Northamptonshire County Council

How we calculate the rate of Direct Payment/Personal Budget for those people who employ Personal Assistants

Proposals

What is happening now?

If an adult has eligible social care needs and Northamptonshire County Council help towards the costs of meeting their needs, this can be done in two different ways.

The council can organise the care and support that somebody needs and pay for it or an individual can have money from the County Council and organise and pay for their support themselves.

When a person has the money themselves this is called a Direct Payment. (We also call this a Personal Budget but will use the term Direct Payment within this document).

A Direct Payment enables an individual to have greater choice and control over how, when and where their support is delivered.

The amount of support that an individual needs varies a lot depending on their needs. Some people may need help with only one or two things in their life and so they may only have people to assist them for a few hours a week. Other people may need more help and have support from others every day.

People with a Direct Payment choose (with the help of others if needed) who they wish to support them. Some people buy support from companies and charities and other people employ their own staff.

This consultation is about how Northamptonshire County Council work out how much money individuals need if they choose to employ their own staff to support them.
When people employ their own staff, the staff are often called Personal Assistants.

At the moment, Northamptonshire County Council agrees with individuals how many hours of support they need from a Personal Assistant each week.

The council then pays a gross hourly rate of £9.89 for every hour that it is needed for a Personal Assistant.

This rate has been the same for a number of years.

The hourly rate is not the amount that can be paid to the Personal Assistant as the employer, unless the Personal Assistant is self-employed has to make sure that they pay extra things for their Personal Assistant (s) out of this gross amount. These include:

- Employers National Insurance payments
- Paying for staff to cover when other workers take annual leave
- Statutory Sick pay if a Personal Assistant is unwell and unable to work
- Employment Insurance
- Police checks to make sure the employer is happy with the background of the Personal Assistant
- Advertising costs

These extra things are sometimes called “on costs”

We have a Personal Budget Support Service (PBSS) that many people use to help them with their Direct Payment.

PBSS offers help with lots of things including

- payroll,
- finding staff,
- helping people with Direct Payments who may not be able to manage their own account
- having the right paperwork to be an employer
- having the right paperwork to prove how people spend their money
Why are we planning to make a change?

The gross rate that we have paid for people who employ Personal Assistants has not changed for a number of years.

Some people have told us that the hourly rate of £9.89 is not enough money for them to employ the Personal Assistants they need.

At the moment, most people who employ Personal Assistants get the same gross hourly rate but we know that how much an employer has to pay for extra things (on costs) is different depending on how they employ their Personal Assistants.

For example, we know that if an employer has part time staff who don’t work many hours a week, the employer will not need to pay National Insurance for them.

We also know that if people have had the same Personal Assistant/s for a while and they don’t leave very often, then the employer will not need to spend as much on advertising costs and police checks as other people.

We also know that each year the County Council has to ask for money back from people because they have not used all of their Direct Payment. We think this is because we might be giving some people more than they need and we might not be giving other people enough.

We want to see if there is a better way of working out the rate people need so that people get enough money to pay their Personal Assistants and their on costs but also that they don’t get too much.

We have to make sure that the money we have to support people is being spent in the best way to make sure we have enough money to support those people who need it. We also have a duty to make sure we are getting the best value from Council funds.

There have been changes in the Council which mean that the Personal Budget Support Service (PBSS) that many people use to help them with their Direct Payment is now part of the Council instead of being outside of the Council and this means we can change the way we do some things to make it easier.
What may we change?

There are 3 things that we might change:

1. The way we work out how much to give people in their Direct Payment if employing a Personal Assistant
2. The things that people with a Direct Payment who employ a Personal Assistant, pay for and the things that the County Council pay for
3. The minimum amounts we expect Personal Assistants, who are not self-employed to be paid

If a Direct Payment includes allocated money for other support that is not to do with employing Personal Assistants, for example, costs of residential respite or day care, we are not proposing to change these.

We have some proposals about all of these things and they are on the following pages:

Proposals 1: Pages 5-8
Proposals 2: Pages 9-12
Proposals 3: Pages 13-17

How we may introduce any changes: Pages 18-19

Appendix 1: Extra Information about Proposed Banded Calculator Pages 20-21
Appendix 2: Examples of using a new banded calculator Pages 22-25

After each section, we have listed the questions that we would like you to respond to as part of the survey.

