

Public Document Pack

Executive Member Decisions

Friday, 13th March, 2020
10.00 am

AGENDA

1. **Business Rates Policy changes 2020/21**
EMD - Business Rates policy changes 2020/21 2 - 8
Appendix A - Local Discretionary Rate Relief scheme policy 2020/21
EIA Checklist - Business Rates policy changes 2020/21
2. **Adult Social Care Provider Fee uplifts for the 2020/21 Financial Year**
EMD - ASC Provider Fee uplifts for the 2020-2021 9 - 16
EIA-Checklist Provider Fees uplift 2020-21
3. **Increase to client charges and contributions for 2020/21**
EMD - Increase to client charges and contributions for 2020-2021 17 - 22
EIA-Client contributions and charges

Date Published: 13th March 2020
Denise Park, Chief Executive

EXECUTIVE MEMBER DECISION



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| REPORT OF: | Executive Member for Finance and Governance |
| LEAD OFFICERS: | Director of Finance and Customer Services |
| DATE: | February 2020 |

PORTFOLIO/S AFFECTED: Finance and Governance

WARD/S AFFECTED: All

SUBJECT: Business Rates policy changes 2020/21

1. EXECUTIVE SUMMARY

The Business Rates Local Discretionary Scheme policy has been reviewed in preparation for the 2020/21 financial year. Appropriate adjustments have been made to accommodate the reduction in budget for the Business Rates Local Discretionary Scheme.

Business Rates Local Discretionary Scheme

In the March 2017 budget a number of separate measures were announced to assist businesses that had faced increases in Business Rate bills following the revaluation of all business properties in the country; one of those measures introduced by the budget was the Local Discretionary scheme.

In line with the reduced government funding, this scheme has been reviewed to see how the 2020/21 award of £5,000 can be allocated to those businesses facing increased bills. As such, this report seeks the approval to award a discretionary discount in 2020/21 equivalent to 10% of the increase faced by those businesses that qualify for the relief. The 10% relates to the increase from 2019/20 to 2020/21.

2. RECOMMENDATIONS

That the Executive Member approves the amendments to the policy from 2020/21.

2. BACKGROUND

This report proposes policy changes in respect of the Business Rates Local Discretionary Scheme due to the reduced funding by central government.

4. KEY ISSUES & RISKS

4.1 Discretionary Business Rates relief

The Government funding for Local Discretionary Business Rates relief ends in 2020/21. It is anticipated that the reduction in the award to 10% will fully utilise the government funding without risking any financial exposure to the council.

The full policy is attached as Appendix A.

5. POLICY IMPLICATIONS

The proposed changes to the Discretionary Rate Relief scheme policy is contained in the Appendix A.

6. FINANCIAL IMPLICATIONS

The Discretionary Business Rate Relief will be fully funded by the Government based on the criteria set out in the guidance.

7. LEGAL IMPLICATIONS

The Discretionary Rate Relief outlined in this report and the appendix follows the government guidance that was set out in 2017 and by using the Council's discretionary relief powers under Section 47 of the Local Government Finance Act 1988 (as amended).

The policy provides transparency and show the criteria that the Council will apply when making their decisions as to whether or not to grant relief or make payments. The Council must, however, consider applications which may fall outside the policies in exceptional cases and should not be fettered in its decision-making by the terms of the policy. The Council is also bound by the legislation which also provides for limits set by the Government as to when relief grants or payments can be made.

8. RESOURCE IMPLICATIONS

Any additional work required from the changes listed in the policy documents will be undertaken within existing resources.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 ☒ Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 ☐ In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. (*insert EIA link here*)

Option 3 ☐ In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. (*insert EIA attachment*)

10. CONSULTATIONS

None.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded and published if applicable.

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| VERSION: | 1 |
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| CONTACT OFFICER: | Andy Ormerod |
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|--------------|----------------------|
| DATE: | February 2020 |
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| BACKGROUND PAPER: | Appendix A – Local Discretionary Relief scheme policy 2020/21 |
|--------------------------|---|

1. Local Discretionary Rate Relief

1.1 Overview

At the 2017 Spring Budget, the Government announced a £300m fund which would be distributed to Local Authorities over a number of years to fund local discretionary schemes with the aim of delivering relief to ratepayers who have experienced large increases in bills following the 2017 Revaluation.

In the guidance issued by the government, it has stated that there is an expectation that the relief should target:

- Ratepayers or areas facing most significant increase in bills, and;
- Ratepayers occupying lower value properties.

The relief will be awarded by use of the councils discretionary relief powers under section 47 of the Local Finance Act 1988. All awards made by Local Authorities will be funded by the government through the section 31 grant.

