

# Norfolk County Council

## Record of Individual Cabinet Member Decision

### COVID-19 impact on MIG and PIP Charging Increases 2020/21

<b>Responsible Cabinet Member: Councillor Borrett (Cabinet Member for Adult Social Services)</b>	
<b>Background and Purpose:</b> Changes to the Adult Social Care charging policy were agreed by Council in 2019 with a staged implementation over 3 years. The initial phase of implementation took place in 2019/20 and the second phase began to be implemented in April 2020. As a response to the Coronavirus pandemic and the risks that this poses to service users financially, a decision is required to use national COVID-19 monies to temporarily mitigate the impact of the charging increases. This paper seeks that decision and recommends an option to enable this. The cost to the Council if this was suspended for 16 weeks is forecast at £1m.	
<b>Decision:</b>  To use Government COVID-19 funding to temporarily mitigate the impact of the second phase of charging increases specifically relating to Minimum Income Guarantee (MIG) and Personal Independence Payment (PIP).	
<b>Is it a key decision?</b>	<b>No</b>
<b>Is it subject to call in?</b> <b>If Yes – Deadline for Call in</b>	<b>No</b>  <b>N/A</b>
<b>Impact of the Decision:</b> 2394 service users who would have seen an increase in charges for services received from April, specifically due to the treatment of the minimum income guarantee and personal independence payments, will have these changes suspended for at least 16 weeks. This will continue to be reviewed throughout the emergency period.	
<b>Evidence and reason for the decision:</b> Concern that there could be additional financial impact to individuals during the uncertainty of the coronavirus period.	
<b>Alternative options considered and rejected:</b> No alternative decision in principle. Different methods for administering the suspension are set out in the paper.	
<b>Financial, Resource or other implications considered:</b> <a href="#">Forecast cost to Norfolk County Council is £1m for the 16 week period</a>	
<b>Record of any conflict of interest: None identified</b>	

**Background Documents:**

County Council Budget – February 2019

**Date of Decision:****6 April 2020****Publication date of decision:****7 April 2020****Signed by Cabinet member:**

I confirm that I have made the decision set out above, for the reasons also set out

**Signed:****Print name: Bill Borrett****Date: 6 April 2020****Accompanying Documents:**

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Once you have completed your internal department clearance process and obtained agreement of the Cabinet Member, send your completed decision notice together with the report and green form to [committees@norfolk.gov.uk](mailto:committees@norfolk.gov.uk)

# Report to Cabinet

Item No.

<b>Report title:</b>	<b>COVID-19 impact on MIG and PIP Charging Increases 2020/21</b>
<b>Date of meeting:</b>	<b>N/A</b>
<b>Responsible Cabinet Member:</b>	<b>Bill Borrett, Cabinet Member for Adult Social Care and Public Health</b>
<b>Responsible Director:</b>	<b>James Bullion, Executive Director of Adult Social Services</b>
<b>Is this a key decision?</b>	<b>No</b>

## **Executive Summary/Introduction from Cabinet Member**

This proposal is to use Government COVID-19 funding to temporarily mitigate the impact of the second phase of charging increases specifically relating to Minimum Income Guarantee (MIG) and Personal Independence Payment (PIP). This is a response to the Coronavirus pandemic and the risks that this poses to service users financially. The temporary measures will result in a reduction in income of just in excess of £1m, which will be funded through the Council's temporary funding for coronavirus related costs. The paper sets out the practical arrangements for adjusting individuals' payments to take account of the compensatory effect of COVID-19 national funding.

### **Recommendations**

- a) It is recommended that Cabinet approves option 2.4 of this report to be agreed for implementation**

## **1. Background and Purpose**

- 1.1. Changes to the Adult Social Care charging policy were agreed by Cabinet in 2019 with a staged implementation over 3 years. The initial phase of implementation took place in 2019/20 and the second phase began implementation early in April 2020, before the full impact of the COVID-19 was apparent.
- 1.2. The second phase changes relate to a reduction in the MIG for working age adults and the taking full account of the enhanced PIP in a service users financial assessment.
- 1.3. The additional income from the changes to the charging policy formed part of Adults 2020/21 saving programme.
- 1.4. The second phases impacts 2,394 service users with a mixture of those that receive commissioned services and those with Direct Payments.

<b>Impacted By</b>	<b>Number of Service Users</b>
MIG and PIP	1,571
MIG only	566
PIP only	257
Total	2,394

- 1.5. Given the impact of COVID-19, it has been agreed to use some of the Government emergency fund to cover the cost of the increase for 16 weeks.
- 1.6. As mentioned above there is a mixture of service users in receipt of Direct Payments and Commissioned Services. Those that receive Direct Payments will have already been impacted by the changes to charging policy with their most recent payment having been netted down to take that in to account. For those in receipt of commissioned services only they will not be billed for the services received from April onwards until early June 2020.

## **2. Options**

### **2.1. Produce a Cheque**

A cheque to be produced and sent to each service user that matches the increase in charge they are being asked to pay due to the MIG and PIP changes.

The challenge with this would be the need for the service user to bank the cheque.

### **2.2. Make one off payment by bank transfer**

The Council does not currently hold the bank account details of service users and would need to contact everyone and collect this information to enable a bank transfer to take place.

### **2.3. Credit Oracle Account**

A credit could be placed on the Oracle account for each service user. Service users would be invoiced the full amount but their Oracle account would have the relevant credit placed on it.

This could well be misleading and lead to confusion unless additional letters are sent out.

### **2.4. Roll Back MIG and PIP changes in Controcc.**

It is possible to manually roll back the changes made as part of the annual up lift and it is proposed that this is done specifically for the MIG and PIP rates which were previously revised.

This is a manual process but should allow us to cleanly be able to bill service users going forward and will compensate Direct Payment holders accounts. It is believed this can be done in approximately the next 10 days which will be in time for the next Direct Payments pay run. Letters to all of those impacted by the suspension will be sent out as soon as the changes have been implemented.

## **3. Financial Implications**

- 3.1. This temporary suspension of the changes will result in a reduction in income of just in excess of £1m, which will be funded through the Council's temporary funding for coronavirus related costs.

## **4. Other Implications**

- 4.1. All options considered set out above.

## **5. Equality Impact Assessment (EqIA)**

- 5.1 No EqIA undertaken

## **6. Risk Implications/Assessment**

- 6.1 There is likely to be an element of manual process involved to these changes and that means a level of risk of human error whilst making the changes, controls will be put in place to attempt to reduce the impact of error to an acceptable level.

## **7. Select Committee comments**

- 7.1 N/A

## **8. Recommendation**

- 8.1 a) It is recommended that Cabinet approves option 2.4 of this report to be agreed for implementation

## **9. Background Papers**

- 9.1 None

### **Officer Contact**

If you have any questions about matters contained in this paper, please get in touch with:

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