

GLOSSARY OF TERMS

Capital

Capital or capital assets refers to a person's financial resources which are taken into consideration in a financial assessment. Examples are savings in banks and building societies, money in current accounts, buildings, land, stocks and shares, etc. When assessing a person's contribution towards community-based care the value of the person's primary residence is excluded, but any other property is included.

Within the Council's current policy, a person can have up to £50,000 in capital assets before they must pay the full cost of their Adult Social Care support if they live in the community. Under the proposals a person would be able have up to £23,250 before they would pay the full cost of their care.

Digital financial self-assessment calculator

A method used to estimate how much a person's care and support will cost, based on how much assistance the person may need with daily living. They will be asked about everything they might need help and support with, and the calculator then works out the estimated charge to the person based on the relevant information.

Disability Related Expenditure Disregard

People may need to spend more money on things that arise from having a disability, for example additional heating costs or laundry costs. This is called Disability Related Expenditure. This expenditure, if approved by the Council, is taken into account in financial assessments. The Council proposes to apply a standard £20 per week Disability Related Expenditure to everyone but people would also be able to request consideration that more than £20 is applied for them. This would ensure disabled people and people with long term health conditions who incur additional expenditure could have this considered when assessing the amount they would be charged.

Disposable Income

This is the amount of money left over from income which is above the person's relevant Minimum Income Guarantee rate. Some people may have less disposable income if they have Disability Related Expenditure which needs to be considered as part of a financial assessment.

Financial Assessment

The Council's process where the person's income and expenditure is assessed to calculate the amount of disposable income available against which charges can be levied, applying the relevant charging policy.

Income Maximisation

A process which aims to help you achieve your maximum possible entitlement to welfare benefits.

Minimum Income Guarantee

People need to retain a certain level of income to cover their living costs. Central Government sets various rates each year, reflecting people's personal circumstances, which specifies each person's Minimum Income Guarantee. Local Authorities must ensure that any charges do not reduce a person's income below the relevant Minimum Income Guarantee rate. The purpose of the Minimum Income Guarantee is to promote independence and social inclusion and ensure people have sufficient funds to meet basic needs such as purchasing food, utility costs or insurance. Currently Derbyshire County Council has adopted their own Minimum Income Guarantee rates but is proposing to adopt the national Minimum Income Guarantee rates.

Tapered/Reduced Charge

There are people who, based on their personal financial circumstances, may have been assessed to have disposable income below the current standard Co-funding weekly charge of £51.07 and therefore pay less than this via a reduced or tapered charge to comply with their Minimum Income Guarantee rate. Dependent on the amount of disposable income remaining the charge will be reduced accordingly.

Respite Care

Respite care is a name given for the service that people may require when they access short breaks in a residential/nursing home. This may be planned when carers who look after family members or friends are unavailable to provide care, need a break, need time to run errands or deal with things in their own life. It may also arise in emergency situations.

Tariff Income

Tariff income is the term used to refer to notional income charged against capital. Tariff income is charged on a sliding scale and under the current policy the Council uses the level of £1 per every £500 of capital assets between £14,250 and £50,000. For all three proposals, the Council would apply the level set in the charging guidance issued by the DHSC (Care and Support Charging and Assessment of Resources Regulations 2014), of £1 per every £250 of capital between £14,250 - £23,250. Tariff income does not represent the amount of interest earned from capital.

The Care Act

The Care Act 2014 came into force in April 2015. If you receive care and support, or support someone who does, the Care Act affects the way care is provided to you either now or in the future.

Under the Act people are given greater control over the support they receive. The Act is also intended to help people make informed decisions about their care, which can help them remain independent for longer. The Act changed many aspects of how people's care and support needs are assessed and met and imposes statutory duties and responsibilities on Local Authorities. The Council have, amongst other things, to promote your wellbeing and provide accessible information and advice relating to care and support for adults. The Care and Support Statutory Guidance states this must include how to access independent financial advice on these matters.

Zero Charge

Where a person, under the Council's current policy, has been assessed to have disposable income below or at the same amount as their Minimum Income Guarantee rate then the Council presently does not levy a charge.