Each Local Authority has been allocated funds based on a prescribed formula, over the four financial years. The funding for the remaining year is detailed below:

| 2020/21 |
|---------|
| £5,000 |

1.2 Principles of the scheme

The principles used in the design of the local discretionary relief include the following:

- Relief to be targeted at businesses that are facing an increase in their business rate bills following the revaluation, encompassing different sizes, sectors and locations across the borough;
- The relief to be distributed in a way that is proportionate to how much a bill has increase, and in a fair manner;
- The extra relief is distributed to local businesses quickly and smoothly; and,
- Be simple for the Council to administer.

1.3 Calculation of the relief

In respect of the financial year 2020/21 those businesses that qualify for the extra discretionary relief will receive the equivalent of 10% of the increase. The minimum value of relief will be £50.

The amount of relief to be awarded in future financial years will be determined by the Executive Member for Resources on a year by year basis based on the funding available and the increases facing businesses.

1.4 Non-qualifying properties

Blackburn with Darwen Borough Council will not award local discretionary relief to organisations providing the following services to members of the public:

- Financial services (banks, cashpoints, bureau de change, pay day lenders);
- Professional services (solicitors, accountants, insurance agents, financial advisors);
- Premises mainly used for religious worship;
- Premises mainly used for education;
- Overseas Aid organisations;
- Administration Offices for National Charities; and,
- Doctors surgeries, Dentists.

In addition, the following establishments/organisations will not be eligible for relief:

- Amusement arcades – establishments operating a business that is predominately gambling/slot machines, etc.
- Takeaways – establishments that predominately function as a takeaway;
- Off licences – establishments that predominately sell alcohol, and;
- Shisha cafes.

1.5 Further exclusions

For properties where any of the following apply, the ratepayer will not be eligible for local discretionary rate relief:

- Ratepayers in receipt of the regeneration relief since the financial year 2017/18;
- Ratepayers who occupied the property after the 31st March 2017;
- Properties that are unoccupied;
- Properties that have no employees based in the hereditament on which relief is being sought;
- Where the relief would not comply with EU law on state aid rules;
- Ratepayers operating an intermittent occupation will not be eligible for any relief;
- National companies, national charities, national chains and public bodies will not be eligible for any relief;

1.6 Calculation of the relief

Local Discretionary relief will be calculated after all exemptions and reliefs have been applied to the account.

1.7 Period of Relief

Each amount of rate relief awarded shall apply for no more than one financial year. Adjustments to the amount of relief will reduce over the three financial years and be calculated based on the total amount of funding. However, a new application will **not** be needed each financial year.

1.8 Appeals

Any appeal against a decision made under the '*Local Discretionary Rate Relief*' policy must be made in writing and reach the Council within 28 days of an organisation receiving notification of an award decision.

- The Council will acknowledge the appeal within 5 working days of receipt.
- The Director of Finance will consider the appeal.

- The applicant will be informed of the final decision as soon as practicable thereafter.

1.9 Special Circumstances

The Council will reserve the right to award or decline applications for business rate relief when faced with exceptional cases.

1.10 General

The Council will consider each case in accordance with the criteria set out above. The criteria is not restrictive and does not restrict the Councils ability to depart from its general policy as to the granting of relief if it sees fit to do so bearing in mind the facts of each case.

EQUALITY IMPACT ASSESSMENT CHECKLIST

This checklist is to be used when you are uncertain if your activity requires an EIA or not.

An Equality Impact Assessment (EIA) is a tool for identifying the potential impact of the organisation's policies, services and functions on its residents and staff. EIAs should be actively looking for negative or adverse impacts of policies, services and functions on any of the nine protected characteristics.

The checklist below contains a number of questions/prompts to assist officers and service managers to assess whether or not the activity proposed requires an EIA. Supporting literature and useful questions are supplied within the [EIA Guidance](#) to assist managers and team leaders to complete all EIAs.

| | | | |
|---------------------------------|----------------|--|------------|
| Service area & dept. | Business Rates | Date the activity will be implemented | 01/04/2020 |
|---------------------------------|----------------|--|------------|

| | |
|--------------------------------------|--|
| Brief description of activity | Updating of the Local Business Rates Discretionary Relief Policy for 2020/21 |
|--------------------------------------|--|


