
DRAFT CABINET REPORT - DIRECT PAYMENTS FOR VULNERABLE PEOPLE

Purpose of Report

1. To give Members the opportunity to review and comment on the draft Cabinet report copy attached at **Appendix 1**. The Cabinet is scheduled to consider a report regarding Direct Payments at their meeting on 19 January 2017.
2. At this Committee meeting, Members will have the opportunity to hear an explanation of the approach to be taken for the recommissioning of Direct Payments support services in line with the implementation of the Social Services and Wellbeing (Wales) Act 2014.

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.
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.

Review of Direct Payments

11. 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.'*

Previous Scrutiny

12. The Community and Adult Service Scrutiny Committee (CASSC) scrutinised Direct Payments at its meeting on 7 December 2016, prior to the drafting of the Cabinet report. CASSC considered the review options and options for the future. Members also noted that the objectives of improving arrangements for those using Direct Payments by simplifying the referral pathway and increasing choices. Members also noted the aim of achieving value for money for the Council whilst ensuring quality of provision. Underpinning these is the need to increase the numbers of personal assistants available to provide care and support. CASSC Members support these goals, which will help the Council meet its legal duties.

13. Following the CASSC's consideration of the proposals Members requested the following information to be made available about what the arrangements would look like in practice, prior to their pre-decision scrutiny of Direct Payments. In particular, Members requested more information on:

- a. The respective roles of Social Services and Preventative Services in the new pathway;
- b. The monitoring requirements built into the specification;
- c. The evaluation criteria and weighting;
- d. The transition arrangements, to ensure continuity and no detriment to service users.

14. The Members of CASSC also wrote to state that they *“recognise that there is a real opportunity to make a difference for service users and carers by ensuring the Direct Payment system works for them. Members also recognise the need to ensure value for money for the Council. However, Members are concerned about the tight timescales outlined at the meeting. Members recognise that officers are working hard to deliver to these timescales. However, Members would like assurance that more time will be taken if it is needed to ensure that the best possible scheme is developed”*.

Issues

15. The Cabinet report indicates that the preferred model would be one organisation delivering the Support and Managed Accounts Service across the City. This would provide the benefits of one organisation to deliver an effective model which takes into account the service users' feedback supporting a single organisation as a point of contact, and the success of the 'one- stop shop' element. There are a number of experienced providers in the Direct Payments market that could provide valuable and effective service to service users of Cardiff, and this could be accessed through a combined tender.

16. It is proposed that the contract for Direct Payments will be delivered as a whole package by tendering to the market for providers. The Social Services Directorate will procure a sustainable Direct Payment service expecting providers to deliver services which meet the outcomes of individuals as set out in their support plans, offering individuals more choice, control and independence in their lives.

17. It is also proposed that providers will be secured through appointment to a three year contract with the option to extend for three further years if they are delivering the best value, quality of service and cost.
18. If the proposed recommendation is approved, all stages of the procurement process would provide delegated authority to the Director of Social Services in consultation with Cabinet Members for Finance and Health, Housing and Wellbeing, the Council's Section 151 Officer and the Director of Governance and Legal Services, to determine all aspects of the procurement process up to and including the award of contracts and all ancillary matters pertaining to the procurement.
19. In light of the tight timescales in which it is working, the Directorate is considering the use of the Open procedure, although this will be subject to a separate report (Director level) if recommendation 2 of the Cabinet report is approved.

Scope of the Scrutiny

20. Members are requested to review the details within the draft Cabinet Paper, presentation and answers to Members' questions, and consider whether the Committee agrees with the recommendations set out in the Cabinet report. Also, to provide comments, concerns and recommendations for the Cabinet Member to take into consideration prior to the Cabinet's consideration of the report on 19 January 2017.
21. The Community and Adult Service Scrutiny Committee will also be undertaking pre-decision scrutiny of the draft Cabinet report at its meeting on 18 January 2017, following which it will provide its own comments and concerns to the Cabinet.

Way Forward

22. Councillor Susan Elsmore (Cabinet Member – Health, Housing and Wellbeing) and Councillor Sue Lent (Cabinet Member for Early Years, Children & Families) has been invited to make a statement. Tony Young (Director of Social Services), will be in attendance, to present the report, copy attached at **Appendix 1** and answer any questions.
23. Members may also wish to consider the information and recommendations contained in the draft Cabinet report and the comments provided by the Cabinet Members and Director of Social Services, and provide any comments, advice or recommendations to the Cabinet Member prior to the Cabinet's consideration of the report on 19 January.

Legal 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 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

25. 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

26. The Committee is recommended to:

- a. consider the information in the report, appendices and at the meeting and provide any comments, concerns or recommendations to Cabinet prior to their consideration of the report on 19 January 2017;
- b. decide the way forward for any future scrutiny of the issues discussed.

DAVINA FIORE
Director of Governance and Legal Services
4 January 2017