You can fill out the survey on line or you can ask us for a paper copy of the survey by coming along to one of the events (see the web page for more information) or by phoning us on 01604 367253
1. The way we work out how much to give people in their Direct Payment if employing a Personal Assistant

What could we do?

1a) We could carry on as we are and pay most (or new) employers the same hourly rate (£9.89) with occasional exceptions based on special circumstances. This would mean that there would be no change to the way we work out the rate.

1b) We could have two different rates for most (or new) employers and these would be decided based on the complexity of someone’s needs. We would need to have guidelines about when somebody’s needs were more complex. This would mean that some people would get a higher rate and some would get a lower rate. In other areas, they have worked out that the higher rate might be for people who have continuing healthcare needs. If a final decision is reached, after the consultation has finished, that we will have two rates, we will need to decide what the criteria would be for each of the rates and if you have any ideas about this, please tell us when you answer the questionnaire. For information about how much the rates might be, please see 3e) on page 15.

1c) We could have a calculator that is used for all (or new) employers to work out how much their on costs are going to be and therefore how much their hourly rate would need to be. This would mean that there would be different rates for different people based on how many hours support they need and how many Personal Assistants they employ.

1d) We could have a calculator that works out the exact circumstances for all (or new) employers and how much their on costs are going to be. Individual calculators would be worked on exactly how many hours of support the employer has and exactly how many Personal Assistants they intend to employ and on how many hours each Personal Assistant works. An individual calculator would work out if Employer National Insurance contributions would be needed and how much they would cost.

An individual calculator would also work out how much payroll costs would be, based on actual rates and would also estimate how much recruitment is likely to be needed in the next year.
An hourly rate for the employers Direct Payment would then be worked out.

This would mean that every individual person might have an individual rate.

This would need to be re-calculated each time the employers’ circumstances changed, for example if the Personal Assistants change their hours.

This would potentially create more work for employers and for the County Council as every change in a package would need to have involvement from staff in the County Council.

Q: What is the proposal that the Council think might work best?

A: We think that a calculator for all people is the fairest way to make sure that people get the amount of money they need to pay their Personal Assistants and the on costs – this is Proposal 1c.

Our reasons for this are:

We think we should stop having one rate for people who employ Personal Assistants as this means that some people have more money than they are spending.

We think that having two rates will still not make it any fairer because the amount an employer has to pay for on costs will still be different.

We think we should have a calculator that works out what the hourly rate should be having taken into account these things:

- The number of hours of support a person needs each week
- The number of individual people the employer is likely to have working for them

We are suggesting a calculator that is divided into 5 hour sections from 5 hours per week to 168 hours per week (which is 24 hours a day for 7 days a week).

For each 5 hour section, we will assume you have a certain number of people employed as Personal Assistants and we have assumed that most Personal Assistants will work up to 30 hours per week. So if an employer has 45 hours of support per week, we have assumed they will need to employ 2 Personal Assistants.
We have attached more information about the calculator at Appendix 1.

We don’t think the calculator should be worked out for each individual as this might get very complicated and the rate may need to change every time a person’s circumstances change, for example if one of the Personal Assistants leaves and another one starts working more hours.

If we do decide to have a calculator after everybody has given us their views, there will always be the chance to be flexible and have variations if one person’s needs are very exceptional and the calculator doesn’t work for their individual circumstances. This is because we don’t want to have ways of working that have no flexibility but we do want to try to be fair to everyone.

The questions in the questionnaire that relate to this section are:

4. We are considering 4 options regarding how we work out how much to give people in their Direct Payment. What is your preferred option?

5. The Council’s preferred option is to have a calculator that is used for all (or new) employers to work out how much their on costs are going to be and therefore how much their hourly rate would need to be. To what extent do you agree or disagree with this option?

6. Please tell us why:

7. We think we should have a calculator that works out what the hourly rate should be having taken into account these things:
   - The number of hours of support a person needs each week
   - The number of individual people the employer is likely to have working for them

To what extent do you agree or disagree with the above?