| Answers favouring doing an EIA | Checklist question | Answers favouring not doing an EIA |
|---|--|---|
| <input checked="" type="checkbox"/> Yes | Does this activity involve any of the following: - Commissioning / decommissioning a service - Yes Budget changes- yes - Change to existing Council policy/strategy- no | <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> Yes | Does the activity impact negatively on any of the protected characteristics as stated within the Equality Act (2010)? | <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> No <input type="checkbox"/> Not sure | Is there a sufficient information / intelligence with regards to service uptake and customer profiles to understand the activity's implications? | <input checked="" type="checkbox"/> Yes |
| <input type="checkbox"/> Yes <input type="checkbox"/> Not sure | Does this activity: Contribute towards unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act (i.e. the activity creates or increases disadvantages suffered by people due to their protected characteristic) | <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> Yes <input type="checkbox"/> Not sure | Reduce equality of opportunity between those who share a protected characteristic and those who do not (i.e. the activity fail to meet the needs of people from protected groups where these are different from the needs of other people) | <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> Yes <input type="checkbox"/> Not sure | Foster poor relations between people who share a protected characteristic and those who do not (i.e. the function prevents people from protected groups to participate in public life or in other activities where their participation is disproportionately low) | <input checked="" type="checkbox"/> No |
| FOR = 1 | TOTAL | AGAINST = 6 |

Will you now be completing an EIA?

☐ Yes

☒ No

The EIA toolkit can be found [here](#)

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| Assessment Lead Signature |  |
| E&D Lead Signature | Gwen Kinloch |
| Date | 17/01/2019 |

Agenda Item 2

EXECUTIVE MEMBER DECISION



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| REPORT OF: | Executive Member for Adult Social Care and Prevention Executive Member for Finance and Governance |
| LEAD OFFICER: | Director of Adult Services and Prevention (DASS) |
| DATE: | 5 March 2020 |

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|------------------------------|----------------------------------|
| PORTFOLIO/S AFFECTED: | Adult Social Care and Prevention |
|------------------------------|----------------------------------|

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| WARD/S AFFECTED: | All |
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| KEY DECISION: | YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> |
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| SUBJECT: Adult Social Care Provider Fee uplifts for the 2020/2021 Financial Year |
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1. EXECUTIVE SUMMARY

Blackburn with Darwen Borough Council commissions support for over 2400 local adults and older people, with eligible social care needs, per annum. The majority of commissioning relates to external care and support services provided by independent sector providers and the voluntary, community, faith and charitable sector. The net commissioning budget for these services is currently £38.8m for 2019/2020, and is subject to large scale pressures that have been well documented nationally due to increasing demand for services, rising costs and the impact of austerity. This report sets out the rationale, financial context and analysis underpinning the award of rate uplifts to external providers for the 2020/2021 financial year, in order to meet rising costs associated with increases in the National Living Wage.

Blackburn with Darwen Finance Council resolved on 24 February 2020 to delegate authority for the agreement of hourly rates and contract changes for social care providers for 2020/2021 to the Executive for Adult Social Care and Prevention, in consultation with the Executive Member for Finance and Governance.

2. RECOMMENDATIONS

That the Executive Member:

1) Agrees to a percentage increase in fees for the following services:

- Residential and nursing care including Intermediate Care beds, fee increase of 4.34% effective from 1 April 2020.
- Older People and Physical Disability Domiciliary Care, framework fee increase of 5.6% effective from 1 April 2020.
- Shared Lives, fee increase of 1.5% in line with CPI effective from 1 April 2020.

- Learning Disability/Mental Health Domiciliary Care, fee increase of 3.92% effective from 1 April 2020
- Supported Living Providers, fee increase of 4% effective from 1 April 2020 and a minimum payment of £15.00 per hour applied where the increase would leave the hourly rate below this figure.

2) Further agrees that:

- Direct Payments, no change to current rate however if a recipient is no longer able to meet their needs within the current budget, the necessary adjustments will be made on an individual basis. Similarly, if a person's needs change within the year, their scheduled review will be brought forward and their support plan and personal budget adjusted accordingly.

3) Further agrees that:

- The Extra Care schemes that are commissioned on a purely block contract basis will receive an uplift of 5.6% which equates to £85,800 pending the retender process due in the new financial year. For the new scheme model that is tied to the domiciliary framework an increase of 5.6% will be applicable.

3. BACKGROUND

The Finance Council meeting of 24th February 2020 recommended that delegated authority be given to the Executive Member for Adult Social Care and Prevention, in consultation with the Executive Member for Finance and Governance, to agree the hourly rates and contract changes with social care providers in 2020/2021, applicable from April 2020.

The National Living Wage had been planned for an increase of 5.6% with effect from 1st April 2020 (for workers aged 25 and above). However, following the election in December 2019, this was increased to 6.2%. Due to the pressures already identified in the Council's Medium Term Financial Strategy (MTFS), uplifts have had to be calculated using the original 5.6% NLW expected uplift.

The increase in NLW has a significant impact on our external social care providers, including residential and domiciliary care. The commissioning budgets included in the 2020/21 budget, and in the Medium Term Finance Strategy (MTFS), include some provision for increases in provider hourly rates and contract changes from the increase in the National Living Wage effective from 1st April 2020. However management of the increased cost (and further NLW rise) will require continued delivery of efficiencies, savings plans and alternative delivery models. It is acknowledged that even though the age range normally quoted is for workers 25 and above, part of the workforce (around 10%) are in the 18 to 24 age range.

