

WIRRAL COUNCIL

CABINET : 20 SEPTEMBER 2007

REPORT OF THE DIRECTOR OF ADULT SOCIAL SERVICES

SERVICE RE-ENGINEERING - DIRECT PAYMENTS

Executive Summary

This report seeks Cabinet approval to re-organise Direct Payments support to people in Wirral. This follows significant growth in the scheme since its inception in 2001 and a comprehensive service review in 2006.

1 Background

- 1.1 Direct Payments are payments made to people with disabilities and carers who, following an assessment of their needs under the Fair Access to Care Criteria (FACS), choose to arrange all or some of their own care rather than have it arranged by the Council.
- 1.2 There are currently 400 service users in the scheme which has been in operation since 2001 and it has been one of the fastest growing schemes in the country, accounting for over 400,000 hours of care per year. The projected spend in 2007-08 is £3.4 million. The standard unit cost of a Direct Payment is £8.10 per hour compared to the average tendered price for home care of £12.70. Therefore for every 50 new Direct Payments care packages that are set up it is calculated there is an annual procurement efficiency saving of £50,000 which has built in to the Medium Term Financial Plan.
- 1.3 The continued growth of Direct Payments is fundamental to the achievement of the Local Area Agreement target. The Department of Health are also pressing Councils to maximise their take up as set out in current legislation; '*Valuing People*', and '*Our Health, Our Care, Our Say - a new direction for community services*'. The themes of this legislation is empowering people to make their own choices and Direct Payments is seen as an effective way of giving people more control over their lives.
- 1.4 There is a further drive arising from the Government's In Control and Individual Budgets agenda. As people are empowered to take more control over the services they receive this will have a significant impact on local Business Planning and service priorities being considered in the context of an emerging Efficiency Plan.

2 The Service

- 2.1 All referrals are assessed under FACS which the Council has currently set at '*Critical and Substantial*'. In almost every case a Direct Payment is

offered as an alternative to Council-arranged care. The only determining factor is an assessment of people's capacity to manage their own financial affairs.

- 2.2 Support, advice and advocacy is provided in conjunction with an independent agency (WIRED) under a Service Level Agreement. This advice covers such matters as dealing with finance and general guidance on employment, personal taxation, and other legal issues. Such guidance does not constitute professional legal advice which people who use services, who employ people, have to seek from private sources.
- 2.3 An internal review of the Direct Payments service in 2006 and comments made in the recent inspection of Older People's Services, has highlighted the need to improve the service in respect of the Council's audit and monitoring responsibility. Some people have experienced difficulty in discharging their Direct Payment effectively, and require higher levels of support to maintain them. For some, this requires regular enhanced support and others less frequent intervention is needed; say for example during periods of ill health. This has led to the build up of unused balances in people's Direct Payment accounts which the Council has had to recover at the year end. Improved in-year monitoring will avoid this happening in the future and reduce the anxiety and potential risk to vulnerable people.
- 2.4 These concerns arise from a 'light touch' approach adopted by the Council in order to promote the take-up of the service. Having reviewed its effectiveness it is clear that it is meeting most people's needs and access is relatively straightforward and unrestrictive, but there are concerns about potential for misuse, through error, neglect or inappropriate influence of others. In order to firm up probity and support arrangements in this area a report was agreed by the Employment and Appointments Committee on 19th March 2007 which creates additional capacity through the realignment of Finance and Support Services.
- 2.5 These changes impact on the current service procured from WIRED which can be re-commissioned to focus on advocacy support. It is important, as confirmed in Government guidance, that specialist independent advocacy is available to people who use Direct Payments. Whilst this could be subject to an open tender, the service is already provided by WIRED and these changes represent a variation to the Service Level Agreement. A revised Service Specification has been drawn up and agreed with WIRED and representatives of people who use services. It is proposed to enter into an annually renewable agreement with clear performance targets, both qualitative and quantitative.
- 2.6 Consultation with WIRED confirms the service could be delivered by 2.5 posts. The full year cost of this plus overheads will be £81,058 (at 2007-08 prices). The current contract with WIRED is £132,101. This therefore makes a saving of £51,043 which is to be applied to the Council's Service Re-engineering savings target for 2007-08.

3 Financial Implications

- 3.1 The reduction in the Service Level Agreement with WIRED will enable a contribution to the Council's Service Re-engineering savings target of £51,043.
- 3.2 The growth in the take-up of Direct Payments will enable a further £50,000 per annum efficiency gain at current price levels.

4 Staffing Implications

The staffing levels for the in-house Direct Payments Service were approved by the Employment & Appointments Committee on 19th March 2007. Appointments are internal and will include the redeployment of posts that are being deleted as part of the restructure of Finance and Support Services.

5 Equal Opportunities Implications

Direct Payments are open to all who use services if they meet FACS criteria irrespective of age or disability if they are able and willing to manage their own affairs.

6 Community Safety Implications

People using Direct Payments are exposed to greater risks than people who receive services provided or procured by the Council. These proposals aim to minimise that risk by providing sufficient infrastructure to monitor that risk and respond when situations arise.

7 Local Agenda 21 Implications

None directly arising from this report

8 Planning Implications

None directly arising from this report

9 Anti Poverty Implications

None directly arising from this report

10 Social Inclusion Implications

None directly arising from this report

11 Local Member Support Implications

People who use services and their families who are affected by these changes live in all wards of the borough.

12 Background Papers

Our Health, Our Care, Our Say and Valuing People - DoH White Papers

NSF for Older People and People with Physical and Sensory Impairment

Commissioning Strategies for Older People, Physical and Sensory Disability, Learning Disabilities and Mental Health Services

13 Recommendations

That -

(1) the Direct Payments Service in Wirral be developed as described in the report; and

(2) the variation to the agreement with WIRED for the provision of a Direct Payments Advocacy Service be agreed.

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5 September 2007