
SOCIAL WORK NON-RESIDENTIAL CHARGING

Report by Director, Social Work & Practice

SCOTTISH BORDERS COUNCIL

16 February 2023

1 PURPOSE AND SUMMARY

- 1.1 This report seeks approval to pause the evaluation of impact on the introduction of a single financial assessment process, equal charge in Extra Care Housing and the introduction of equal charging in Sheltered Housing along with the 5% taper rate increase for financial year 2023/24.**
- 1.2 This report provides the Council with background information on non-residential charging policy, specifically relating to clients in receipt of Housing Support in Extra Care and Sheltered Housing developments and all people who receive a charge.
- 1.3 The Council is asked to consider not proceeding with previous Council charging decisions and scheduled annual uplifts in light of the cost of living crisis. This is with the intention of protecting vulnerable people from additional expenditure and related anxiety during these uncertain times. There is a reputational risk by carrying out an evaluation at this time that may not materially change the Charging Policy, but will certainly increase anxiety.

2 RECOMMENDATIONS

- 2.1 **It is recommended that Scottish Borders Council agrees to:**
 - (a) pause the evaluation of impact on the introduction of a single financial assessment process, equal charge in Extra Care Housing and the introduction of equal charging in Sheltered Housing;**
 - (b) pause the 5% Taper rate increase for financial year 2023/24; and**
 - (c) delegate authority to the Director Social Work and Practice to keep under review and monitor planned increases in Social Work non-residential charging in future years, in the context of the ongoing cost of living crisis.**

3 NON-RESIDENTIAL CHARGING

3.1 The Council approved eight actions at the full council meeting on the 25th November 2021. Five of these actions have been completed and are detailed in Annex 1. Officers have carried out a desktop exercise and engaged with key partners to assess the impact of the three outstanding Council approved actions (b, c & d) in Annex 1:

- An evaluation of impact on the introduction of a single financial assessment process in specific chargeable matters e.g. housing support;
- An evaluation of options for introducing an equal charge, with appropriate individual Financial Assessment, across current and future Extra Care Housing developments;
- The introduction of equal charging, with appropriate individual Financial Assessment, across all current and future Sheltered Housing (housing support) developments. There is a scheduled increase to the taper rate that can be paused if they Council wishes to do so given current cost of living context.

3.2 The desktop evaluation of the financial assessment process, and the evaluation and introduction of average charging in charging for Housing Support and Extra Care Housing is complete and provides a hypothetical impact across all people affected. The next stage would be to engage individually with all those impacted parties and carry out individual financial assessments to establish what people would actually pay if the Council chose to implement it. Recommendation at paragraph 2.1 (a) aims to avoid the potentially stressful process with no other purpose than to further evaluate the likely impact.

3.3 The taper rate increase of 5% has already been applied for the current financial year (2022/23). It was previously proposed to increase this by a further 5% in 2023/24. It is now recommended at paragraph 2.1 (b) to pause this increase in light of the current cost of living crisis.

4 IMPLICATIONS

4.1 Financial

(a) Any charge as a result of implementing a change to the financial assessment process will have a potential impact on service users. In particular vulnerable groups who are in receipt of Attendance Allowance or Personal Independence Payments may be adversely affected.

(b) In term of consideration of an average charge for Extra Care Housing and Sheltered Housing, from an initial analysis (desktop exercise), it is likely that this would be cost neutral to the Council, in as far as some individuals would pay more and some pay less depending on the venue. However until full individual client assessments are carried out, this cannot be confirmed. We do however recognise that the process of individual assessments can be stressful and raise anxiety to some individuals in our community.

- (c) The planned taper rate increase will impact on people currently paying, as it increases the percentage of disposable income they pay as established by a financial assessment. The planned taper rate increase was agreed by Council on a 5% annual basis. There are no financial implications on the 2023/24 revenue budget as the increase in income was not previously budgeted due to uncertainties around increase in the rate, therefore removing the increase in 2023/24 has no cost attached.
- (d) The proposed housing support uplift would be applied based on an average of all Registered Social Housing rent increases in 2022-23. A 4% uplift in line with previous Council Management Team recommendations, would have a potential increase in income for Scottish Borders Council.

4.2 **Risk and Mitigations**

- (a) The reputational risk of engaging already hard pressed, vulnerable tenants, albeit in an evaluation to consider equity, will likely be perceived as the Council attempting to increase costs. While there will be people who will experience a reduction in their charges, the majority will experience an increase, which will only be known fully after direct engagement and undergoing an individual financial assessment.
- (b) There is also a positive reputational opportunity by not implementing the scheduled taper rate increase for 2023/24.
- (c) It is recognised that the Scottish Government announced on the 6th of September 2022 a rent freeze for housing providers and it is noted that if Scottish Borders Council were to progress with some of these actions it could be perceived that the Council were directly impacting upon vulnerable people at the time of a cost of living crisis.