8. Please tell us why:

9. We are assuming the following number of Personal Assistants are being employed based on the below total number of hours of support:

<table>
<thead>
<tr>
<th>Number of hours of funded support per week</th>
<th>Number of Personal Assistants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 30 hours</td>
<td>1</td>
</tr>
</tbody>
</table>
To what extent do you agree or disagree with this assumption?
10. Please tell us why:
11. We are proposing to work out the hourly rate based on a number of hours of support in 5 hours blocks e.g. 0-5 hours, 6-10 hours, 11-15 hours etc. Please see the supporting information document for a full list of bandings and rates.
To what extent do you agree or disagree with the above?
12. Please tell us why:
13. To what extent do you agree or disagree that the calculator may be a fairer way to work out how much money people need?
14. Please tell us why:
2. The things that people with a Direct Payment who employ a Personal Assistant pay for and the things that the County Council pay for

IMPORTANT: These suggestions only apply if your Personal Assistant is NOT self-employed

What could we do?

2a) We could carry on as we are which would mean that from their Direct Payment, all (or new) employers would pay for all on costs for their Personal Assistants who are not self-employed (except Employers pensions contributions for those who use PBSS payroll). The things that employers would continue to pay for are:

- Adverts for Personal Assistants if a person chooses to advertise somewhere that makes a charge
- Police checks
- Payroll charges
- Redundancy costs
- Payments in lieu of notice Pay for the Personal Assistant (s)
- Holiday pay for the Personal Assistant (s)
- Holiday cover to pay for other staff when one is on holiday
- Statutory Sick Pay for the Personal Assistants(s)
- Extra pay for working on bank holidays if this has been agreed this with the Personal Assistant(s)
- Employers National Insurance (when needed)
- Employers Liability Insurance

2b) We could change things so that the County Council, through PBSS, arrange and pay for some things when they are needed by all (or new) employers, rather than include these things in the hourly rate. This would be for Personal Assistants who are not self-employed.

The things that we think the Council could arrange and pay for, for Personal Assistants who are not self-employed are:

- Adverts for Personal Assistants if an employer chooses to advertise somewhere that makes a charge
- Police checks
- Payroll charges for those people who use the PBSS payroll service
- Employer pension contributions for those who use the PBSS payroll (this is something that already happens so there would be no change here)
- Redundancy costs (if there is not enough money in a person’s Direct Payment account)
- Payments in lieu of notice (if there is not enough money in a person’s Direct Payment account)

This means that the things that would need to be paid for by the employer (on costs) from the Direct Payment hourly rate would be:

- Pay for the Personal Assistant(s)
- Holiday pay for the Personal Assistant(s)
- Holiday cover to pay for other staff when one is on holiday
- Statutory Sick Pay for the Personal Assistants(s)
- Extra pay for working on bank holidays if this has been agreed with the Personal Assistant(s)
- Employers National Insurance (when needed)
- Employers Liability Insurance

Q: What is the proposal that the Council think might work best?

A: We think that the Council should arrange and pay for some things when they are needed, rather than include these things in the hourly rate - this is proposal 2b

Our reasons for this are:

Some of the things that we are suggesting we will pay for do not happen on a regular basis. This means that we are giving people money in their Direct Payment that they may not need.

When a person with a Direct Payment sends in their financial returns each year for the County Council to monitor, some people have not always spent their Direct Payment and the County Council has to ask them to pay some if it back. This creates work for the person with a Direct Payment and the Council and it means that the Council sometimes has lots of people that owe them money.

Many people who employ Personal Assistants, use PBSS to help them when they are looking for new Personal Assistants and so PBSS help
the employer to sort out adverts and police checks. We think it makes more sense for the County Council (through PBSS) to pay for these things when they are needed rather than for the money to be paid by the Council to employers who then pay it back to the Council when they are charged for it by PBSS.

Many people who employ Personal Assistants who are not self-employed, use PBSS for their payroll and the employers pay PBSS (from their Direct Payment), every 3 months for every payslip. We think it makes more sense for the County Council (through PBSS) to not charge employers for the payslips rather than for the money to be paid by the Council to employers who then pay it back to the Council when they are charged for it by PBSS.

If a person who has a Direct Payment does not want to use PBSS for recruitment or payroll, we will make sure their Direct Payment has a set amount towards these costs so they can use spend this where they choose. The amounts would be set at the same amounts that it would cost PBSS so we make sure it is fair for everybody.

