For:	(x)
DMT	☒

Meeting Date: 09.03.21
Report of: S Cartwright
Report author: L O'Byrne

Agenda Item Number:
Report intended for (please delete as appropriate)
CLMT
Executive
Joint Board
Scrutiny
Admin Committee

Subject: Uplifts 2020-2021	Consultations:	(x)
	Councillors	☐
(For Executive Only)	Scrutiny	☐
Lead Executive Member(s):	Stakeholders	☐
Wards Affected: All	Others	☐

Recommendations

DMT are asked to**: agree the proposed uplifts for 2021/22 and note the risks regarding this.**

Background

This paper will set out the approach to uplifts for providers of adult social care services. DMT are asked to: **note the approach and the risks associated with this approach.**

The Current Position

The Council meeting in February agreed as part of the 2021/22 budget for a maximum uplift of 2.04% to be paid to 100% of in-borough and 50% of out-of-borough providers. The 2.04% covers both the living wage and inflation. There is an expectation that providers receive an uplift to at least cover the cost of inflation including uplifts to the living wage.

The uplift will be offered to in borough providers but, as in previous years, it will only be offered to external providers on request. This is consistent with the approach of trying to support people close to home and supporting the Luton market.

It is important to recognise that there are significant risks, (outlined below), around only offering this uplift. The offer letter to providers will clearly set out the well-publicised pressures that the council is under due to the impact of Covid on our finances. It is likely however that there will be requests from providers to reconsider our position and offer an increased amount.

In previous years our approach with our out-of-borough providers has been to match (with evidence) what their host borough is paying in terms of an uplift. Advice was received from legal last year which suggested that if we did not do this we may be subject to challenge. Due to our financially constrained position I should like to vary from this approach as, in my view, there is a lack of fairness if we offer a higher uplift than to our in-borough providers. Legal will be contacted again to ask for a view on this position.

Detailed modelling has been carried out as part of the uplift process and a paper setting out the budget for the different client groups is being prepared and will be available to DMT members in due course.
Key Risks
Many providers have had significant pressures on their costs this year as a result of Covid: There have been a range of supports offered locally and nationally to assist with these. Some of these pressures are currently on-going, for example, social distancing, enhanced PPE and the need for staff to self-isolate following potential or actual Covid exposure. We have already seen requests coming from organisations which are in excess of the figure that we have available for uplifts which are citing these additional costs. In order to mitigate this risk we have put in a request for local support funding from the Council's Q1 allocation. **Luton pay significantly less for adult services that neighbouring councils:** This gap is set to increase as at least one neighbouring local council is paying a 4% uplift for some adult services. Due to the proximity of other councils to Luton some providers prefer to work with those areas. In order to mitigate this risk our commissioners, quality and placement staff work hard to develop and maintain positive relationships with the providers but this is likely to be even more challenging as the financial gap continues to grow. **Sleep-In rates:** Uncertainty remains regarding the impact of the Sleep In Supreme Court judgement on the Council. This is due to report on Friday 19th March and any impact of the judgement will be reported to DMT in due course
Communications/Consultations: A letter clearly setting out the offer and the council's position will be sent to all in-borough providers and external providers who make a request.

IMPLICATIONS

If the report is intended for Executive
- Grey boxes must be completed all statements must be cleared by an appropriate officer

For CLMT Reports
- grey boxes must be completed Clearance is not required

		Clearance to be agreed by:
Legal		
Finance		
Equalities		
Environment		

Community Safety		
Staffing		
Other		