

DIRECT PAYMENTS

Purpose of Report

1. To give Members background information to inform scrutiny of Direct Payments.

The following appendices are attached:

- **Appendix A** – Process Map detailing ‘As Is’
 - **Appendix B** – Process Map detailing ‘To Be’
 - **Appendix C** – Presentation Slides.
2. The Cabinet is scheduled to consider a report regarding Direct Payments at their meeting on 19 January 2017. At this committee meeting Members will have the opportunity to hear from internal witnesses on the work to date to develop recommendations for the Cabinet to consider. Members will be able to decide whether they wish to send comments, observations or recommendations to the Cabinet Member and officers for consideration when finalising the approach to Direct Payments.

Background

3. The Social Services and Well-being (Wales) Act 2014 sets out the duties of a local authority in meeting needs for care and support, or support in the case of a carer, following an assessment. The Part 4 Code of Guidance (meeting needs) details the requirements and guidelines for local authorities regarding direct payments; this is available on the Care Council for Wales’ website at:

<http://www.ccwales.org.uk/getting-in-on-the-act-hub/>

4. The Code of Guidance states:

'Direct payments are monetary amounts made available by local authorities to individuals, or their representative, to enable them to meet their care and support needs; or in the case of a carer, their support needs. Direct payments are an important mechanism by which people can exercise choice, voice and control to decide how to meet their needs for care and support and achieve their personal outcomes. As such direct payments are an integral part of meeting people's needs through care and support planning, and must not be seen as a separate, secondary, consideration.'

5. The Code of Guidance details the requirements for local authorities, including:

- a. Developing a direct payment scheme that is responsive to solutions and outcomes, relevant to communities, by working in partnership with local care and support providers to support initiatives including the development of citizen led direct payment cooperatives and social enterprises;
- b. Providing appropriate and accessible information and support services so that people can decide whether they wish to receive direct payments;
- c. Ensuring direct payments are available in all eligible cases where they enable personal outcomes to be achieved;
- d. Being innovative and creative to find ways a direct payment can secure personal outcomes;
- e. Exploring all options for supporting the individual to manage a direct payment and ensure the correct level of support to overcome barriers is available;
- f. Working in partnership with the individual, or their representative, to agree how direct payments secure care and support that varies over time;

- g. Promoting self-management by encouraging and supporting people to find creative, flexible and innovative ways to maximise their personal outcomes;
 - h. Ensuring recipients, or their representatives, are full aware of their legal responsibilities as an employer and that they receive support and resources to manage these responsibilities;
 - i. Ensuring the value of a direct payment is equivalent to its estimate of the reasonable cost of securing the care and support required, including the inherent costs associated with being a legal employer;
 - j. Reviewing direct payments arrangements by 6 months after the first payment and no later than 12 months following the first review.
6. The Code of Guidance also provides details in relation to health and safety, risk assessments and financial monitoring. Overall, the Act extends the requirements on local authorities in respect of Direct Payments.
7. Direct Payments can be used to meet care and support needs in a variety of ways, including: employing a personal assistant; using agency support; undertaking activities in the community; purchasing aids and minor adaptations; and respite care.

