Appendix 7: Copy of the Consultation Proposals Supporting Information – Easy Read

Have your say

About plans to change the way the Council works out how much to pay for Direct Payments if they are used to employ Personal Assistants

Supporting Information

This document tells you about some changes that Northamptonshire County Council (the council) wants to make.

Some words, when they are written for the first time are written in bold with a line underneath. You can see more about what the words mean in a list right at the end called the List of Words.

The council plans to make changes to how they work out how much to pay for Direct Payments if they are used to employ Personal Assistants.

A Direct Payment is funding (money) that is paid to you (or to someone acting on your behalf) by the council. This is used to arrange your own social care support that an assessment says you need.

This is things like homecare support for personal care needs, alternatives to day care...
or a lot of other things your assessment might say you need.

The council wants to know what you think about the changes.

This document tells you more about the plans to make changes to help you have your say.

You can find out more about how to have your say on page 21.

What happens now

**Eligible customers** get help from the council to meet their social care needs. This can be done in two different ways.

- The council can organise and pay for the care and support that someone needs or
- The customer can have money from the council and organise and pay for their own support.

When a person has the money themselves this is called a Direct Payment. (This is sometimes called a Personal Budget but we will say Direct Payment in this document).

A Direct Payment gives the customer more choice and control over how, when and where they get support.

People have different needs so they will need different types of support. Support can be for just one or two things to help with daily life, for a few hours a week or every day.
People who get Direct Payments can choose who supports them. They can buy support from companies and charities or they can employ their own staff. They can get help to do this if they need it.

When people employ their own staff they are often called Personal Assistants or PA for short. They might have more than one PA. At the moment the council agrees with each person how much support they need from a PA during a week.

The council then pays £9.89 for every hour that the PA is needed for. This is called the **Gross Hourly Rate**. This money is not just for the PA wages. It has to cover lots of other things that the customer who employs the PA has to do like pay for insurance, police checks, or sick pay. These things are called ‘**on costs**’.

If someone finds it difficult to work out how to do all these things they can get support from the **Personal Budget Support Service** that is part of the council. Called PBSS for short.

This consultation is about how the council works out how much money people need if they choose to employ their own staff to support them.

**Why the council plans to make changes**

The gross hourly rate paid to people who employ a PA has stayed the same for a few years.
Some people say that the gross hourly rate of £9.89 is not enough money for them to employ the PA they need.

Most people who employ a PA get the same gross hourly rate but some don’t have to pay so much for the on costs. For example:
- If the PA works part time and only does a few hours a week the employer will not have to pay National Insurance for the PA or
- If someone has the same PA for a long time they will not need to pay so much for advertising or police checks.

Also some people have to pay money back to the council each year because they did not use all of their Direct Payment. The council thinks this is because some people get more than they need and other people might not get enough.

The council wants to see if there is a better way of working out the gross hourly rate so that people get enough money to pay their PA but not too much.

The PBSS that helps people manage their Direct Payment is now part of the Council so it is easier to change the way they do some things and make them better.

The council has to make sure it spends its money in the best way to:
- make sure it has enough money to support all the people who need it
• make the most of the money it has

What the council plans to change

There are 3 things the council might change:

1. the way it works out how much to give people in their Direct Payment if they employ a PA
2. the things that people who employ a PA pay for and the other things that the council pays for
3. the lowest amount that a PA can be paid if they are not self-employed

There are no plans to change any money that people get in their Direct Payment that is used to pay for other things like day or residential care.

There is more information about the plans for these 3 changes on the next pages.

There is more information about when the gross hourly rate might change in the part called ‘How the changes might happen’ on page 13.

1. More about the way the council works out how much to give people in their Direct Payment if they employ a PA

The council could choose to do 1 of the things in this list:
1.a. Keep the gross hourly rate at £9.89 for most people who employ a PA. Only pay people a different rate for very special reasons.

1.b. Have two different gross hourly rates for all or just new people who employ a PA. People with higher needs would get a higher rate. This could be because they have **continuing healthcare** needs. Everyone else would get a lower rate.

If it is agreed this will happen the council will write a guide about how it is decided who gets which gross hourly rate.

1.c. Have a general **calculator** to help all or just new people who pay for a PA to work out the on costs and the gross hourly rate they need. This will mean people will get a different hourly rate because they have different support hours and maybe more than one PA.

