

Fairer Contributions Policy – Annex A – Income, Savings, Outgoings and Disability Related Expenses

1.1 Income from many different sources is used to calculate a customers' eligible income. The following list is income **DISREGARDED** for assessment purposes. It is not exhaustive.

- Income from current employment (earnings)
- DLA Mobility
- Payments in kind from a charity
- ILF
- Income payable in a country outside the UK which cannot be transferred to the UK
- Social fund payment
- Tax Credits
- War Pensioners Mobility Supplement
- Any child support maintenance payments
- Winter fuel payments
- Carer's Allowance
- Savings Credit element of Pension Credit

1.2 There are two rates of Attendance Allowance, the higher rate, which is paid for day and night care and the lower rate, which is paid for either day or night care. The higher rate should only be taken into account where day and night care is being provided. In all other cases the difference between the higher rate and lower rate should be disregarded.

1.3 There are three rates of Disability Living Allowance (Care); the highest rate is paid for day and night care. The higher rate should only be taken into account where day and night care is being provided. In all other cases the difference between the higher rate and lower rate should be disregarded.

1.4 Constant Attendance Allowance is payable at one of four rates. The normal maximum (full day rate) and the part time rate may be taken into account in full, however, the difference between the intermediate or exceptional and the normal maximum rate should be disregarded unless day and night care is provided when it may be taken into account in full.

1.5 War Disablement Pension is subject to a £10.00 per week statutory disregard.

1.6 War Widows and War Widowers Pension is subject to a £10.00 per week statutory disregard. However, this benefit may also include a war widows and war widowers' special payment. These payments are made to

the widows of men or widowers of women who died from injuries or illness that resulted from service ending before 31 March 1973. The special payments are intended to compensate those widows and widowers who did not benefit from the amendments to the Armed Forces Pension Scheme. These special payments are fully disregarded.

1.7 There are different types of annuity plans. Although income from an annuity is normally taken fully into account, this general rule does not apply to “home income plans”. Under these schemes, a retired person who owns his home obtains a loan secured on the property. He uses part of the loan (or all of it) to buy an annuity, which provides an income. He may also have used part of the loan for other purposes, for example improving or extending the property. The gross income from the annuity covers the interest payments on the original loan and provides an income for the person. The interest payments made by the service user out of the annuity income should be disregarded in full, but the actual income from the annuity will not be disregarded.

1.8 Where a service user owns a property other than his/her home, which is rented out to tenants, the rental income should be taken into account. Income from sub-letters and boarders should also be taken into account.

1.9 If it is considered someone has deliberately disposed of assets, including money and property, in order to avoid charges, they will be treated as still owning those assets. Further details of this are given in CRAG.

2.1 The same levels of capital as in CRAG will be applied. These are updated annually. With effect from April 2009 these are:

- Capital up to and equal to £14,000 will be disregarded
- Capital over £14,000 and up to £23,000 is taken into account for the purpose of calculating tariff income from capital.
- Tariff income is calculated at the rate of £1 for every £250 or part thereof, on capital between £14,000 and £23,000.
- Customers with capital over £23,000 will pay the maximum charge of their personal budget

2.2 For types of capital disregarded see CRAG.

2.3 For customers with joint accounts, unless evidence can be produced to show the allocation of funds each held, 50% of the total balance will be considered in the assessment. If the account is held in more than two names the total amount will be divided equally amongst the account holders.

2.4 A customer's main home or property will be disregarded for the Fairer Contributions Policy. The value of any other property owned or part owned by the customer will be regarded as capital and any rental income will be considered as income for the purpose of the assessment.

3.1 Housing costs are:

- Rent payments not met by Housing Benefit.
- Council Tax payments not met by Council Tax Benefit.

- Mortgage payments, associated capital repayments and endowment premiums not met by Income Support.
- Amounts payable by service users who are classified as non-dependants by the DWP and/or Housing Benefit.
- Building's insurance
- Ground rent
- Service charges (not covered by Income Support/Pension Credit/Supporting People)

3.2 No allowance will be made for housing maintenance costs, as these are costs faced by homeowners regardless of disability.

3.3 If other non-dependent persons live in the service user's home the additional costs relating to disability will be shared between the occupants whose needs contribute to the additional costs.

3.4 If the service user lives in someone else's home housing costs will only be considered if the service user contributes to those costs. Receipts or an official rent book covering a period of at least 6 months will have to be provided as proof.

If the service user's share of these costs is covered by benefits, such as Housing Benefit and Council Tax Benefit, these costs will be disregarded.

4.1 Disability Related Expenses (DRE) will be considered for customers in receipt of disability benefits such as Attendance Allowance and Disability Living Allowance care component. A weekly figure of £10 will be assumed as a DRE in each assessment where someone is in receipt of either of these benefits and submits on the assessment form that they incur disability related expenses. Anyone in this situation who feels they have DRE's over £10 per week will be able to submit evidence for each cost. These will be allowed up to a maximum level, which is set at the lower level of Attendance Allowance/ middle level Disability Living Allowance. Clients with higher expenses due to extenuating circumstances will still be considered on an individual level. More details can be found on this in Annex C.

4.2 No allowance will be made for the following expenses:

- Structural or landscaping work (e.g. tree surgery, path laying or relaying) in gardens or to buildings unless the modifications are essential to specific disability related needs of the service user or if the service user is a scooter / wheelchair-user and the modifications to the garden or building are essential to enable use of the scooter or wheelchair, or to provide secure storage for the scooter and the facility is used as such. In this case the amount will be calculated as if the modifications were equipment with a suitable life span applied.
- Exterior window cleaning.
- Tobacco or Alcohol products.
- The difference between the actual cost and the lower cost alternative where it is reasonable for the service user to use a lower cost alternative.

- Any item or service that is required or used by the general population, unless that item or service is used specifically because of the service user's illness or disability and would not otherwise be used and the item or service is not available at a lower cost.
- Amounts paid in relation to care provided by a family member.
- Complementary Therapy such as homeopathy, herbal remedies, vitamin & mineral supplements, acupuncture, kinesiology, reflexology, aromatherapy massage, reiki, shiatsu.
- Hair cutting or hair perming, as this is a service used by the general population and is not a disability related expense.

Certain care/services provided by close relatives will not be taken into account (see Annex C).