

Real's examples of THC charging for social care and the relevance of disability-related expenditure (DRE)

About Bob

Bob is 35 has a physical disability and needs a significant amount of support in day-to-day life. He has a direct payments package of £880 per week to cover morning/daytime and evening support needs, and also receives full rate PIP, both care and mobility components.

He has a full-time job which gives him a good income and he also has moderate savings of £19,000. He has bought his own flat in a shared block so has mortgage payments and service charges. He is now divorced and has one child.

Bob has a lot of DRE in day-to-day life. However he doesn't need to calculate his DRE because he is already below the minimum income level before assessing it (actually he has negative income, because the income from his employment is not assessable).

Name		Bob	
Age		35	
Number of children		1	
		Total	Assessable
Income			
Employment		1,062.00	0.00
DLA/PIP - Mobility component		58.00	0.00
PIP - Care component		83.10	83.10
Child benefit		20.70	0.00
Total income		1,223.80	83.10
Contribution from savings			
Total savings of £19,000			19.00
Total contribution from savings			19.00
Housing			
Mortgage			450.00
Ground rent			32.00
Council tax			21.10
Service charges			30.77
Utilities			15.00
Total Housing costs			548.87
DRE			
Extra heating			
Gardening costs			
Total DRE			0.00
Remaining income before DRE			-446.77
Remaining income (A)			-446.77
Minimum income (B)			
Standard threshold			151.45
Statutory amount			91.40
+ Disability benefit adjustment			40.35
+ Adjustment for children			83.65
			215.40
Applicable minimum income level			215.40
A-B			-662.17
Cost of care (C)			
Direct payment			880.00
			880.00
Charge			0.00

About Anna

Anna is trying to get into work, and still lives with her parents (so she incurs no housing costs herself). She has a chronic bad back, a mild learning disability (so needs some supporting engaging in the community) and also has coeliac's disease.

Being younger, Anna benefits from the THC policy of having a minimum income level of £151.45 because that is higher than her statutory minimum of £112.75. Her income before DRE is £185.25 per week. So she would have to pay, if she didn't have any DRE.

However, although she gets the support worker from a specialist care agency to help her get out and about (costed at £135 per week) she has to pay their travel costs and any incidental expenses they incur when they are with her. Her parents have averaged this at £11 per week. They've also calculated that the special food she needs is £14 a week and once a fortnight she sees an osteopath for her back condition. This is not available on the NHS so they have to pay £44 per session.

All of this DRE adds up to £47 per week, which brings her net income below the minimum income level. So it's worth calculating Anna's DRE properly.

Name	Anna	
Age	22	
Number of children	0	
	Total	Assessable
Income		
ESA	102.15	102.15
DLA/PIP - Mobility component	22.00	0.00
PIP - Care component	83.10	83.10
Total income	207.25	185.25
Contribution from savings		
Total savings of £5,000		0.00
Total contribution from savings		0.00
Housing		
Mortgage		
Rent		
Ground rent		
Council tax		
Service charges		
Utilities		
Total Housing costs		0.00
DRE		
Specialist food		14.00
PA travel and entrance fee costs		11.00
Osteopathist		22.00
Total DRE		47.00
Remaining income before DRE		185.25
Remaining income (A)		138.25
Minimum income (B)		
Standard threshold		151.45
Statutory amount		72.40
+ Disability benefit adjustment		40.35
+ Adjustment for children		0.00
		112.75
Applicable minimum income level		151.45
A-B		-13.20
Cost of care (C)		
Care agency support		135.00
		135.00
Charge		0.00

About Susan

Susan is 46 and is a single parent with 3 children aged 20, 15 and 12. Susan has chronic ME and anxiety issues. She gets a lot of her support from her oldest child, who is currently unemployed and registered as her carer. Susan also gets three hours support each week from a care agency towards housecleaning. She has an assistance dog to help her manage her anxiety.

Susan received ESA and DLA. Susan's former partner pays the rent of £360 per week for a three-bedroom house (the 2 younger children share a bedroom) and also covers the council tax in an arrangement which runs until the last child is 18 years old. She receives child benefit for the youngest three children.

Susan has calculated that the food and vet bills for her assistance dog average £19 per week.

Susan would have paid £158.75 - £151.45 = £7.30 a week towards her care package.

However, she doesn't pay anything because she calculates that her statutory entitlement for minimum income level is higher taking into account the adjustment for her disability benefit the 2 children (ignoring the 20-year-old).

