independently in their own homes. 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 how much 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 have to 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.

As part of the assessment the LA must make sure they do not charge you any more than you can afford to pay.¹⁰ They do this through a Minimum Income Guarantee (MIG) and Disability Related Expenditure (DRE).

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: £72.40
- Single person over 25: £91.40
- Single person over pension credit age: £189.00
- Member of a couple, where one or both are over 18: £71.80
- Member of a couple, where both are over pension credit age: £144.30.

Your minimum income guarantee 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:^{14,15}

- 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:^{16,17}

- 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: ¹⁸

- disability premium for a single person: £40.35
- enhanced disability premium for a single person: £19.70
- disability premium for a couple: £28.75
- enhanced disability premium for a couple: £14.15.

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. They should also account for any housing costs such as rent or

council tax.¹⁹ They cannot allow your income to drop below this after charges for social care services.

Disability-related expenditure (DRE)

The LA should also think about any extra costs you have because of your disability.²⁰ This is known as disability-related expenditure (DRE). The local authority should ignore any income you use to meet these costs.²¹

DRE should not just be what you need for care and support. This could include:²²

- transport costs to attend a day centre (when it is more than the mobility component of PIP/DLA),
- day or night care which is not 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 of 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 does not include the value of the home you live in most of the time.²³

If your capital is valued at less than £14,250, you may not have to pay anything toward your care.²⁴ But the LA will look at your income and may ask you to pay something based on this. We have explained the rules about income below.

If your capital is worth more than £23,250 then you will have to pay all the costs of your social care.²⁵

The local authority will work out how much you should pay if your savings and capital are between £14,250 and £23,250. For every £250 over £14,250 you own, they will consider you to have extra weekly income of £1. This is called 'tariff income'.²⁶ This tariff income is added to your overall income. The LA will then decide how much you have to pay for care. We have explained the rules about income below.

Your capital may be slightly above the £23,250 upper limit. In this case, the local authority needs to consider when your payments will take you below the upper limit when working out your charges.²⁷

Income

The LA will look at your income to decide if you have to pay.

If your total income is more than a certain amount, then you may have to pay toward the cost of your care. This threshold, and how much you have to pay, is decided by the LA.²⁸ But, as we said above, they must leave you with the minimum income guarantee and any disability related expenditure.

In the rest of this section we have looked at what income is, and is not, included in the assessment.

The LA will include all the benefits you receive, but they will ignore the benefits listed below.²⁹

- Direct payments from a local authority
- Guaranteed Income Payments for veterans from the Armed Forces Compensation Scheme
- The mobility component of Disability Living Allowance and Personal Independence Payments

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 actually getting.³⁰

If you are paid by an employer or are self-employed, the local authority will not include this income in their assessment.³¹ They will also not include the following payments.³²

- Child Support Maintenance payments
- Child Benefit
- Child Tax Credit

The local authority should not include your carer's or relatives' income. They should never ask them to pay for your services unless they are looking after your money for you.³³

Once they have counted all your income included in the assessment, the LA will decide if you have to pay toward the costs of your care, and how much.

Notional income

Notional income is money that you may not be getting, but the LA still includes in the financial assessment.³⁴

Notional income might be:³⁵

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

Examples of deprivation of assets can include: ³⁶

- giving money away as a gift,
- transferring property into someone else's name, or
- spending a lot of money on your lifestyle like going out a lot more than usual or shopping a lot to spend extra money.

This means that you cannot try to get rid of money by giving it away or spending lots in order to avoid charges for your care.

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3. What happens after my financial assessment?

When the financial assessment starts, you should be given an 'indicative budget'. This is not the final budget, but it will give you an idea of what charges you may have and what the Local Authority (LA) will pay.³⁷

Once all your care has been planned, and your finances assessed, you will get a 'personal budget' as part of your overall care and support plan. The personal budget should cover all of your needs in the plan.³⁸

During the planning process you, your carer or your advocate can challenge the amount in your personal budget.³⁹ 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:⁴⁰

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

The personal budget will not include any details about any reablement or intermediate care you are getting.⁴¹ As we explained in Section 2, the LA cannot charge for these services.

Depending on the care you are offered, you may allow 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.⁴² This is called a direct payment.

The LA should do a 'light-touch' review of your personal budget and care and support plan six to eight weeks after you have signed it off. It should then be reviewed fully around every 12 months.⁴³

You can find more information on:

- Social care: care and support planning
- 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?

If you have been discharged from certain sections of the Mental Health Act 1983, you may be entitled to Section 117 aftercare.⁴⁴ This section puts a duty on the Local Authority (LA) and local Clinical Commissioning Group (CCG) to provide you with free aftercare services.

Aftercare under Section 117 only covers certain needs. The LA should tell you which services you will get free under Section 117. If you need other services that are not 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; will the local authority charge me?