Redundancy costs and payments in lieu of notice are not things that happen very often when employers have Personal Assistants but when the hourly rate for employing Personal Assistants was worked out, it did allow for these things. This means that for many people, their rate included this, but it was rarely used so the County Council have to claim unspent money back each year. This creates work for the employer and the County Council.

As, we believe most people with a Direct Payment, who employ Personal Assistants, use PBSS, we think, all of these changes would be better ways to manage all of the money involved.

We also think that if the Council start to pay for the things listed above, the employers will be able to pay their Personal Assistants who are not self-employed, a higher proportion of the gross hourly rate that they receive.

The questions in the questionnaire that relate to this section are:
15. We are considering 2 options regarding the things that people with a Direct Payment pay for and the things that the County Council pay for. What is your preferred option? Please read the rationale and supporting documents before telling us your preference.

16. The Council’s preferred option is to change things so that the County Council, through PBSS, arrange and pay for some things when they are needed by all (or new) employers, rather than include these things in the hourly rate. To what extent do you agree or disagree with this option?

17. Please tell us why:

18. We could change things so that the Council, through PBSS, arrange and pay for some costs when they are needed by all (or new) customers, rather than include these costs within the hourly rate. Whilst other costs could remain within and be paid for by the employer (on costs) from the Direct Payment hourly rate. Which of the following do you think should, in future be arranged and paid by PBSS or included within the hourly rate and paid for by the employer?

<table>
<thead>
<tr>
<th>Paid by PBSS</th>
<th>Paid by employer</th>
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<tbody>
<tr>
<td>Adverts for Personal Assistants if an employer chooses to advertise somewhere that makes a charge</td>
<td></td>
</tr>
<tr>
<td>Police checks</td>
<td></td>
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<tr>
<td>Payroll charges for those people who use the PBSS payroll service</td>
<td></td>
</tr>
<tr>
<td>Redundancy costs (if there is not enough money in a person’s Direct Payment account)</td>
<td></td>
</tr>
<tr>
<td>Payments in lieu of notice (if there is not enough money in a person’s Direct Payment account)</td>
<td></td>
</tr>
<tr>
<td>Other (please specify)</td>
<td></td>
</tr>
</tbody>
</table>
3. The minimum amounts we expect Personal Assistants, who are not self-employed, to be paid

What could we do?

We think that if we use a calculator (section 1) and pay for things directly (section 2) that we will be able to set the Direct Payment Rate so that Personal Assistants could be paid at least National Living Wage and employers would have enough in the Direct Payment to pay the on costs that they would still be responsible for (Section 2).

We have considered the different rates we might be able to pay to Personal Assistants and have looked at the following options.

3a) If we don’ use a calculator, we could leave the rate that we pay to all (or new) employers at the rate it is now (£9.89). We think that this would mean nearly all Personal Assistants will be able to be paid above the National Living Wage (which is £7.83 at the moment) because the County Council would be paying for some things directly and the employer on costs will be reduced.

This would mean that some people would still potentially get more money for on costs than they need so they would perhaps need to pay it back each year.

It could also mean that some employers are able to pay their Personal Assistants more than others which might make it difficult for some people to recruit new Personal Assistants.

This proposal would not save any money and would continue to mean in the future that people may be getting too much money in their Direct Payment that they may need to pay back.

This proposal would cost the council more money as the Council would be paying for on costs that they do not pay for at the moment and still be paying the same money to employers.
3b) We could reduce the rate that we pay to all (or new) employers to £9.56 and this would mean nearly all Personal Assistants would be able to be paid at the National Living Wage (which is £7.83 at the moment).

This would mean that it would be fairer for all Personal Assistants as most would be getting the same hourly rate however it may be hard to find good quality Personal Assistants if the hourly rate is only at National Living Wage.

The gross hourly rate for all (or new) employers would go down- this might be for new employers only (please see “How will we introduce any changes”)

This proposal would save the County Council money as they will be paying less per hour to all (or new) employers.

3c) We could introduce the banded calculator on the assumption of Personal Assistants, who are not self-employed, being paid £8.10 per hour.

This would mean that all (or new) employers would be able to pay their Personal Assistants at £8.10 per hour which is above National Living Wage (which is £7.83 at the moment).

The gross amount each employer would get would vary depending on the calculator and the on costs they need to pay.

