

## **Minimum Income Guarantee and Charging Policies of Local Authorities.**

From 2015-2022 the Minimum Income Guarantee has remained the same. It is these figures which Local Authorities use as base lines for charging policies.

In the document 'Fairer Charging Policies for Home Care and other non-residential Social Services' they state:

17. The purpose of Government policies for social care is to promote independence and social inclusion. Charging policies should be seen within this overall context. As a minimum, users' incomes should not be reduced by charges below "basic" levels of Income Support, as defined in this guidance, or the Guarantee Credit element of Pension Credit, plus a buffer of not less than 25%. The 25% buffer is added on to each user's Income Support allowances and premiums according to age, level of disability and family status, or the appropriate Guarantee Credit of Pension Credit. The buffer provides an additional safeguard to prevent users' independence of living from being undermined by charging policies. (page11).

Because benefits were frozen from April 2016-April 2020 the 25% buffer was upheld but this was breached from April 2021 when benefits increased but the MIG remained at the same level.

It is not known what the MIG will be in 2022 but Government have said it would rise by inflation, but there has been no suggestion that the inflation from 2015 - 7.9% (according to the UK Consumer Price Index) will also be added.

The reason given by Steve Barclay MP on 8th June 2021, when he was the Chief Secretary to the Treasury, to a carer, as to why the MIG had been frozen from 2015 was:

'MIG was originally set in April 2015, based on IS or Pension Credit, to keep it in line with the income allowance in the Fairer Charging Guidance for home care charging. However, in April 2016, to help support local authorities to preserve the quality and quantity of social care services, MIG rates were maintained at their existing level.'

So, Local Authorities can and subsequently, increasingly, have changed charging policies because central Government has cut their grants. The people who have to pay more are those who rely solely on benefits. Not only have benefits been frozen but charges have generally increased.

As member of a Stakeholder Group (set up by the Government) I have asked the questions, via the Disability Unit, about the 25%buffer, about the loss of money by charging by not increasing the MIG, even by inflation, and also who decides on the MIG level. I asked the question in January 2021 and as yet the only partial answer I have received is that the MIG falls between two Departments; the DWP (who never replied to my questions) and the NHS (who told me it was nothing to do with them, it is the DWP I need to contact).

A person I know who has a disability has told me that the National Association of Financial Assessment Officers (NAFAO) set the MIG, but I have been unable to confirm this, as they do not reply to my emails. These FAO's are from Local Authorities. If this is true, then there is a clear conflict of interest.