Whilst the NLW will now increase by 6.2%, it should be noted that wages are just one component of and not the full cost of delivering services. This proportion varies depending on the type of provision, with residential care labour costs being around 70% of total cost. Whilst labour constitutes a significant component there are other aspects of providers' cost base that are met by the overall rate paid by the Council and which may also be subject to change. These may include pension, care registration, insurance and utility costs. It is acknowledged that domiciliary care fee rates for older people in the Borough have been low compared to neighbouring authorities, and these providers are increasingly reporting difficulties in recruitment, therefore an increase of 5.6% is to be applied to the framework rate to help close any gap.

4. KEY ISSUES

Residential and Nursing Care

Local Authorities are required to set sustainable rates for the care they commission, however Providers in the Borough have historically been reluctant to engage in Fair Price for Care exercises and share cost and income information with the council which makes it difficult to agree appropriate fee levels. A future Pan-Lancashire cost enquiry is being planned through the Regulated Care Sector work stream.

It should be noted that the market is funded in a number of ways: council supported placements, third party top-ups, CCG funded residents through NHS Funded Continuing Health Care, joint-funded placements and additional care payments via the council and CCG and self-funded clients. Total income is under-pinned by occupancy levels and many local homes within the Borough continue to enjoy very high levels of occupancy. The enhanced quality scheme within the Borough further supports the financial viability of the sector. Whilst there have been no home closures in the Borough in this financial year, some residential providers are having to consider their business plans as demand for placements fall due to the successful promotion of care at home and extra-care housing strategies to support vulnerable people. The market position statement has identified an over-provision of residential beds and vacancies is causing some providers difficulties.

It is recommended that residential and nursing home providers receive an uplift of 4.34% to bolster the cost of National Living Wage increase whilst considering the proportion of provider costs which are likely to be impacted by NLW increases. During 2020/2021 the Quality team within strategic commissioning will be reviewing homes to identify those providers who would warrant enhanced fee levels, should further funds become available in the future.

Domiciliary Care for Older People and adults with a Physical Disability

This service framework supports circa 846 frail, disabled and vulnerable local adults and older people in their own homes with intimate and essential personal care. Examples include getting in and out of bed, dressing, managing nutrition, using the bathroom and mobilising around their home.

The sustainability of the home care market has continued to be under scrutiny recently, given widespread funding pressures and cost constraints. All provider organisations, be they private or charitable, need to generate a level of surplus for reinvestment into the business and this has proved hard to achieve for a significant number of providers.

Blackburn with Darwen Borough Council fee has over recent years become more comparable within the North West region and although the market has been tested during the 2017/18 tender exercise, all providers on the new framework will be significantly impacted by the further rise in the National Living Wage. It is recommended that domiciliary care providers receive an uplift of 5.6% as a means to meet the requirements of the National Living Wage and to enable the sector to remain financially viable. This represents an increase in unit cost from £13.68 to £14.44 per hour. Further to this, a supplement of 25% will be applied to this rate for the handful of cases where care is provided within a specified rural location. This is in acknowledgement of additional travel and rota considerations.

Learning Disability Provision within a supported living environment

This service supports adults with a learning disability and/or mental health condition in small group homes or apartments to remain as safe and independent as possible. This is generally provided by a constant 24/7 staff presence or occasionally through outreach support, depending on the needs of the individuals. Providers received significant uplifts in line with guidance in 2018 to ensure that sleep-in rates were national living wage compliant. The proposed uplift will also be applied to the sleep-in element of this provision. This can be revisited as part of the new framework. Most provision within Blackburn with Darwen is block contracted under the Learning Disability Commissioning Framework

and these services are due to be re-tendered during the year. It is recommended that an automatic uplift of 4% is applied pending the tender process as a means to meet the requirements of increase in the National Living Wage. Work will continue with providers on switching to the new model of service and will continue via targeted project work, to reduce commissioned hours in order to contain, as far as possible, the impact of the uplifts within the current spend.

Learning Disability/Mental Health domiciliary care for people living alone or with family/carers:

This service supports adults with a learning disability and/or mental health condition within their own homes to remain as safe and independent as possible. This may include physical, emotional and social support. This service is due to be re tendered within the year and as part of this process it is envisaged that a number of rates will be consolidated into a single rate. It is recommended that an automatic uplift of 3.92% is applied to each rate pending the tender process as a means to meet the requirements of the increase in the National Living Wage. Following the uplift, any rate falling beneath the threshold of £14.44 will be adjusted upwards to meet this level.