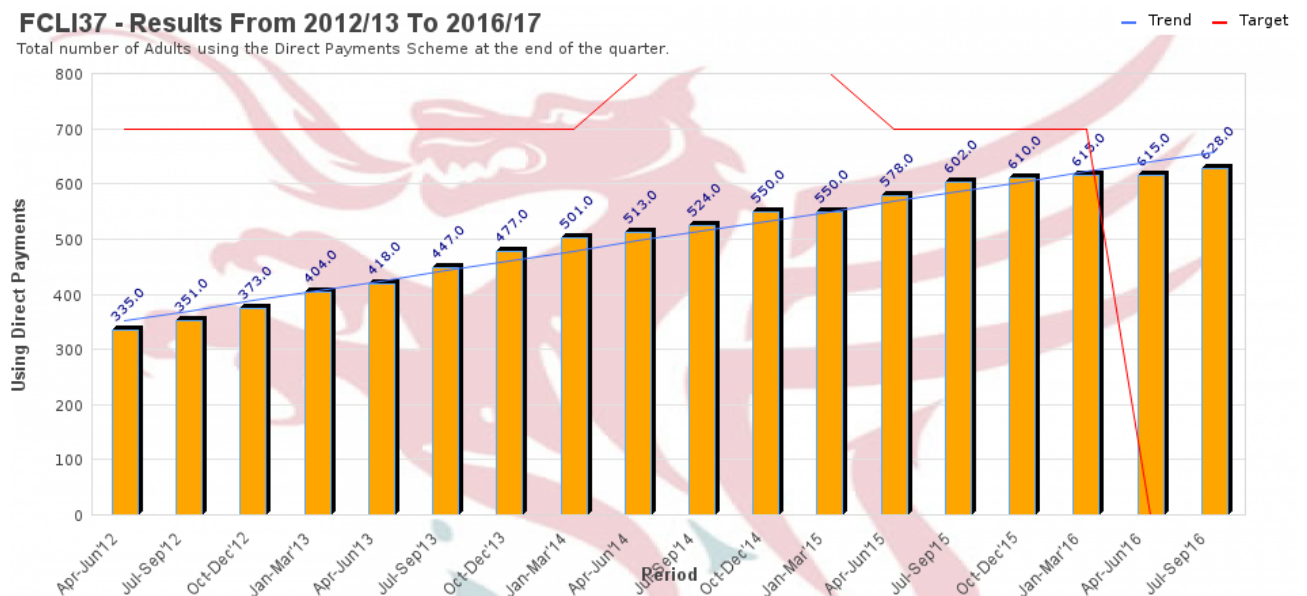
Current Position

8. Cardiff Council has operated a Direct Payments scheme since 1996, with the aim of increasing independence, choice and control and promoting social inclusion. The scheme sets out that service users can either employ a Personal Assistant (PA) or an agency. The Council currently offers two separate hourly rates for these, of £10.02 for a PA and £11.96 for an Agency.

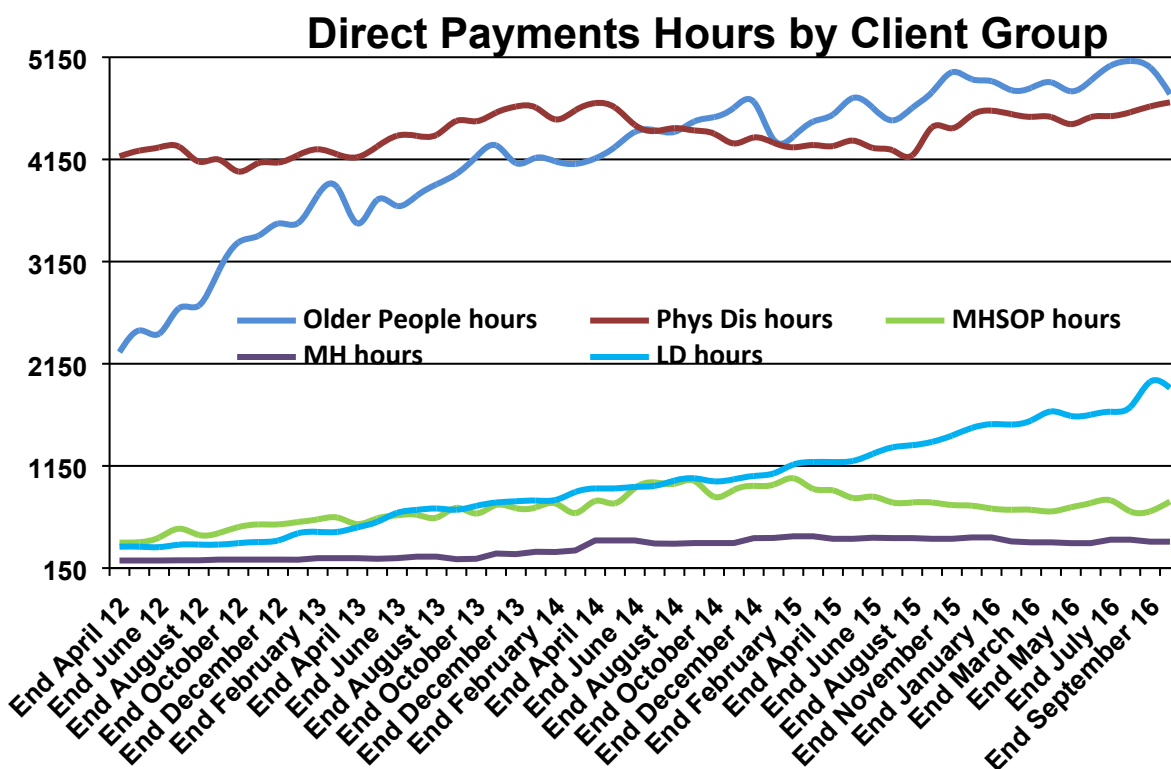
9. In 2005, the Cardiff and Vale Coalition for Disabled People (now part of Diverse Cymru) was appointed to provide a support service to service users who wished to recruit a Personal Assistant or use an Agency. Following feedback from service users, the scheme was extended to include support with banking via managed accounts. The value of this contract is approximately £700,000 per annum, with a fixed annual fee for the first twelve months of £881 per person and £721 post twelve months per person.

