



Department
of Health &
Social Care

*From Helen Whately MP
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The Rt Hon Sir George Howarth MP
By email to: george.howarth.mp@parliament.uk

18 April 2023

Dear Sir George,

Thank you for your correspondence of 7 February to HM Treasury on behalf of your constituent, _____, about the minimum income guarantee (MIG). Your correspondence has been passed to this department. I apologise for the delay in replying.

The Care Act 2014 provides that a local authority that takes disability benefits into account when assessing what a person can afford to pay for care must allow the person to keep enough for any disability-related expenditure they incur. The local authority should also allow people to retain enough of their benefits to meet their needs that are not met by the local authority. The benefits system is in place to avoid people falling into poverty and, where people drawing on care and support receive benefits, they are only expected to pay what they are assessed as being able to afford.

To allow people receiving means-tested support to keep more of their own income, the MIG and Personal Expenses Allowance (PEA) were unfrozen and increased in line with inflation on 6 April 2022. On 6 April 2023, they increased in line with consumer price index inflation at 10.1 per cent for this financial year. Local authorities also have the ability to set higher rates for the MIG and PEA if they wish; the regulations will simply set the statutory minimum. Further information can be found by searching for 'social care charging for local authorities' at www.gov.uk.

On 3 April, the Government laid regulations to exclude the cost-of-living payments announced in the Autumn Statement from local authorities' assessments of what people can contribute towards the costs of care and support. We intend this to come into force before the first payments start to be made from 25 April. All previously announced cost-of-living payments have also been excluded from social care assessments, meaning people can retain the support in full.

Yours,

HELEN WHATELY