Name	Susan	
Age	46	
Number of children	2	
	Total	Assessable
Income		
ESA	109.65	109.65
DLA/PIP - Mobility component	58.00	0.00
PIP - Care component	83.10	83.10
Child benefit	34.40	0.00
Total income	285.15	192.75
Contribution from savings		
Total savings of £5,000		0.00
Total contribution from savings		0.00
Housing		
Rent		
Council tax		
Utilities		15.00
Total Housing costs		15.00
DRE		
Assistance dog costs		19.00
Total DRE		19.00
Remaining income before DRE		177.75
Remaining income (A)		158.75
Minimum income (B)		
Standard threshold		151.45
Statutory amount		91.40
+ Disability benefit adjustment		40.35
+ Adjustment for children		167.30
		299.05
Applicable minimum income level		299.05
A-B		-140.30
Cost of care (C)		
Care agency support		45.00
		45.00
Charge		0.00

About Deepak

Deepak is retired and has a modest pension which, when added to his state pension, gives him £330 per week. He's widowed and his only son now lives in America. He is getting less able to get around due to his arthritis, and is in a fair bit of pain as a result. He applied too late to receive disability living allowance mobility component, but he does receive attendance allowance.

He used to get support from an agency a couple of times a week to help with some housework and get in and out of the bath. Normally he can only shower on his own, but he finds that a deep hot bath helps relieve the symptoms of his arthritis. The agency went bust, but he really liked the carer he had so he now pays them directly using a direct payment instead.

He lives in his own house, but that is now fully paid for so there is no remaining mortgage. He pays for extra heating to help relieve the symptoms of his arthritis as he gets very cold in the winter. He has a mobility scooter he uses to get down to the shops, which he bought himself and has to pay for the annual services. He's always shocked at how much replacement batteries cost. The annual insurance for the scooter is £180, and looking at the receipts for servicing over the last two years gives an average annual maintenance cost of £630.

Deepak is pretty isolated, because his son is in America, so the council pay for him to go to a day centre three times a week. He doesn't really like it, but it's better than sitting at home on his own. His passion was always watching football, but it's too far to go on the mobility scooter so he pays Mohammed (who we met at work years ago) to take him. They have calculated that the entrance fee and the round-trip to drive him to see the game at West Ham costs £60 once every 4 weeks.

Last year he needed to get a specialist bed to help him sit up more easily without putting pressure on his wrists. The occupational therapist gave a grant towards this

Name	Deepak	
Age	69	
Number of children	0	
	Total	Assessable
Income		
AA - Care component	83.10	83.10
Pension (private and state)	300.00	300.00
Total income	383.10	383.10
Contribution from savings		
Total savings of £19,000		19.00
Total contribution from savings		19.00
Housing		
Mortgage		
Council tax		17.26
Utilities		15.00
Total Housing costs		32.26
DRE		
Extra heating		7.69
Specialist bed (over 4 years)		8.65
Scooter insurance and repair		15.58
PA travel and entrance fee costs		15.00
Gardening costs		10.00
Total DRE		56.92
Remaining income before DRE		369.84
Remaining income (A)		312.91
Minimum income (B)		
Standard threshold		
Statutory amount		189.00
+ Disability benefit adjustment		40.35
+ Adjustment for children		
		229.35
Applicable minimum income level		229.35
A-B		83.56
Cost of care (C)		
Direct payment		63.00
Day centre		100.00
Community transport		25.00
		188.00
Charge		83.56

but he had to pay the difference, which was £1800. He think it'll last 4 years. Finally, Deepak's neighbour's son is still at school and comes round once a fortnight and spends a couple of hours mowing the lawn and doing the garden. Deepak gives him £20 each time.

Deepak does pay towards the cost of his social care, but not as much because his DRE is calculated properly.

- Without calculating the DRE Deepak would have had an available income of £369.84, set against his higher level of minimum income (because of his age) of £229.35, which would have left him paying £140.49 towards the total cost of his care package which is £188.00.
- However, the £56.92 DRE is offset against this, reducing the charge to just £83.56 per week.
- Note, if Deepak's savings had been in excess of £23,250 then he would have paid the full cost of £188.00 per week until his savings went below that level. He could then ask for a reassessment.
- Deepak's scooter is getting quite old and he is thinking of replacing it. He would then claim additional DRE of the cost of the scooter over its expected life. Presumably his savings will then be less as well, so he should ask for a reassessment when this happens.