



The Scottish Parliament

(For official use only) PUBLIC PETITION NO.	PE
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Should you wish to submit a public petition for consideration by the Public Petitions Committee please refer to the guidance leaflet [How to submit a public petition](#) and the Guidance Notes at the back of this form.

1. NAME OF PRINCIPAL PETITIONER
David Manion on behalf of Age Concern Scotland
2. TEXT OF PETITION
Petition by David Manion, on behalf of Age Concern Scotland, calling on the Scottish Parliament to urge the Scottish Government to review and raise the current rate of Personal Expenses Allowance, which does not reflect the true cost of living, to allow care home residents to have independence, dignity and a good quality of life.
3. ACTION TAKEN TO RESOLVE ISSUES OF CONCERN BEFORE SUBMITTING THE PETITION

Age Concern Scotland has worked closely with Age Concern England in seeking a review of the current level of Personal Expenses Allowance across the UK and making a case for an increase in the level of allowance given.

Along with Government Departments from across the UK Age Concern is represented on a Stakeholder Group which meets twice a year. Age Concern has made representation to this group for an uprating of the PEA. This led to proposed revisions being submitted to the Department of Health in England. The response from the Department of Health was that they will not be consulting on the standard updates which normally happen in April and October.

On 17 January 2008 the Scottish Government gave COSLA and Local Authorities advance notice of the uprating of the Personal Expenses Allowance (PEA) limits from 7 April 2008. This is to allow them to put preparations in hand in advance of the formal changes to the regulations to be made under the National Assistance Act 1948. The regulations are subject to parliamentary approval. There is no consultation process.

4. ADDITIONAL INFORMATION

The Personal Expenses Allowance (PEA) is the minimum weekly amount that a care home resident should be left with after a local authority makes the necessary deductions from their income for their share of the cost. When an older person moves into a care home, all of their income (including their pension) and capital are means tested to calculate how much they should pay towards the cost of their care home accommodation.

According to Scottish Government¹ figures approximately 29,400 care home residents benefit from the Personal Expenses Allowance. Currently £20.45 (£2.92 per day) is the guaranteed minimum weekly amount that a resident is allowed to keep after care home costs have been paid. It is normally uprated annually in line with average earnings, therefore it is proposed that the PEA be increased to £21.15 per week on 7th April 2008 subject to Scottish Parliament approval. This routine uprating will have no financial impact on local authorities as it is covered by increased contributions from residents as their benefits and other income rises.

For most residents, apart from the small minority who can afford to meet the full costs of their accommodation, the Personal Expenses Allowance is their sole source of income. This income must cover both every-day and incidental living expenses, with the exception of their care home accommodation and meals. Older people with no savings have no other source of funds to draw on if the cost of what they need to buy exceeds their PEA.

Age Concern Scotland is calling for the Scottish Government to instigate a review of the current level of the Personal Expenses Allowance and to assess whether or not it provides a level of income for care home residents that is

¹ Scottish Government Primary & Community Care Directorate

appropriate to their needs and aspirations. If such a review suggests that an increase is necessary, then the Scottish Government should set the PEA at a level which will ensure an acceptable quality of life for Scotland's most vulnerable older people.

The argument that £2.92 a day is a reasonable amount for older people to purchase the many basic items that make life liveable is not backed up by common sense, and has been disproved by evidence based research². In England, the Health Department claims that the allowance is sufficient to allow people to live as independently as possible in line with its community care policy objectives and that this is all that care home residents need. This justification fails to appreciate the range of lifestyles and aspirations of today's older people.

Older people who live in care homes still need to purchase clothing and footwear and due to items being worn out quicker in commercial laundries and getting lost, the replacement cost may actually be higher. There is no guidance on what care homes should provide as part of their fees, so many residents have to pay for non-prescription medication like cough sweets, as well as toiletries, hair cuts, outings, fruit and other snacks, magazines and newspapers and books. There may also be charges for materials for hobbies (e.g. wool), music, pens and paper. Where the telephone is the main source of contact with friends and relatives some residents like to have their own telephone in their room which incurs line rental and call charges and like many of us, older people still want to have the option of smoking or having a social drink if they want to.

Due to the low level of the Personal Expenses Allowance many older people in care homes have to make hard choices about everyday items that most other people take for granted. This can significantly undermine their self-esteem and quality of life. The independence and dignity of residents is diminished because they must rely on handouts from relatives for basic items or be grateful for second hand clothing donated by relatives of deceased residents. They may also feel inadequate if they can't afford gifts and presents for celebrations such as Christmas and birthdays. The choices they have to make about what activities they do are therefore limited not only because of infirmity, but also because of cost. Clearly, the current PEA rate is based on inaccurate stereotypes depicting inactive people instead of recognising that many people living in care homes want and need to pursue active and stimulating lives.