Extra Care

This service provides 24hour on-site support for older people in dedicated extra care housing schemes, including Kingsway and Spring Bank Court. The current provision is subject to a block contract with an Independent Provider which is due to be re-tendered in the new financial year. This provider did not receive an uplift in 2019/2020 therefore it is reasonable to apply an uplift of 5.6% to provide a viable rate in the interim.

In terms of the new extra-care provision, the care contract has been devised on a new model of block and individually commissioned hours tied to the Older People and Physical Disability domiciliary care contract. This one service will receive a 5.6% uplift to both the spot and block hours.

Shared Lives

Shared Lives provides family based care and respite for adults with a disability and older people. It is a highly cost effective option with excellent outcomes for the individual, when compared to residential care or supported living. Weekly rates for shared lives care were reviewed in 2018 and three bandings applied. These will be increased in line with the Consumer Price Index (CPI) that for the purposes of this report is 1.5%.

Direct Payments

The purpose of a Direct Payment is to provide service users with choice and control in designing an individualised package of care and support. Some users who employ their own personal assistants have been able to pay in excess of the National Living Wage as they do not have the same overheads to pay as, for example, a domiciliary care organisation. As a result, people with such an arrangement would not necessarily be affected by the increase in National Living Wage. Other individuals may have historically used elements of their budget to buy care directly from an agency and therefore potentially be subject to an inflationary increase in costs during the year.

It is therefore proposed that Direct Payments do not receive an automatic uplift. Instead, any person who is no longer able to meet their care and support needs within the existing budget would be advised to contact the Council for a review of their needs. The outcome of this review would determine if and by how much the level of the direct payment would need to be adjusted.

5. POLICY IMPLICATIONS

The Care Act 2014 requires that local authorities should work towards the long term sustainability of the care market through setting realistic fee rates and understanding the true cost of providing care

locally.

The proposed fee uplifts have been set at a level that takes into account current market conditions in Blackburn with Darwen. They incorporate changes to the living wage in addition to other factors such as changes in Employer contributions.

6. FINANCIAL IMPLICATIONS

The table below sets out the gross cost of the fee uplifts proposed in this paper using activity as at December 2019 to estimate the overall costs:

| | £ |
|---|------------------|
| Residential & Nursing (inc Intermediate Care) | 1,091,900 |
| Domiciliary care | 365,900 |
| Supported Living | 634,500 |
| Shared Lives | 8,200 |
| Learning Disability Domiciliary Care | 38,900 |
| Extra Care (New Scheme) | 28,600 |
| Extra Care Block Contract | 85,800 |
| Total Fee Uplift Cost | 2,253,800 |

The commissioning budgets included in the 2020/2021 budget, and the Medium Term Finance Strategy (MTFS), include some provision for increases in provider hourly rates or contract changes arising from the increase in the National Living Wage, effective from 1st April 2020. However, management of the increased cost (and further NLW rise) will require continued delivery of efficiencies, savings plans and alternative delivery models. Therefore, all agreed uplifts to provider fees need to be balanced against the provision for NLW within the MTFS and expected savings plans.

For 2020/2021 the overall cost of the proposed uplifts is £2,253,800, the portfolio will need to request a cash limit increase for the NLW provision within the MTFS via the first financial monitoring report of 2020/21. The additional cost above the NLW provision will be supported by efficiency targets identified within the 2020/2021 budgets.

Any future cost of the provider fee uplifts for 2020/2021 on final completion of contract negotiations will need to be met from within the overall budget for Adult Social Care. The effective date of the 2020/2021 uplifts is specified within the recommendations above in line with the payment periods for the new financial year.

7. LEGAL IMPLICATIONS

Section 5 of the Care Act 2014 requires local authorities to promote the efficient and effective operation of a market in services for meeting care and support needs in their area. This proposal will assist the Council's efforts to ensure that there is a stable market to provide for the care needs of the local community. This includes the need to ensure that providers can remain viable, and can attract and retain staff to provide the care to the required standard.

8. RESOURCE IMPLICATIONS

The resource implications of implementing these proposals will be absorbed by the Strategic Commissioning – People team with regards to contractual changes; and to Finance Team to administer payment changes.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 ☐ Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 ☒ In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision.

Option 3 ☐ In determining this matter the Executive Board members need to consider the EIA associated with this item in advance of making the decision. *(insert EIA attachment)*

10. CONSULTATIONS

Providers have been consulted through provider meetings and meetings with individual organisations. Providers have been written to with details of proposed uplifts. Feedback has been limited with one residential provider and two supported living providers querying the sufficiency of the uplifts. As a result of feedback received, it is now recommended that the residential 4.34% uplift will be applied across all placement types (a lower rate of 2.9% had been anticipated for standard residential placements). As for supported living, the recommendation is now that the 4% increase will also be applied to night time rates as well as daytime rates. Individual work on rates will continue with the provider who has queries about sustainability.

