

Thurrock Council

Community Equality Impact Assessment

Service area and lead officer

Name of service	Adult Social Care
CEIA Lead Officer	Marie Stepney
CEIA Lead Officer job title	Customer Finance Team Manager
CEIA Lead Officer email address	mstepney@thurrock.gov.uk

Subject of this assessment

What specific policy, strategy, function or service is the subject of this assessment?
Direct Debit for non-residential and Residential client contribution charges
Borough-wide or location-specific?
<input checked="" type="checkbox"/> Borough-wide <input type="checkbox"/> Location-specific – please state locations below.
Click or tap here to enter text.
Why is this policy, strategy, function or service development or review needed?

As a result of the Care Act 2014 and the Charging Framework, the Council has a statutory obligation to financially assess for a client contribution towards residential services. Whilst non-residential services are not considered a statutory duty, the Local Authority has chosen to charge for non-residential services for maximization of income. The Local Authority raises £10 million in non-residential and residential income per financial year. Charging for residential and non-residential care services are covered by the Council's Adult Social Care Charging Policy.

Data analysis suggests that having a Direct Debit facility will enhance Cash Flow and provide the Council with accurate and up-to-date 'real time' information. By integrating the direct debit data into Oracle's financial management modules, the Council can gain real-time visibility into cash inflows, enabling better decision-making and forecasting. With direct debits, the Council will have greater control over payment collection, minimizing the risk of payment delays, disputes, or non-payment. This leads to improved financial stability and reduced debt level. If the Department can reduce the debt level, then the bad debt contribution each year, which is a revenue budget, can be reduced and will result in a saving. Direct debits offer convenience to customers by automating the payment process. This reduces the chances of late payments, improves customer satisfaction, and strengthens customer relationships. Direct debits will be offered as a new form of payment alongside the current methods (Standing orders, bank transfer, Post Office payments, online and telephone payments). Direct debit will provide a more efficient method of payment for customers, allowing them to budget their finances more effectively. This enables better tracking, monitoring, and auditing of payment collections, improving financial control and compliance.

1. Engagement, consultation and supporting information

- 1.1. What steps you have taken, or do you plan to take, to engage or consult (where applicable) the whole community or specific groups affected by this development or review? **This is a vital step.**

Steps you have taken, or plan to take, to engage or consult

Non applicable: it is an additional option for service users to pay their bills via a Direct Debit facility. All other bill payments options will still be available to the bill payer.

- 1.2. What data or intelligence sources have you used to inform your assessment of the impact? How have these helped you understand who will be affected by the development or review?

Sources of data or intelligence, and how they have been used

Out of the 336 clients who have active standing orders and are actively being invoiced, please see below breakdown of payments compared to invoice amount:

- 203 clients – Payment received matched the invoice amount.
- 71 clients (21%) – Payment received less than the invoice amount.
- 62 clients (18%) – Payment received more than the invoice amount.

In July 2023 there were 21% of clients whose Standing Order (STO) did not cover their invoice meaning a potential loss of income totalling to £22,115.48. Converting people from STO to payment by Direct Payment is likely to reduce the risks of shortfalls, however there will still be procedures in place to monitor Direct Debit accounts by the Debt Recovery Team.

The cost of each direct debit will be 6p per transaction. Based on 383 direct debits every 4 weeks, there would potentially be a maximum total transaction charge of £298.74 across a financial year. (13 invoices raised through the year) This figure however may change as we cannot predict uptake and some people will continue to prefer non-Direct Payment forms of payment. All other methods of payment will still be available.

Overall, there is an element of savings with the implementation of Direct Debits within Customer Finance as we would hope to see a reduction in debt levels, which would therefore reduce the bad debt within the revenue budget resulting in a saving. Although this is what we envisage, the data that is readily available is very restrictive and it is difficult to determine the exact impact the direct debits will have. It will however be a more effective and robust form of payment for both Thurrock Council and as part of the overall customer experience.

- £22115 shortfall in collections per month due to standing order system
- Direct debit improves collection rates by 40%
- Additional income per month = £22115 x 0.4 = £8,846
- Additional income per annum = £8,846 x 12 = £106,152
- Additional cost of direct debits = £298
- Net saving = £105,842

The majority of people contributing towards the cost of their service are older people. Whilst the majority of people will be familiar with and comfortable with a direct payment, any impact will be negated by retaining other forms of payment – e.g. Standing Order.

2. Community and workforce impact

2.1. What impacts will this development or review have on communities, workforce and the health and wellbeing of local residents?