The calculator will work out what the hourly rate is by looking at

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

1.d. Have an individual calculator to work out

- exactly how many hours a person needs to support them
- how many PA they need and how many hours they will work
1. How much each PA will cost to employ
   - think about how many times the PA might change and how much it will cost to get a new one
   - This will mean that everyone has a gross hourly rate that is worked out just for them. It would have to be done again each time things change like a PA wanting to do less hours.

   The council thinks number 1.c. is the best thing to do. The council thinks it is fair to have a general calculator to help all or just new people who pay for a PA to work out the on costs and the gross hourly rate they need. The council thinks this is best because it stops some people having more money than they spend. It is also not as hard to work out as an individual calculator. It will still be possible to be more flexible for anyone with very special needs.
   - There is more information about the calculator that might be used on page 14.

2. More about the things that people who employ a PA pay for and the other things that the council pays for

   This part is only for people that have a PA who is not self-employed.

   The council could choose to do 1 of the things in this list:

   2.a. Stay the same so that all or just new people use their Direct Payment to pay for
all the on costs for their PA. Some people who use the PBSS Payroll will not pay the Employers Pension as this is done by PBSS.

The things that people who employ a PA will continue to pay for are:
- Adverts for PA in places where it costs money
- Police checks
- Payroll charges
- Redundancy costs
- Payments in lieu of notice
- Pay for the PA
- Holiday pay for the PA
- Holiday cover to pay for other staff when one PA is on holiday
- Statutory Sick Pay for the PA
- Extra pay for the PA for working on bank holidays if this was agreed
- Employer’s National Insurance (when needed)
- Employer’s Liability Insurance

2.b. Get PBSS to arrange and pay for some things when they are needed by all or just new people who employ a PA. This is instead of including it in the gross hourly rate.

The things that PBSS could arrange and pay for are:
- Adverts for PA in places where it costs money
- Police checks
- Payroll charges for people who use the PBSS payroll
• 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)

PBSS already pays the Employer’s Pension for people who use its service and that will not change.

Should we still list the things individuals would pay for?

**The council thinks number 2.b. is the best thing to do.** The council thinks it is best to get PBSS to arrange and pay for some things because:

• Some things that PBSS could arrange and pay for do not happen very often which means people could get money in their Direct Payment that they do not need
• The council can see from information that people send in about how they spend their Direct Payment that some did not spend all the money.
• This means work has to be done by the person and the council to get the money that is not spent back to the council. It also means that the council is owed a lot of money.
• Some of the money is for **redundancy costs** and **payments in lieu of notice** that do not happen very often when employers have a PA. But when the gross hourly rate was first worked out, it did allow for these things.
• A lot of people use PBSS to look for a new PA so they could also pay for the
adverts and police checks. The council thinks it makes more sense that PBSS does these things when they are needed. This stops people being paid to do these things then paying money back to PBSS to do it.

- Many people who employ PA who are not self-employed, pay PBSS from their Direct Payment every 3 months for payroll services. This pays for every payslip sent to the PA. This means that the Council gives people money in their Direct Payment which they then pay back to the Council for payroll services. The Council thinks it would be easier to stop doing this and to pay for payroll services themselves if PBSS do the payroll.

- If a person who has a Direct Payment does not want to use PBSS for recruitment or payroll, the council will pay the same, fair amount to the employer towards these costs.

- The council thinks if they pay for the things in the list, the employers will be able to pay their PA who are not self-employed, more from the gross hourly rate that they get.

3. More about the lowest amount that a PA can be paid if they are not self-employed

This part is only for people that have a PA who is not self-employed.

If the council pays for the things in the list on page 8 they will be able to set the gross hourly
rate so a PA can be paid at least the same as the **National Living Wage**. The employers would still have enough in the Direct Payment to pay any on costs they need to.

The council could choose to do 1 of the things in this list:

3.a. Keep the gross hourly rate at £9.89 for all or just new people who employ a PA. This would mean nearly all PA’s can be paid more than the National Living Wage (which is £7.83 at the moment) if the council pays more of the on costs through PBSS.