11. STATEMENT OF COMPLIANCE

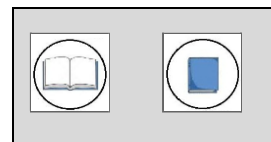
The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded in the Summary of Decisions published on the day following the meeting.

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| VERSION: | 4.0 |
|-----------------|------------|

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| CONTACT OFFICER: | Mike Banks, Head of Strategic Commissioning Zoe Evans, Head of Service, Finance |
| DATE: | 11 March 2020 |
| BACKGROUND PAPER: | |



EQUALITY IMPACT ASSESSMENT CHECKLIST

This checklist is to be used when you are uncertain if your activity requires an EIA or not.

An Equality Impact Assessment (EIA) is a tool for identifying the potential impact of the organisation's policies, services and functions on its residents and staff. EIAs should be actively looking for negative or adverse impacts of policies, services and functions on any of the nine protected characteristics.

The checklist below contains a number of questions/prompts to assist officers and service managers to assess whether or not the activity proposed requires an EIA. Supporting literature and useful questions are supplied within the [EIA Guidance](#) to assist managers and team leaders to complete all EIAs.

| | | | |
|---------------------------------|-------------------|--|------------|
| Service area & dept. | Adult Social Care | Date the activity will be implemented | 01/04/2020 |
|---------------------------------|-------------------|--|------------|

| | |
|--------------------------------------|---|
| Brief description of activity | Annual provider uplifts in response to increased provider costs |
|--------------------------------------|---|


| Answers favouring doing an EIA | Checklist question | Answers favouring not doing an EIA |
|---|--|---|
| <input checked="" type="checkbox"/> Yes | Does this activity involve any of the following: - Commissioning / decommissioning a service - Change to existing Council policy/strategy - Budget changes | <input type="checkbox"/> No |
| <input type="checkbox"/> Yes | Does the activity impact negatively on any of the protected characteristics as stated within the Equality Act (2010)? | <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> No <input type="checkbox"/> Not sure | Is there a sufficient information / intelligence with regards to service uptake and customer profiles to understand the activity's implications? | <input checked="" type="checkbox"/> Yes |
| <input type="checkbox"/> Yes <input type="checkbox"/> Not sure | Does this activity: Contribute towards unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act (i.e. the activity creates or increases disadvantages suffered by people due to their protected characteristic) | <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> Yes <input type="checkbox"/> Not sure | Reduce equality of opportunity between those who share a protected characteristic and those who do not (i.e. the activity fail to meet the needs of people from protected groups where these are different from the needs of other people) | <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> Yes <input type="checkbox"/> Not sure | Foster poor relations between people who share a protected characteristic and those who do not (i.e. the function prevents people from protected groups to participate in public life or in other activities where their participation is disproportionately low) | <input checked="" type="checkbox"/> No |
| FOR = 1 | TOTAL | AGAINST = 5 |

Will you now be completing an EIA?

☒ Yes

☐ No

The EIA toolkit can be found [here](#)

| | |
|---|---|
| Assessment Lead Signature |  |
| Checked by departmental E&D Lead | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Date | 10/03/2020 |

EXECUTIVE MEMBER DECISION



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|-----------------------|---|
| REPORT OF: | Executive Member for Adult Services and Prevention |
| LEAD OFFICERS: | Director of Adults and Prevention (DASS) |
| DATE: | 04/3/2020 |

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| PORTFOLIO/S AFFECTED: | Adult Services and Prevention |
|----------------------------------|-------------------------------|

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| WARD/S AFFECTED: | All |
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| SUBJECT: Increase to client charges and contributions for 2020/2021 |
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1. EXECUTIVE SUMMARY

The report makes recommendations for increases in the charges and contributions to be made for adult social care services as part of the council's annual budget review. Charges for social care services provided under the Care Act 2014 are levied in accordance with the relevant legislation and the Care and Support Statutory Guidance.

2. RECOMMENDATIONS

That the Executive Member approves the following:

- 2.1 The proposal to increase the client charge for home care, day care and respite care by 4% to reflect the rise in pensions and to keep in step with the differential between the client charge and the provider rate.
- 2.2 The proposal to uplift some historically low fees and charges (i.e. those for meals and transport) by 16% to reflect a more realistic market value for these services.
- 2.3 The proposal to leave the fees for administration of Disabled Facilities Grants and Emergency Response Service in new Extra-Care schemes unchanged.

3. BACKGROUND

- 3.1 The Council considers an increase to all fees and charges as part of its budget process each year. Since 2011 the scope of increases to be applied has been delegated to the Executive Member within each portfolio to take into account benefit increases, wage rises, market forces and fee setting in neighbouring authorities.