4.3 **Integrated Impact Assessment**

The Integrated Impact Assessment has been updated to incorporate the findings of the desktop exercise. This identifies that those people receiving Personal Independence Payment (PIP) and Attendance Allowance are more likely to be impacted by the proposed change to the financial assessment process.

4.4 **Sustainable Development Goals**

By pausing the increase in the taper rate, this ties in with UN SD Goal 1 (End poverty in all its forms everywhere) by retaining local income; and UN SD Goal 11 (Make cities and human settlements inclusive, safe, resilient and sustainable) by working to make access to affordable housing attainable. Consider each of the UN Sustainable Development Goals (complete the checklist) and decide whether your project/action plan/recommendations will make a difference to any of these. If the answer is yes, then you need to comment here on the specific goals and what the impact/difference is likely to be. If there is no impact/difference, then say so, but bear in mind the Goals are wide ranging – complete the checklist!

- 4.5 **Climate Change**
The proposals in this report will not have any direct impact either positive or negative on climate change.
- 4.6 **Rural Proofing**
The proposals in this report do not impact specifically on those living in a rural area as the policy will be applied across the Borders.
- 4.7 **Data Protection Impact Statement**
There are no personal data implications arising from the proposals contained in this report.
- 4.8 **Changes to Scheme of Administration or Scheme of Delegation**
No changes are required to either the Scheme of Administration or the Scheme of Delegation as a result of the proposals in this report.

5 CONSULTATION

- 5.1 The Acting Chief Financial Officer, the Acting Chief Officer Corporate Governance, the Chief Officer Audit and Risk, the Director (People Performance & Change), the Clerk to the Council and Corporate Communications have been consulted and any comments received have been incorporated into the final report.

Approved by

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Title – Director Social Work & Practice

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Background Papers: N/A

Previous Minute: Scottish Borders Council – 25 November 2021

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. Michael Curran can also give information on other language translations as well as providing additional copies. Contact Michael Curran, Programme Manager, Business Change and Improvement, 01835 824000 ext. 5939, mcurran@scotborders.gov.uk

Annex 1

	Council Approved Actions (8)	Supporting Information
a	the continuation of a co-production approach to the development of the new Charging policy to be used from the 1 st April 2022;	<p>A completely refreshed co-produced policy has been in place since beginning of April 2022</p> <p>https://www.scotborders.gov.uk/download/downloads/id/337/charging_policy_2022-23.pdf</p> <p>An additional task to produce an easy read policy has just been completed and will be circulated for final review before circulation</p>
b	an evaluation of impact on the introduction of a single financial assessment process in specific chargeable matters eg Housing Support;	<p>A desktop exercise has been carried out along with discussions with Registered Social Landlords. During these discussions the reputational risk was highlighted. Further details as follows:</p> <p>Housing support is provided in Sheltered Housing complexes. At present tenants who receive Housing Benefit (HB) do not go through the same financial assessment as those who are not recipients of HB (NB net effect – disability benefits are disregarded in the HB process, but not with the SW financial assessment process).</p>
c	an evaluation of options for introducing an equal charge, with appropriate individual Financial Assessment, across current and future Extra Care Housing (ECH) developments;	<p>A desktop exercise has been carried out along with discussions with Registered Social Landlords. During these discussions the reputational risk was highlighted. Further details as follows:</p> <p>ECH provides onsite 24 hr support. At present each individual site has a unique charge calculated by the overall eligible cost divided by the number of properties.</p>
d	the introduction of equal charging, with appropriate individual Financial impact assessment, across all current and future Sheltered Housing (housing support) developments;	<p>A desktop exercise has been carried out along with discussions with Registered Social Landlords. During these discussions the reputational risk was highlighted. Further details as follows:</p> <p>Housing support provided in Sheltered Housing complexes. At present each individual site has a unique charge calculated by the overall eligible cost divided by the number of properties.</p>
e	the linking of the Direct Payment rate to the Scottish Living Wage ;	The Direct Payment Rate has now been linked to the Scottish Living Wage and amendments made. This will no longer be within the scope of the Annual Charging policy and will now come under the remit of the SDS Working Group
f	the linking of the Short Breaks rate paid to unpaid carers to the Residential costs set by the Scottish Government;	The Short Breaks Rate has now been linked to the residential costs set by the Scottish Government. This will no longer be within the scope of the Annual Charging policy and will now come under the remit of the SDS Working Group
g	A 5% increase in the taper rate for 2022/23 and a 5% annual increase until 90% is reached;	This has now been applied for current and future financial years and has been highlighted for discussion in this paper.
h	The linking of meals at home charges to the national Excel contract.	Invoices were sent out with the new charge for microwaves and freezers from 1 st April 2022. The Apetito contract has been agreed by Scotland Excel and Apetito and has been applied locally from 9 th January 2023.

