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Chief Officers of Health and Social Care Partnerships
Chief Executives of Local Authorities
Directors of Finance of Local Authorities
Other Interested Parties – see attached list
COSLA
Social Work Scotland

7 February 2019

Dear Colleague

**2019/20 Residential Care Charging Rules
Uprating Free Personal and Nursing Care Payments, Personal Expenses Allowance (PEA), Capital Limits and Savings Disregards**

This letter gives advance notice of the uprating of the Free Personal and Nursing Care rates from 1 April 2019 and the Personal Expenses Allowance (PEA), and Capital Limits and Savings Disregard for residential care charging from 8 April 2019. I hope this will enable you to put preparations in hand in advance of the formal changes to the regulations to be made under the National Assistance Act 1948.

A working group has been formed to review the current Charging for Residential Accommodation Guidance. The publication for 2019 will follow and it is intended to include information relating to contracts. It is intended that this guidance will be fully reviewed over the coming year for its 2020 publication.

If you would like the working group to review any information within this guidance please contact Adultsocialcare.gov.scot and these requests will be taken forward.

All of the changes noted below are subject to Parliamentary approval of the Regulations.

Free Personal and Nursing Care Payments

The Free Personal and Nursing Care Payment rates are revised annually in line with the most recent GDP deflator. The current rates are £174 per week for personal care and £79 per week for nursing care. From 1 April 2019 these rates will increase to **£177** per week for personal care and **£80** per week for nursing care. This is also subject to Parliamentary approval.

Personal Expenses Allowance (PEA)

The PEA is the weekly amount that supported residents in residential care must be allowed to retain from their income for personal expenses. From 8 April 2019 the PEA will increase from £27.00 to **£27.75** per week. This increase is in line with average earnings. This routine uprating will be covered by increased contributions from residents as their benefits and other income rises.

Capital limits

The lower and upper capital limits in residential care charging are currently £17,000 and £27,250. From 9 April, these limits will be increased to **£17,500** and **£28,000**. These increases are in line with inflation.

Savings Disregard

The Savings Disregard was introduced in October 2003 in response to the Savings Credit element of Pension Credit. The maximum levels are currently £6.30 per week for single people and £9.45 for couples. From 8 April 2019 the maximum Savings Disregard will be increased in line with growth in average earnings, to **£6.50** for single people and **£9.70** for couples.

Charging Residential Accommodation Guidance

A working group has been formed to review the current Charging for Residential Accommodation Guidance. The publication for 2019 will shortly follow and it is intended to include information relating to contracts. It is planned that this guidance will be fully reviewed over the coming year for its 2020 publication.

If you would like the working group to review any information within this guidance please contact adultsocialcare@gov.scot and these requests will be taken forward.

Additionally if you have any queries on these changes while the full guidance is being prepared should be emailed to me at: adultsocialcare@gov.scot

Yours sincerely

Susan Brodie

Other Interested Parties

Abbeyfield Societies in Scotland
Action on Hearing Loss
Advocacy Orkney
Advocacy Service Aberdeen
Age Scotland
Alzheimer's Scotland
ARK Housing Association
Audit Scotland
Ayrshire Independent Living
BDPA (Trading as Encompass)
Bield Housing and Care
Blackwood
Braemar Care
BUPA
Capabilty Scotland
Care Information Scotland
Care Inspectorate
Carers Scotland
Carers Trust Scotland
Carr Gomm
Circles Network
Citizens Advice Scotland
Clydebank Shopmobility
Coalition of Care and Support Providers Scotland (CCPS)
Community Brokerage Network
Compass Brain Specialists
Cornerstone
CrossReach
Disability Information Scotland (formerly UPDATE)
Disabled Person's Housing Service
Dundee Carers Centre
East Ayrshire Carers Centre
ENABLE Scotland
Equal Say
Equality & Human Rights Commission
Gcil
Housing Support Enabling Unit
Inclusion Scotland
Independent Living Association Forth Valley
Lothian Centre for Inclusive Living
MECOPP
Mungo Foundation
Outside the Box
People First Scotland
Perth and Kinross Association of Voluntary Service
Quarriers
RNIB Scotland
Salvation Army
Scottish Care
Scottish Churches Parliamentary Office
Scottish Commission for Learning Disabilities

Scottish Council for Voluntary Organisations
Scottish Council on Deafness
Scottish Federation of Housing Associations
Scottish Parliament
Scottish Pensioners Forum
Shetland Community Connections
The Advisory Group
The Advisory Project
The Scottish Housing Regulator
Thistle Health and Wellbeing
United Kingdom Home Care Association
Values into Action Scotland