Your Local Authority (LA) has a duty under the Care Act to assess your needs as a carer. As part of the assessment, they will decide if you have any needs that are eligible for support.⁴⁵

If you have eligible needs the LA will decide whether to charge you for the costs of the support you need or not.⁴⁶ If they do decide to charge you, they may carry out a financial assessment following the rules above.⁴⁷

If they charge you it should be fair, affordable and should never affect your health, wellbeing, and ability to provide care. The local authority 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 will only be assessed on the finances of the person you care for.⁴⁸

You can find more information on '**Carer's assessments**' 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 cannot afford the charges?

You should tell the Local Authority (LA) if you feel you cannot afford the amount they are charging you. You can tell the person who did the assessment with you and ask them to review it.⁴⁹ The LA must not charge you more than you can afford.⁵⁰ You could use a 'budgeting form' to show that you cannot afford to pay the charges. These are available from debt advice charities.

You can find more advice around debt from the Mental Health and Money Advice Service here:

www.mentalhealthandmoneyadvice.org/en.

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

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 do not 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), discuss any problems with your care coordinator or key worker.

Formal options

Complaints

If you want to complain, you have to use the local authority's (LA) complaints procedure. If you are not happy with the response you get from the LA, then you can take your complaint up 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 they are not following the law, you could get legal advice. You would need to speak to a community care solicitor.

You can find more information on:

- Complaints
- Legal advice

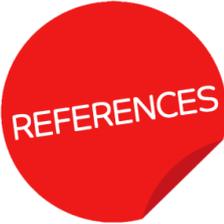
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FURTHER
READING

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.



REFERENCES

¹ Department of Health & Social Care. *Care and support statutory guidance*. <https://www.gov.uk/government/publications/care-act-statutory-guidance/care-and-support-statutory-guidance> (accessed 28 March 2018) Para 6.5.

² s17(1), Care Act 2014 c23.

³ Department of Health. *Refocusing the Care Programme Approach*. London: Central Office of Information; 2008. Page 18.

⁴ Reg 3, *The Care and Support (Charging and Assessment of Resources) Regulations 2014*. SI 2014/2672. London: TSO; 2014.

⁵ As note 1, at para 8.14.

⁶ National Institute for Health and Care Excellence. *Intermediate care including reablement*.

<https://www.nice.org.uk/guidance/ng74/informationforpublic> (accessed 28 March 2018).

⁷ As note 2 (CA 2014), s 17(1).

⁸ As note 1, at para 8.8.

⁹ As note 1, at para 11.24.

- ¹⁰ As note 1, at para 8.2.
- ¹¹ As note 1, at para 8.42.
- ¹² As note 4 (SI 2014/2672), Reg 7(2) and 7(4).
- ¹³ As note 4 (SI 2014/2672), Reg 7.
- ¹⁴ As note 4 (SI 2014/2672), Reg 7(5) and 7(6)
- ¹⁵ Schedule 2 para 11, *The Income Support (General) Regulations 1987* 1987. SI 1987/1967. London: TSO; 1987
- ¹⁶ As note 4 (SI 2014/2672), Reg 7(5) and 7(6)
- ¹⁷ SI 1987/1967 sch 2 para 13A
- ¹⁸ As note 4 (SI 2014/2672), Reg 7(5) and Reg 7(6).
- ¹⁹ As note 1, at Annex C, para 49.
- ²⁰ As note 1, at para 8.42.
- ²¹ As note 1, at Annex C, para 39.
- ²² As note 1, at Annex C, para 40.
- ²³ As note 1, at para 8.43.
- ²⁴ As note 1, at para 8.12.
- ²⁵ As note 1, at para 8.12.
- ²⁶ As note 1, at Annex B, para 27.
- ²⁷ As note 1, at Annex B, para 25.
- ²⁸ As note 1, at para 8.43.
- ²⁹ As note 1, Annex c, para 15
- ³⁰ As note 1, at Annex C, para 18.
- ³¹ As note 1, at Annex C para 8.
- ³² As note 1, at Annex C, para 29.
- ³³ As note 1, at para 8.49.
- ³⁴ As note 1, at Annex C, para 34.
- ³⁵ As note 1, at Annex C, para 34.
- ³⁶ As note 1, Annex E, para 9.
- ³⁷ As note 1, at para 11.7.
- ³⁸ As note 1, at para 11.7.
- ³⁹ As note 1, at para 11.24.
- ⁴⁰ As note 2 (CA 2014), s 26(1).
- ⁴¹ As note 1, at para 11.16.
- ⁴² As note 1, at para 12.25.
- ⁴³ As note 1, at para 13.15.
- ⁴⁴ s117, Mental Health Act 1983 c20.
- ⁴⁵ As note 1, at para 8.49.
- ⁴⁶ As note 1, at para 8.50.
- ⁴⁷ As note 1, at para 8.53-8.54.
- ⁴⁸ As note 1, at para 8.49.
- ⁴⁹ As note 1, at para 11.24.
- ⁵⁰ As note 1, para 8.2.

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Need to talk to an adviser?

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