10. The Council’s Corporate Plan 2016-18 contains a commitment to ‘Continue to increase the uptake of direct payments as an alternative to direct provision of care for Cardiff adult residents with care and support needs in line with the Social Services and Well-being (Wales) Act by 2017’, with a target of 750 adults using the Direct Payments Scheme in 2016/17.

11. The number of Direct Payments service users has increased steadily from 2012, with 628 adults using the Direct Payments Scheme at the end of September 2016, as shown in the chart below taken from the Council’s Improvement System (CIS):



12. The graph below (provided by Adult Social Services) shows the trends for each client group in terms of the numbers of hours of care provided via Direct Payments. This shows that Older People have the most hours provided via Direct Payments, along with people with physical disabilities. The client groups with the lowest number of hours of care provided via Direct Payments are people requiring mental health services and mental health services for older people.



Review of Direct Payments

13. The Budget agreed by Full Council on 25 February 2016 included a saving of £200,000 from a review of the administrative arrangements for Direct Payments, including 'the *current contract with a support provider. Consideration to be given to alternative service delivery focussing on quality and best use of resources whilst continuing to maintain existing service user support to those receiving a direct payment.*'

14. The Council's Forward Plan shows a report on Direct Payments is scheduled to be taken to Cabinet on 19 January 2017; the information for this item states that *'The direct payment service has been reviewed and it is proposed to deliver a revised model and delivery of service to optimise that there is choice and control for the citizen.'*
15. Attached at **Appendix A** is a process map, prepared as part of the review, illustrating the current position, termed 'As Is'. This shows the referral routes into Direct Payments, the assessment processes, the role of Diverse Cymru's Support Service, the steps to set up a direct payment and the monitoring that happens once a direct payment is established.
16. Attached at **Appendix B** is a process map, prepared as part of the review, illustrating the 'To Be' position. This shows an updated process to reflect the changes required by the Social Services and Well Being (Wales) Act 2014, including a well being assessment and the option to use direct payments for residential care. It also shows process changes aimed at improving the service user experience, with a joint visit by the case manager and independent living visiting officer rather than separate visits. The process map also includes a heading of 'Package Setup Visit'.
17. Attached at **Appendix C** is a copy of the presentation to be given at this meeting, which includes the following:
 - a. Slide 5 – reasons for reviewing the process
 - b. Slide 6 – journey to date
 - c. Slide 7 - consultation results
 - d. Slide 8 – issues encountered with current arrangement
 - e. Slides 9 to 14 – options under consideration and rationale for these
 - f. Slide 15 – timeline.
18. The presentation states that there are three options under consideration: Internal Provider; External Provider; or a hybrid of these. Officers will take Members through these at the meeting.

Previous Scrutiny

19. This Committee has scrutinised direct payments as part of regular performance monitoring scrutiny. Members also heard, at their joint meeting with the Children and Young People Scrutiny Committee 17 December 2015, that the CSSIW had praised progress in improving the take-up of Direct Payments and that the contract for direct payments provider was being reviewed.
20. Members also scrutinised the 2016/17 budgetary proposals at their meeting on 15 February 2016 and made the following comment regarding the proposed saving:

*'Line 145 – Members note that the existing contract will expire in January 2017 and the £200,000 saving should flow from the 3 months thereafter. Members also note the comments that the Local Safeguarding Adults Board wishes to raise awareness of the risks of financial abuse and that work on this area should happen this year.'*¹

Way Forward

21. Councillor Susan Elsmore (Cabinet Member – Health, Housing and Wellbeing) will be invited to make a statement. Sarah McGill, (Director of Communities, Housing and Customer Services and Senior Responsible Officer for this project), Tony Young (Director of Social Services), Amanda Phillips (Assistant Director of Social Services – Adults and Project Lead for this project), Denise Moriarty (Project Manager) and Samantha Harry (Commissioning and Procurement) will be in attendance.
22. Officers will give a presentation, as attached at **Appendix C**. Members will be able to ask questions relating to the information.

¹ Letter from Cllr McGarry to Cllr Bale, dated 16 February 2016

Legal Implications

23. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

24. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATIONS

25. The Committee is recommended to:

- a. consider the information in the report, appendices and at the meeting;
- b. decide whether they would like to make any comments, observations or recommendations on this matter; and
- c. decide the way forward for any future scrutiny of the issues discussed.

DAVINA FIORE
Director of Governance and Legal Services
01 December 2016