If this happens some people will still get more money than they need and have to pay it back.
Some employers will be able to pay their PA more than others which might make it difficult for some people to get a new PA.
It will cost the council more money because they will pay more of the on costs but still pay the same gross hourly rate to employers.

3.b. Pay a lower gross hourly rate of £9.56 to all or just new employers. This would mean PA’s can be paid the same as the National Living Wage of £7.83.

It might be fairer to pay all PA’s the same but it could be hard to get good PA’s by paying them less.
The gross hourly rate could go down for all employers or just for new ones. This will save the council money as they will pay a lower gross hourly rate to all or just new employers.
3.c. Expect that all PA will be paid at least £8.10 per hour by their employer, which is more than the National Living Wage. The gross hourly rate paid to the employer could be different because they have different on costs. A calculator will be used to work this out. The calculator is on page 14. Having the same pay for PA might be fairer and make it easier to find and keep them. The gross hourly rate could go up or down for all employers or just for new ones. This will cost the council more money because they will pay more of the on costs. The calculator could say to pay different gross hourly rates which may be higher or lower than at the moment.

3.d. Expect that all PA will be paid at least £8.20 per hour by their employer, which is more than the National Living Wage. The gross hourly rate paid to the employer could be different because they have different on costs. A calculator will be used to work this out. The calculator is on page 14. Having the same pay for PA might be fairer and make it easier to find and keep them. The gross hourly rate could go up or down for all employers or just for new ones. This will cost the council more money because they will pay more of the on costs and the calculator could say to pay different gross hourly rates which may be higher or lower than at the moment.
3.e. Have two types of gross hourly rate for PA. One will be called a standard gross hourly rate and paid to people who have expected needs. The other will be called a complex hourly rate and will be paid to people who have much higher support needs that are more difficult to meet. The rates paid to PA’s for the expected needs could be £7.83 which is the same as National Living Wage. The rates paid to PA for the complex rate could be £8.20. These rates have been worked out if it is agreed that the Council start paying for some of the on costs. This might cost the council more money but it depends how many people get the complex hourly rate.

The council thinks number 3.c. is the best thing to do. This will mean all PA could be paid up to £8.10 per hour. Not all employers will get the same gross hourly rate because some have to pay more on costs than others. The gross hourly rate will be between £9.35 and £9.91. The council thinks it is best because it is not a big change to the gross hourly rate, either up or down because the council will pay more of the on costs. The council thinks it will mean employers will be able to pay their PA more than they do now and this will help people to find and keep PA. The council thinks it has enough money to do this.
How and when the changes might happen

The council thinks it is best to make the changes happen over time by:

- All new people getting any different Direct Payment rate to employ Personal Assistants from an agreed date. This could be 1st October 2018
- Any people who already have a Direct Payment to get any different Direct Payment rate to employ PA if they get a new PA
- Talking to all the people who get Direct Payments at their next review of care and support needs. Care managers or social workers will talk to people about the changes and what they might mean for them. Then people would either move to a new gross hourly rate or it will stay the same.

More about the calculator the council might use to work out the on costs and the gross hourly rate someone needs.

The council wants use a calculator to work out the gross hourly rate to pay each person. The calculator is divided into sections called bands. Each band shows the gross hourly rate paid to an employer. The bands change for every extra 5 hours of support people need.

So the lowest band is for people who need between 1 and 5 hours support per week. The next band is for people who need between 6 and 10 hours per week.
The next band is for people who need between 11 and 15 hours per week.
And so on all the way up to people who need up to 168 hours per week. It cannot go up more than this as 168 hours is support for 24 hours a day for 7 days a week.

If PA are paid up to £8.10 per hour the calculator would look like this:

<table>
<thead>
<tr>
<th>Number of hours support</th>
<th>Gross Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between 1 and 5</td>
<td>£9.82</td>
</tr>
<tr>
<td>Between 6 and 10</td>
<td>£9.73</td>
</tr>
<tr>
<td>Between 11 and 15</td>
<td>£9.59</td>
</tr>
<tr>
<td>Between 16 and 20</td>
<td>£9.52</td>
</tr>
<tr>
<td>Between 21 and 25</td>
<td>£9.73</td>
</tr>
<tr>
<td>Between 26 and 30</td>
<td>£9.84</td>
</tr>
<tr>
<td>Between 31 and 35</td>
<td>£9.47</td>
</tr>
<tr>
<td>Between 36 and 40</td>
<td>£9.45</td>
</tr>
<tr>
<td>Between 41 and 45</td>
<td>£9.59</td>
</tr>
<tr>
<td>Between 46 and 50</td>
<td>£9.67</td>
</tr>
<tr>
<td>Between 51 and 55</td>
<td>£9.70</td>
</tr>
<tr>
<td>Between 56 and 60</td>
<td>£9.75</td>
</tr>
<tr>
<td>Between 61 and 65</td>
<td>£9.50</td>
</tr>
<tr>
<td>Between 66 and 70</td>
<td>£9.56</td>
</tr>
<tr>
<td>Between 71 and 75</td>
<td>£9.61</td>
</tr>
<tr>
<td>Between 76 and 80</td>
<td>£9.66</td>
</tr>
<tr>
<td>Between 81 and 85</td>
<td>£9.70</td>
</tr>
<tr>
<td>Between 86 and 90</td>
<td>£9.74</td>
</tr>
<tr>
<td>Between 91 and 95</td>
<td>£9.36</td>
</tr>
<tr>
<td>Between 96 and 100</td>
<td>£9.35</td>
</tr>
<tr>
<td>Between 101 and 105</td>
<td>£9.64</td>
</tr>
<tr>
<td>Between 106 and 110</td>
<td>£9.67</td>
</tr>
<tr>
<td>Between 111 and 115</td>
<td>£9.70</td>
</tr>
<tr>
<td>Between 116 and 120</td>
<td>£9.73</td>
</tr>
<tr>
<td>Between 121 and 125</td>
<td>£9.76</td>
</tr>
</tbody>
</table>
Between 126 and 130 £9.78  
Between 131 and 135 £9.80  
Between 136 and 140 £9.82  
Between 141 and 145 £9.84  
Between 146 and 150 £9.86  
Between 151 and 155 £9.88  
Between 156 and 160 £9.89  
Between 161 and 165 £9.91  
Between 166 and 168 £9.90

The gross hourly rate does not go up and up because of the different on costs people need to pay.
The council has worked out that many PA work up to 30 hours a week and so people will employ more than one PA when they need a lot of support.
The table here shows how many PA they think someone might have when they have more support.

<table>
<thead>
<tr>
<th>Number of hours 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>

The council does not think an individual calculator should be used for each person because this might get very complicated and the rate may need to keep changing.
For example, if one of the PA leaves and another one starts working more hours.
If the council does use a calculator they will try to be flexible is someone has very different needs and the calculator doesn’t work to meet their needs properly.
For each PA the council works out that people will have to pay for these things:

- 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 PA is unwell and unable to work (we have allowed for 1 week sick pay per year
- Employment Insurance (paid each year by employers)

3 examples of how the calculator might work if a PA is paid £8.10 per hour.

Example 1
Mrs Jones is 85 and lives in her own home and employs her neighbour as her PA. The PA visits twice each day except Sundays. The PA comes in the morning for an hour and for half an hour in the evening to help Mrs Jones do things like get out of bed, get meals ready or call her daughters.

Now –
Mrs Jones Direct Payment is £9.89 x 9 hours (1.5 hours per day x 6 days per week) = £89.01.
Mrs Jones pays a contribution to her Direct Payment in line with the Fair Contributions policy.
Mrs Jones pays her PA £7.83 an hour. Because of the low number of hours her PA works, Mrs Jones does not have to pay any National Insurance contributions but does pay PBSS each month for a payroll service.
In the future –
Mrs Jones will talk about her Direct Payment at her next review. If her needs are still the same and it is agreed that a general calculator will be used her gross hourly rate will change. Some costs will be paid by the council and she will get a new gross hourly rate of £9.73 x 9 hours (1.5 hours per day x 6 days per week) = £87.57. This is £1.44 less per week. Mrs Jones will still make a contribution to her Direct Payment in line with the Fair Contribution policy. Mrs Jones will stop paying PBSS for the payroll service and she will be able to increase the pay to her PA to £8.10 per hour.