This would mean that it would be fairer for all Personal Assistants as most would be getting the same hourly rate and we hope this rate would make it easier to find and keep Personal Assistants.

The hourly rate for some existing employers could go up and for some could go down – this might be for new employers only (please see “How will we introduce any changes”)

This proposal would cost the Council more money as they would start to pay for some of the on costs (see section 2) and some of the rates in the calculator are lower and some are higher than the Council pays at the moment.
3d) We could introduce the banded calculator on the assumption of Personal Assistants, who are not self-employed, being paid £8.20 per hour.

This would mean that all (or new) employers would be able to pay their Personal Assistants at £8.20 per hour which is above National Living Wage (which is £7.83 at the moment).

This would mean that it would be fairer for all Personal Assistants as most would be getting the same hourly rate and we hope this rate would make it easier to find and keep Personal Assistants.

The hourly rate for some existing employers could go up and for some could go down – this might be for new employers only – please see “How will we introduce any changes”

This proposal would cost the Council more money as they would start to pay for some of the on costs (see section 2) and some of the rates in the calculator are lower and some are higher than the Council pays at the moment.

3e) We could introduce two rates (one standard and one complex) and these could be paid on the assumption of Personal Assistants being paid £7.83 per hour for standard rate and £8.20 per hour for complex rate.

The hourly rate for some existing employers could go up and for some could go down – this might be for new employers only – please see “How will we introduce any changes”

This is on the assumption that the Council starts to pay for some of the on costs (see section 2).

This proposal could cost the Council more money depending on how many people were getting the complex rate

Q: What is the proposal that we think might work best?

A: We think that we should introduce a banded calculator that means that all (or new) Personal Assistants, who are not self-employed, can be paid at £8.10 per hour – this is option 3c

This would mean that Personal Assistants could get up to £8.10 per hour but not all employers would get the same Direct Payment hourly rate because some people have to pay more on costs than others.
If we set the calculator to pay up to £8.10 per hour to the Personal Assistant this would mean that the gross rate each employer would get would be between £9.35 and £9.91 per hour.

Although this is not a big increase and for some (or new) people, it will be a decrease, this is because we have taken some charges out of the hourly rate and the Council will pay these things so employers will have to pay for less things.

We think that £8.10 hourly rate for Personal Assistants will mean most people are able to increase what they are already paying their Personal Assistants.

We think this rate will help people to find and keep their Personal Assistants.

We think this proposal is affordable within the County Council at this time.
The questions in the questionnaire that relate to this section are:

19. We are considering 5 options regarding the minimum amounts we expect Personal Assistants to be paid. What is your preferred option? Please read the rationale and supporting documents before telling us your preference. Please tick (✓) relevant answer

- Option 3a: Do nothing and leave the rate that we pay to all (or new) employers at the rate it is now (£9.89).
- Option 3b: Reduce the rate that we pay to all (or new) employers to £9.56 and this would mean all employers would be able to be paid at the national Living Wage. (this would only work if the Council through PBSS started to pay for those things we asked about in Question 16)
- Option 3c: Introduce the banded calculator on the assumption of Personal Assistants being paid £8.10 per hour. (The Council’s preferred option)
- Option 3d: Introduce the banded calculator on the assumption of Personal Assistants being paid £8.20 per hour
- Option 3e: Introduce two rates, standard and complex, on the assumption of Personal Assistants being paid £7.83 per hour for standard rate and £8.20 per hour for complex rate

- Other, please specify:

20. The Council’s preferred option is to introduce the banded calculator on the assumption of Personal Assistants being paid a minimum of £8.10 per hour. To what extent do you agree or disagree with this option?

21. Please tell us why:
How we may introduce any changes?

Our suggestion is that we introduce the changes over time, so we think that any changes to rates and methods of calculation (after the consultation has finished) should:

1. Be introduced for all new people who have a Direct Payment to employ Personal Assistants from an agreed date. We think that this date could be 1st October 2018.
2. Be introduced for all existing Direct Payment holders who employ Personal Assistants when they change their Personal Assistant.
3. Be discussed with people who already have a Direct Payment to employ Personal Assistants at their next review of care and support needs. This would mean that each care manager or social worker would discuss with existing customers, how any changes might affect them. At that time, existing people would either move to any new rates or would keep their existing rates.
The questions in the questionnaire that relate to this section are:

22. Should any new ways of calculating the Direct Payment rate be introduced when existing people get a new Personal Assistant?
23. Please tell us why?
24. Should people who already have a Direct Payment for employing Personal Assistants be able to stay on their current rate if they can demonstrate that any new ways of calculating their rate would not be suitable for them?
25. If you said ‘Yes’, what information do you think people would need to evidence in order to demonstrate that none of the new ways of calculating their rate would be suitable for them?
26. Do you have any alternative suggestions about how we could calculate the Direct Payment rate to make sure that people get what they need but don’t get more than they need?
27. Do you think that people who already have a Direct Payment for employing Personal Assistants should be able to move to any new ways of working if this works for them from their next review?
28. If you said ‘No’, when do you think people who already have a Direct Payment for employing Personal Assistants should be able to move to any new ways of working?
29. Do you want to make any other comments about the Direct Payment for those people who employ Personal Assistants proposals?
Appendix 1

Extra Information about Proposed Banded Calculator

The banded calculator that we have designed works out what the hourly rate should be having taken into account these things:

- The number of hours of support a person needs each week
- The number of individual people the employer is likely to have working for them

We are suggesting a calculator that is divided into 5 hour sections from 5 hours per week to 168 hours per week (which is 24 hours a day for 7 days a week).

For each 5 hour section, we will assume an employer has a certain number of people employed as Personal Assistants and we have assumed that most Personal Assistants will work up to 30 hours per week. So if an employer has 45 hours of support per week, we have assumed they will need to employ 2 Personal Assistants.

These are the assumptions we have made:

<table>
<thead>
<tr>
<th>Number of hours of funded support per week</th>
<th>Number of Personal Assistants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 30</td>
<td>1</td>
</tr>
<tr>
<td>31 – 60 hours</td>
<td>2</td>
</tr>
<tr>
<td>61-90 hours</td>
<td>3</td>
</tr>
<tr>
<td>More than 90 hours</td>
<td>4</td>
</tr>
</tbody>
</table>

For each Personal Assistant, we have assumed that employers will need to pay for certain things, which are:

- Extra pay for working on a bank holiday
- Employers National Insurance payments where needed
- Paying for staff to cover when other workers take annual leave
- Statutory Sick pay if a Personal Assistant is unwell and unable to work (we have allowed for 1 weeks sick pay per year which is what we found was usual for social care employees in the independent sector)
- Employment Insurance (annual amount for all employers)
If we were to set the hourly rate paid to Personal Assistants at £8.10 the banded calculator would pay the following amounts to the employer based on the number of hours support they have:

<table>
<thead>
<tr>
<th>Up to hours per week</th>
<th>Hourly rate</th>
<th>Up to hours per week</th>
<th>Hourly rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>£9.82</td>
<td>90</td>
<td>£9.74</td>
</tr>
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<td>£9.61</td>
<td>160</td>
<td>£9.89</td>
</tr>
<tr>
<td>80</td>
<td>£9.66</td>
<td>165</td>
<td>£9.91</td>
</tr>
<tr>
<td>85</td>
<td>£9.70</td>
<td>168</td>
<td>£9.90</td>
</tr>
</tbody>
</table>
Appendix 2

Examples of using a new banded calculator at a base rate of £8.10 hourly rate for Personal Assistants

Mrs Jones

Mrs Jones is 85 and lives in her home and employs one Personal Assistant who is her neighbour to visit her twice each day except Sundays. She comes in the morning for an hour and for half an hour in the evening. Mrs Jones' Personal Assistant helps her to get up in the morning and have breakfast and also prepares food for lunchtime and makes phone calls to arrange any appointments that are needed. In the evening, Mrs Jones' Personal Assistant cooks a frozen meal and ensures that Mrs Jones speaks to both of her daughters on the telephone.

Now:

Mrs Jones Direct Payment is currently:

£9.89 x 9 hours (1.5 hours per day x 6 days per week) = £89.01.

Mrs Jones makes a contribution to her Direct Payment in line with the Fair Contributions policy.

Adult Social Care Fair Contributions Policy

At the moment, Mrs Jones pays her Personal Assistant £7.83 an hour and because of the number of hours her Personal Assistant works, Mrs Jones does not pay any National Insurance contributions but does pay PBSS each month to provide a payroll service.