- 3.2 If approved, the revised fees and charges for 2020/2021 will be published on the Council's website to allow departments to give the appropriate notice periods to service users prior to implementation at 6 April 2020.

4. KEY ISSUES

- 4.1 As part of the budget setting process a review of all income has been undertaken across the council, especially in light of continuing budget reductions and service related pressures. The proposed increases are set within the context of a 3.99% increase in the State Pension and the National Living Wage increase of 6.2% from April 2020 which impacts on costs. For the Health and Adult Social Care portfolio approval is now sought for the following proposals:
- From April 2020, an inflationary uplift of 4% will be applied to charges for day care. (This has been rounded to allow charges to be applied pro-rata for half-day attendances).
 - For home care, including planned night visits, a 4% increase to the hourly rate is proposed. (This is consistent with pension rises and reflects a contribution to increased cost of the National Living Wage increase that these providers will receive. The increased charge reflects contact time only and not the full cost to the council that allows for travel time.
- 4.2 **It should be noted that these increases above will only impact on those individuals who are self-funders or who are financially assessed as having the resources to pay the full notional cost of the services they receive.**
- 4.3 It is also acknowledged that benefit increases of 4% will apply to people of a pensionable age. These make up the vast majority of service users paying full charge for homecare and day services.
- 4.4 As an increasing number of services move to more cafeteria or menu-based catering models, it is proposed that charges for meals (typically two courses) are increased to bring them nearer with market prices. It should be noted that financial assessments for client charges already make allowances for food expenses, and there is no real rationale for the council to continue to subsidise meals. Service users have the opportunity to bring in their own lunches if they wish. The proposal is to apply an increase of 16% to the current cost of meals.
- 4.5 It is proposed that the standard rate for respite care increases by 4% again to reflect increases in pensions.
- 4.6 For Transport, it is proposed that the current rate is uplifted by 25p per journey (16%). This will provide a more realistic charge in line with other voluntary transport schemes.
- 4.7 The proposal would implement the following new client charges and contributions:

Day Care

It is proposed that the daily attendance rate for Day Care is increased from £32.00 to £ 33.28 from April 2020.

Home Care including planned night visits

It is proposed that the hourly rate for Home Care is increased by 4.0% from £13.12 to £13.64 from April 2020.

Meals

It is proposed that the rate for meals currently at £3.45 increases to £4.00 from April 2020.

Adult Respite Care

It is proposed that weekly flat fee for Adult Respite Care increases from £94.64 to £98.70 from April 2020.

Transport

It is proposed that the transport charge is increased from £1.55 to £1.80 per journey.

On site Emergency Response Service (applies to New model Extra Care Schemes where receipt of this service is specified within tenancy agreements)

Charge to remain at £3.00 per week with a view to reviewing this charge as part of the Strategic Review of Extra-Care Housing.

Disabled Facilities Grant Admin Fee

This service charges on the basis of a maximum of 12.5% of the total costs of adaptation works, and as such has no set fee. (No change proposed).

- 4.8 Service users may be concerned about the acceptability of the proposed increases in charges. The council's Adult social care team have an established approach to check the circumstances of anyone reducing or cancelling services, especially where there is an indication that the person may not have the mental capacity to make decisions in their best interests. Charging guidance allows charges to be made against net disposable income and the council currently only levies charges against 90% of this income.
- 4.9 For those over pensionable age, pensions will rise by almost 4% in 2020/2021 which will mitigate the impact of increased costs for full charge clients.
- 4.10 Those below pensionable age who are required to contribute the full charge due to their income levels or savings amount to 24 individuals as of 17 January 2020. This is around 3% of people in this group receiving services. These cases can be reviewed by the finance team to explore the circumstances where people may be expressing/ experiencing financial hardship.

5. POLICY IMPLICATIONS

- 5.1 This is an annual review of fees and charges as part of the service area's need to generate sufficient revenue to meet agreed budget. Under-achievement of revenue targets is a risk for the Council given the current financial climate
- 5.2 The council will review the circumstances of anyone reducing or cancelling services as a result of the revised charges in line with its social work risk management policies.

6. FINANCIAL IMPLICATIONS

- 6.1 The value of additional income from these service users is difficult to quantify due to the changing client base and financial circumstances of people that use the council's social care services.
- 6.2 Additional income generated through these proposed charges will contribute to the savings target required by portfolios as part of the budget setting process.
- 6.3 These fees to be implemented from 6th April 2020.
- 6.4 There are no fees and charges to the public for Public Health services.