Example 2
Mr Singh is 34 years old and lives in a rented flat. He needs support with lots of things in his daily life like, getting meals ready, personal care and support to travel, to take part in voluntary work and to see his family and friends. Mr Singh always needs to be supported because of his severe epilepsy and a learning disability. Mr Singh has support for 24 hours a day on 6 days of the week and 17 hours support on a Sunday. For the rest of the time on Sunday he is with his family. He has 4 PA that work during the day and sleep over at his flat overnight. Each PA works about 40 hours per week. Mr Singh just had to advertise for new staff to support because two of his PA left.
Now –
Mr Singh’s Direct Payment is £9.89 x 161 hours (24 hours per day x 7 hours) = £1592.29.
Mr Singh pays a contribution to his Direct Payment in line with the Fair Contribution policy.
Mr Singh pays his PA £7.83 per hour and because they all work full time, he pays National Insurance and Employers pension for them. PBSS arrange the payroll for Mr Singh.

In the future -
Mr Singh will talk about his Direct Payment at his next review. If his needs are still the same and it is agreed that a general calculator will be used his gross hourly rate will change.
He will get a new gross hourly rate of £9.91, so £1595.51 per week
This is £3.22 more per week
Mr Singh will still make a contribution to his Direct Payment in line with the Fair Contribution policy.
Mr Singh will stop paying PBSS for the payroll service and he will be able to increase the pay to his PA to £8.10 per hour
Example 3
Miss Patel is nearly 18 years old, has problems with seeing and lives at home with her parents. She will soon be starting college. Miss Patel needs support so she is not lonely and to learn new skills. She has asked for a Direct Payment to employ 2 PA who will each work 7 hours a week to support her at evening classes and for weekend social activities.

Miss Patel will not get her Direct Payment until after any of the plans in this document are agreed and in place.

If the council do the things they think are best, Miss Patel will get a gross hourly rate 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 get support from PBSS to recruit her PA and they will pay any costs for:
- advertising
- police checks
- National Insurance
- and payroll if Miss Patel wants them to
Miss Patel will be able to pay her PA £8.10 per hour.
How to have your say
The consultation starts on 1st May 2018
And ends 5pm on 30th June 2018
You can find a survey by going on the
Northamptonshire County Council website and
search for ‘current consultations’
www.northamptonshire.gov.uk
The consultation is called:
“How we calculate the rate of Direct
Payment/Personal Budget for those people
who employ Personal Assistants”
If you need a paper survey you can contact
NASS and they will send you one by post from
Phone: 01604 367253
Or
Email to:
DPConsultation@nass.uk.net
You can also take part in person if you come
along to a meeting
You can see where the meetings will be by clicking
www.northamptonshire.gov.uk/papayments
If you have any questions or would like more
information please contact NASS on the
telephone number or email above.
**List of Words**

**Calculator** – a table of numbers that helps someone work out sums. In this document it means the table that helps work out how much someone should get in their Direct Payment.

**Continuing Healthcare** - Ongoing care outside hospital for someone who is ill or disabled, arranged and funded by the NHS. This type of care can be given anywhere and can include the full cost of a place in a nursing home. It is given when day to day support is mostly because of a need for health care, rather than social care.

**Contribution** – this is the amount you are asked to pay towards the cost of your care and support.

**Eligible customer** – a person that fits the rules that allows them to have a service.

**Fair Contributions policy** – A guide that says how much the council can charge a customer for things like home care and day services (but not a care home).

**Gross Hourly Rate** – the amount of money that the council pays for each hour that a PA needs to work for someone. It is for the PA wages and lots of other things like:
- 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 things are sometimes called ‘on costs’.

**National Living Wage** – the amount that the law says everybody has to be paid.

**On- costs** – the extra costs that an employer has when they employ someone on top of paying wages.

**Payments in lieu of notice** - a payment made to employees by an employer for a period of time that they have been told by the employer that they do not have to work.

**Payroll services** – work that is done to work out how much someone should be paid and to send them information about it each month on a payslip. The payslip is the information sent to the worker about their pay.

**Personal Budget Support Service** - a council service that can help people use their Direct payment to do things like:
- Pay staff
- Find staff
- Manage their own account
- Have the right paperwork to be an employer
• Have the right paperwork to prove how the Direct Payment is spent

**Self-employed** – someone who works for themselves and not for an individual, business or organisation. They will pay their own tax and National Insurance and so on.