Communities and groups	Positive	Neutral	Negative	Summary of positive and negative impacts	How will positives be maximised, and negatives minimised or eliminated?
Local communities in general	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The Direct Debit function will have a positive effect on the service user if they choose to take up the Direct Debit offer. The service user will not have to keep uplifting the DD as the STO you have to uplift each time you have a financial assessment	When undertaking a financial assessment, Direct Debit payments will be suggested as the preferred mode of payment.
Age	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The Direct Debit is a better option for the most vulnerable service users or those after the pension age as they will not have to travel to the bank or building society to set up Direct Debit.	When undertaking a financial assessment, Direct Debit payments will be suggested as the preferred mode of payment.
Disability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The Direct Debit will have a positive impact on a person with a disability as the local authority will set up the Direct Debit and the admin pressures will not be dependent on the service user to make journeys to the bank and will not have to complete the STO mandate.	When undertaking a financial assessment, Direct Debit payments will be suggested as the preferred mode of payment.
Gender reassignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Non Applicable	Click or tap here to enter text.
Marriage and civil partnership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Non Applicable	Click or tap here to enter text.
Pregnancy and maternity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Non Applicable	Click or tap here to enter text.
Race	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Non Applicable	Click or tap here to enter text.

Communities and groups	Positive	Neutral	Negative	Summary of positive and negative impacts	How will positives be maximised, and negatives minimised or eliminated?
Religion or belief	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Non Applicable	Click or tap here to enter text.
Sex	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Non Applicable	Click or tap here to enter text.
Sexual orientation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Non Applicable	Click or tap here to enter text.
Location-specific impact, if any	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	If the Lasting Power of Attorney is in another borough the Direct Debit facility is a far easier option. There are certain areas within Thurrock, Bulphan, Aveley and Fobbing there are no banks in these areas. Therefore, making the Direct Debit the preferred option.	When undertaking a financial assessment, Direct Debit payments will be suggested as the preferred mode of payment.
Workforce	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Whilst the ownership will be on the team for the admin function of setting up the Direct Debit, it will ensure future payments are correct and therefore less data checking.	Training for staff to ensure that they are encouraged to promote payment by DP when appropriate.
Health and wellbeing of residents	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Direct Debit will enable people to manage money better as the direct debit will automatically transfer therefore the option to spend the cash prior to bill payment will be less of an issue as money is taken.	When undertaking a financial assessment, Direct Debit payments will be suggested as the preferred mode of payment.

Communities and groups	Positive	Neutral	Negative	Summary of positive and negative impacts	How will positives be maximised, and negatives minimised or eliminated?
Socio-economic outcomes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The stress and inconvenience of setting the standing order up is removed from the service user and the local authority then has the responsibility and control over payments to set the Direct Debit up for payments.	When undertaking a financial assessment, Direct Debit payments will be suggested as the preferred mode of payment.
Veterans and serving members of the armed forces	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Non Applicable	Click or tap here to enter text.

3. Monitoring and review

3.1. How will you review community and equality impact once the policy, strategy, function or service has been implemented? These actions should be developed using the information gathered in sections 1 and 2 and included in your service area's business plans.

Action	By when	By who
The Customer Finance Team Manager will compare lost income to new data that is run to see if the position has improved.	From a comparison of the previous year's data to the data when the Direct Debit was implemented.	Customer Finance Team Manager.
Review any additional feedback from engagement and update this CEIA accordingly	January 2024	Marie Stepney
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4. Next steps

4.1. The information gathered must be used to inform reports presented to Cabinet or overview and scrutiny committees. This will give members a necessary understanding of the impact their decisions will have on different groups and the whole community.

Summarise the implications and customer impact below. This summary should be added to the committee reports template in the Diversity and Equality Implications section for review and sign-off at the consultation stage of the report preparation cycle.

Summary of implications and customer impact

Adult Social Care debt is currently £2.3 million. The implications moving forward is the loss of income to the local authority. Enabling people to pay by Direct Debit will help to reduce any debt thereby reducing the impact on the Council. It will also have positive benefits for people paying by Direct Payment – e.g. in areas that do not have banks and also that the onus to set up the Direct Payment is on the Local Authority and not on the individual like a Standing Order. This function will minimise manual payment requirements as a default method and being able to offer a secure and automated process that can assist our most vulnerable customers to remain independent in their money management. By not having this facility there will be less customer satisfaction and payment choice.

5. Sign off

5.1. This Community Equality Impact Assessment must be authorised by the relevant project sponsor, strategic lead, or assistant director. This should not be the CEIA Lead Officer. Officers authorising this assessment are responsible for:

- the accuracy of the information
- making sure actions are undertaken

Name	Role	Date
Ceri Armstrong	Head of ASC Transformation and Commissioning	20 th October 2023
Jayne Middleton-Albooye	Interim Head of Legal Services	3 rd November 2023
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