In the future:

Mrs Jones would discuss her Direct Payment rate at her next review. If it is agreed that she will move to the new system of a banded calculator with central costs being paid by NASS and her needs for support have not changed, she would get a Direct Payment rate of £9.73 per hour instead of £9.89

£9.73 x 9 hours (1.5 hours per day x 6 days per week) = £87.57

This would be £1.44 less per week

Mrs Jones will continue to make a contribution to her Direct Payment in line with the Fair Contribution policy.
Mrs Jones will no longer pay PBSS for the payroll service and she will be able to increase the hourly rate her Personal Assistant is paid to £8.10 per hour

Mr Singh

Mr Singh is 34 years old and lives in a rented flat. He needs support with many aspects of his daily life including preparing meals, personal care, support to travel to and participate in voluntary work at a local garden centre and seeing his family and friends. Mr Singh requires constant supervision due to severe epilepsy and his learning disability. Mr Singh has support for 24 hours a day on 6 days of each week and has 17 hours support on a Sunday as he spends the remainder of his time on a Sunday with his family. His Personal Assistants sleep over at his flat overnight. Mr Singh has 4 different Personal Assistants who all work approximately 40 hours per week. Mr Singh has needed to advertise for new staff to support him recently as two of them left.

Now:

Mr Singh’s Direct Payment is currently:

£9.89 x 161 hours (24 hours per day x 7 hours) = £1592.29

Mr Singh makes a contribution to his Direct Payment in line with the Fair Contribution policy.

At the moment, Mr Singh pays his personal assistants £7.83 per hour and because they all work full time, Mr Singh pays National Insurance contributions and Employers pension contributions for them. PBSS arrange the payroll for Mr Singh.

In the future:

Mr Singh will discuss his Direct Payment at his next review. If he stays on the original system, he will continue to get £9.89 per hour, so £1592.29 per week.

If he moves to a banded calculator with central costs being paid by NASS, and his needs haven’t changed, he could get £9.91 per hour for 161 hours, so £1595.51 per week

This would be £3.22 more per week
Mr Singh will continue to make a contribution to his Direct Payment in line with the Fair Contribution policy.

Mr Singh will no longer pay PBSS for the payroll service and he will be able to increase the hourly rate her Personal Assistant is paid to £8.10 per hour.

Mr Singh will be able to advertise for new Personal Assistants at no charge and PBSS will also arrange and pay for any police checks.

Miss Patel

Miss Patel is going to be 18 years old in February 2019. She lives at home with her parents. She will shortly be starting at a local college where she is studying creative writing. Miss Patel needs support to avoid social isolation and to learn new skills and a Direct Payment to employ a PA has been requested. Miss Patel wants to employ 2 different people who will each work 7 hours a week to enable Miss Patel to attend evening classes and have some social activities at the weekend. Miss Patel has a visual impairment and so her confidence in managing new environments is impacted.

Miss Patel will not get her Direct Payment until after any proposals have been agreed and implemented.

In the preferred proposal, Miss Patel would get a Direct Payment of £9.59 x 14 hours per week = £134.26

Miss Patel will need to make a contribution to her Direct Payment in line with the Fair Contribution policy.

Miss Patel will be able to have support from PBSS to recruit her Personal Assistants and will not have to pay any costs for advertising or police checks

Miss Patel will not pay any National Insurance contributions for her Personal Assistants as they will not work enough hours

Miss Patel could ask PBSS to arrange the payroll which she will not have to pay for and she will be able to pay her Personal Assistants at £8.10 per hour

If we do not change how we work now:
Miss Patel would get a higher weekly amount of Direct Payment:

£9.89 x 14 hours per week = £138.46 and she would make a contribution to her Direct Payment in line with the Fair Contribution policy.

Miss Patel could ask PBSS to support her to recruit her new staff and they would do this at no charge although Miss Patel would need to be charged for any advertisements that cost money and are not free. This money would come out of her Direct Payment.

Miss Patel would also need to pay for police checks for her new staff and she would pay every month for an individual payslip to be sent for her Personal Assistants.

Miss Patel will not pay any National Insurance contributions for her Personal Assistants as they will not work enough hours.

As Miss Patel may not be paying so many on costs she would need to pay back the County Council any money that she has not spent when she completes her annual financial returns.