We believe that the best way to find out what a fair rate of income for care home residents is to undertake evidence based research. This would incorporate income standards that could be regularly updated. The Family Budget Unit (FBU), based at the University of York, has previously been commissioned to research and provide information about the income that

² The Family Budget Unit (FBU), University of York

³ Nov 2002, ISBN 1-903629-5-2

⁴ Low Cost but Acceptable Budget for Pensioners, April 2006)

older people need. In 2006 they conducted research into the minimum income needed to avoid poverty for people aged 65 and over (*Low Cost but Acceptable Budget for Pensioners April 2006*).

The use of such income standards to determine a fair rate of personal expenses allowance would enable the true cost of living for those in care to be determined for the first time. It would also mean that individuals in care homes could have the income they need to avoid a life of poverty.

Using indicators drawn from research undertaken by the FBU, entitled 'Modest But Adequate'³ (MBA) it is possible to gauge whether the level paid as a Personal Expenses Allowance for older people in care homes meets the level of 'MBA'. However, we recommend the Scottish Government commission a dedicated piece of research into the needs of all people living in care homes as the Personal Expenses Allowance is payable to all care home residents, not only those aged 65 and over.

The budget standards used by the FBU are specified baskets of goods and services, which, when priced, can be used to estimate living costs at predefined living standards. Below, we have identified the costs applicable to single people in care homes to give an indication of a 'modest but adequate' weekly amount based on 2006 figures⁴:

Table 1. Estimated weekly personal costs for single people in care homes.

	Single Woman	Single Man
Clothing	£4.27	£3.70
Services e.g. haircut	£3.07	£2.18
Toiletries/ personal goods etc.	£8.92	£8.92
Leisure activities (i.e. newspapers)	£5.83	£5.83
Alcohol	£2.22	£5.59
Total	£24.31	£26.22

Uprates to the Personal Expenses Allowance are approved annually by the Scottish Government, in line with the rest of the UK. The process for this is a Scottish Statutory Instrument (SSI) which is placed in front of the Health and Sport Committee of the Scottish Parliament.

Age Concern Scotland and older people in Scotland are seeking a Personal Expenses Allowance rate which is based on actual need – backed up by evidence.

Case Study:

Every older person is different, with different interests and abilities. The following case study is given as an illustration and is based on costs incurred by a female care home resident who has quite a basic life style, and while she is able to do some of the things she enjoys she lacks what is required to give her real choice, to maintain her independence and to restore some dignity to her life.

Mrs M has been living in a care home for over two years following a stroke which left her unable to care for herself at home. Mrs M has some mobility problems but still likes to keep her mind active. She buys a newspaper every weekday (the weekend papers are too expensive) at a cost of £3.25 per week. This means she can do the crossword herself, instead of filling in the blanks other people leave in the communal paper. Once a week she goes to the local garden centre with her niece and when there she likes to buy a cup of tea and scone for both of them, which costs £3.00. The care home doesn't provide toiletries free of charge so Mrs M spends, on average, £3 per week on toothpaste, shampoo, conditioner, hand wash, face wash, talc, shower gel and moisturising cream. A weekly wash and set at the care home hairdresser cost £5 but that means she can keep her hair looking nice for the whole week. Due to her poor balance Mrs M needs good shoes which are a bit more expensive. The home uses an external laundry which is a bit hard on clothing and can lose items of laundry quite regularly. Recently Mrs M had to wear a nightie which had been left behind by the relatives of a deceased former resident because her own two were away being washed. In the last year Mrs M has bought two nightdresses, a pair of slippers and a dressing gown. She has also had to buy new jumpers, blouses, trousers and underwear. Mrs M needs a new coat for when she goes out but she can't afford one and she doesn't wear skirts as she can't afford tights.

Mrs M buys a packet of biscuits and a few pieces of fruit every week for snacks to eat when hungry outside her set mealtimes and to give to visitors. This costs £1.50 a week. She also sets aside £1.00 a week for birthday and Christmas cards and to give her four grandchildren and two daughters small gifts at Christmas. Because she enjoys an occasional glass of sherry with her friends when they visit Mrs M buys a bottle of sherry twice a year – and makes it last. Fortunately she doesn't smoke but Mrs M would like her own telephone in her room so her daughters could phone more often. The home charges for outings but Mrs M feels she can only go twice a year as including a meal it costs about £10 each time.

Mrs M's Weekly Budget

Newspapers	£3.25
Hair trim & style	£5.00
Toiletries	£3.00
Clothing & shoes	£4.80
Snack when out	£3.00
Fruit & snacks	£0.75
Sherry	£0.50
Gifts/ cards	£1.00
Outings	£0.50
Weekly raffle	£0.50
Total	£22.30
Overspent by	£1.85

5. DO YOU WISH YOUR PETITION TO BE HOSTED ON THE PARLIAMENT'S WEBSITE AS AN E-PETITION?

YES **NO** ✓

If "Yes" please enter a closing date for gathering signatures on your petition (we usually recommend a period of around six weeks). Please also provide at least one comment to set the scene for an on-line discussion on the petition, not exceeding ten lines of text.

CLOSING DATE

COMMENTS TO STIMULATE ON-LINE DISCUSSION