

PE1533/K

Petitioner Letter of 25 March 2015

We thank you for the opportunity to respond to the Cabinet Secretary's letter of 19th March 2015.



We are pleased to note that Scottish Government remains in discussion with COSLA over this matter. Resolving the question of social care charges is a key issue in establishing a fair Scotland which respects the human rights of disabled people.

This has been a difficult problem for many years and one that has grown worse in recent years. We are not surprised that it will take time to resolve. It is heartening to see that our concerns are being taken seriously and are being discussed.

We do not believe that the Cabinet Secretary has answered the question that was put to her. At the meeting on Tuesday, 17 February 2015 Jackson Carlow said:

"It was all a bit equivocal at the end of the evidence that we heard last time. I think that we want to get a much more specific idea of the timetable that the cabinet secretary is working towards. It would be useful.

"I welcome the approach that was being articulated, but nonetheless there is an urgency and a desire on the part of the committee to move this forward. The next step would be, after reflecting on the evidence given, to ask when the cabinet secretary expects things to coalesce into something a little more definitive."

It would appear that there is nothing more definitive that she can say nor is there the sense of urgency the committee was looking for.

However we are also a touch surprised to find that the Cabinet Secretary did not mention that COSLA has already published a Standard Financial Assessment Template similar to the one she spoke about in her evidence to the Petitions Committee. Earlier this month, COSLA published it as a one page addendum to the 2015-16 Charging Guidance Document.

We are happy to share this with the Petitions Committee and it is shown below.

Annex D – Financial Assessment Template – Minimum Standard

INCOME		
Capital (Tariff Income):	above pension age	£1 / £500
	below pension age	£1 / £250
Non-dependent Relatives Income		YES (proportion of partners income can be counted)
Compensation (Care Element)		YES
DISREGARDS		
Disability Related Expenditure (DRE)		YES
Capital (Disregard):	above pension age	£10,000
	below pension age	£6,000
Potential Disregarded Benefits		(see list ¹)

CHARGING THRESHOLDS²		
Capital Upper Limit (above which full charge is made) (income based benefits / non-residential rate)		£16,000
Single Person - below pension age		£123
Single Person - above pension age		£177
Couple - below pension age		£188
Couple - above pension age		£269

Our understanding is that COSLA

- Accepts that this template means no change in either the unfairness of care charge in its entirety or the inconsistency of care charging from area to area. Apart from one additional element which reflects current practice on 'capital upper limits' the template recasts a set of thresholds and allowances that are set out in the latest COSLA Charging Guidance.
- Sees these elements only as a minimum standard with councils free to continue offering more generous rates if they feel it is appropriate (many do).
- Wants this approach to be optional saying that individual councils should not align with a standard template if it would have a detrimental effect on individuals just for the sake of uniformity – some will need to revise upward.
- Will have no change this year given that budgets have been set for 2015/16. They hope but cannot guarantee councils will work towards full alignment with the template by the beginning of the next financial year.

¹ For consistency this lists the names of benefits and payments which councils may *consider* for disregard.

² Based on 2015/16 DWP Benefit Rates

Some of this may be taken to imply that there will be some significant change if councils adopt this policy. Nothing could be further from the truth.

The new template makes no changes in most of the charging rates applying in Scotland. Disabled people can still pay up to 100% of their income after allowances. There is only one significant change, the assumed interest on savings between £10,000 and £16,000 is reduced from 20% per year to 10%. But these changes only apply to six councils who may choose to change their rates (Aberdeen, Dumfries and Galloway, East Lothian, Renfrewshire, Shetlands and South Ayrshire).

Our analysis suggests that as a result just over 500 people, most likely wealthy pensioners, will be better off by £6 per week out of the 120,000 people receiving social care in Scotland. Of £1 million pounds raised in social care charges every week, this move will cost councils only £3,000 per week- less than a third of one per cent of what is raised. That is if they decide to go ahead with it.

Meanwhile COSLA accepts that councils have increased care charges on disabled people by 21% in the last year alone and that overall care charging income has risen by £120,000 per week compared to the £3,000 this financial assessment template will cost them. We remain extremely concerned that by the time next year comes along, councils will be increasing other parts of the Care Tax to compensate and more for this tiny improvement.

Perhaps we shouldn't have been surprised the Cabinet Secretary didn't mention the Standard Financial Assessment Template.

Part of the problem is that Disabled People's Organisations are not part of the process in developing a shared approach to charging for social care. A number of organisations that used to take part walked away in frustration from the COSLA working group last year and we understand that they do not intend to return it, dominated as it is by the interest of local councils.

But these and many other disabled people's organisation could take part in this work if a different way to support cross organisation working on this matter.

We believe that now is the time for the Scottish Government to organise a round table negotiations that will involve the local councils, the NHS, the Scottish Government itself and representatives from Disabled People's Organisations and charitable organisations.

As long as these negotiations are carried out in secret and behind closed doors, then such deals as this, which makes no real change, will be conjured out of a puff of smoke and the change they promise vanish just as quickly.

We would request that the Petitions Committee write again to the Scottish Government seeking their support for such an initiative to break the deadlock.

Yours Sincerely

Jeff Adamson
Chair Person – Scotland Against the Care Tax