7. LEGAL IMPLICATIONS

Under the Care Act 2014 the Local Authority has a power to charge for providing certain care and support packages/services. Where the Local Authority decides to charge for a service, it must comply with the requirements of the Care Act 2014, and other relevant legislation. They must not charge more for these services than is permitted under the Care and Support (Charging and Assessment of Resources) Regulations and must have regard to the Care and Support Statutory Guidance issued by the Department of Health and Social Care.

8. RESOURCE IMPLICATIONS

The work to implement the new charges will be undertaken by the Finance and Commissioning Teams.

9. EQUALITY AND HEALTH IMPLICATIONS

Please select one of the options below. Where appropriate please include the hyperlink to the EIA.

Option 1 ☐ Equality Impact Assessment (EIA) not required – the EIA checklist has been completed.

Option 2 ☒ In determining this matter the Executive Member needs to consider the EIA associated with this item in advance of making the decision. (*insert EIA link here*)

Option 3 ☐ In determining this matter the Executive Board Members need to consider the EIA associated with this item in advance of making the decision. (*insert EIA attachment*)

10. CONSULTATIONS

The impact of the NLW increase and proposals for increases in Residential and Domiciliary care costs for Blackburn with Darwen has been discussed at provider forums and with individual Providers.

The increases in charging are in line with the vast majority of other local authorities.

11. STATEMENT OF COMPLIANCE

The recommendations are made further to advice from the Monitoring Officer and the Section 151 Officer has confirmed that they do not incur unlawful expenditure. They are also compliant with equality legislation and an equality analysis and impact assessment has been considered. The recommendations reflect the core principles of good governance set out in the Council's Code of Corporate Governance.

12. DECLARATION OF INTEREST

All Declarations of Interest of any Executive Member consulted and note of any dispensation granted by the Chief Executive will be recorded and published if applicable.

| | |
|-----------------|----------|
| VERSION: | 2 |
|-----------------|----------|

| | |
|--------------------------|-------------------|
| CONTACT OFFICER: | Mike Banks |
| DATE: | 04/03/2020 |
| BACKGROUND PAPER: | |

EQUALITY IMPACT ASSESSMENT CHECKLIST

This checklist is to be used when you are uncertain if your activity requires an EIA or not.

An Equality Impact Assessment (EIA) is a tool for identifying the potential impact of the organisation's policies, services and functions on its residents and staff. EIAs should be actively looking for negative or adverse impacts of policies, services and functions on any of the nine protected characteristics.

The checklist below contains a number of questions/prompts to assist officers and service managers to assess whether or not the activity proposed requires an EIA. Supporting literature and useful questions are supplied within the [EIA Guidance](#) to assist managers and team leaders to complete all EIAs.

| | | | |
|---------------------------------|-----------------------|--|------------|
| Service area & dept. | Adults and Prevention | Date the activity will be implemented | 06/04/2020 |
|---------------------------------|-----------------------|--|------------|

| | |
|--------------------------------------|--|
| Brief description of activity | Increase to client contributions and charges |
|--------------------------------------|--|

| Answers favouring doing an EIA | Checklist question | Answers favouring not doing an EIA |
|---|--|---|
| <input checked="" type="checkbox"/> Yes | Does this activity involve any of the following: - Commissioning / decommissioning a service - Change to existing Council policy/strategy - Budget changes | <input type="checkbox"/> No |
| <input checked="" type="checkbox"/> Yes | Does the activity impact negatively on any of the protected characteristics as stated within the Equality Act (2010)? | <input type="checkbox"/> No |
| <input type="checkbox"/> No <input type="checkbox"/> Not sure | Is there a sufficient information / intelligence with regards to service uptake and customer profiles to understand the activity's implications? | <input checked="" type="checkbox"/> Yes |
| <input type="checkbox"/> Yes <input type="checkbox"/> Not sure | Does this activity: Contribute towards unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act (i.e. the activity creates or increases disadvantages suffered by people due to their protected characteristic) | <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> Yes <input type="checkbox"/> Not sure | Reduce equality of opportunity between those who share a protected characteristic and those who do not (i.e. the activity fail to meet the needs of people from protected groups where these are different from the needs of other people) | <input checked="" type="checkbox"/> No |
| <input type="checkbox"/> Yes <input type="checkbox"/> Not sure | Foster poor relations between people who share a protected characteristic and those who do not (i.e. the function prevents people from protected groups to participate in public life or in other activities where their participation is disproportionately low) | <input checked="" type="checkbox"/> No |
| FOR =2 | TOTAL | AGAINST =4 |

Will you now be completing an EIA?

☒ Yes

☐ No

The EIA toolkit can be found [here](#)

| | |
|---|--|
| Assessment Lead Signature | Mike Banks |
| Checked by departmental E&D Lead | <input checked="" type="checkbox"/> Yes Justine Westwell <input type="checkbox"/> No |
| Date | 17/01/2020 |