

London Borough of Brent
Executive Committee - 21 July 2003
Report from the Director of Social Services

For Action

Name of Wards Affected

ALL

Setting up a Direct Payments Support and Advice Service

Above Below
Confidential Line
(Except Appendix 1)

1.0 SUMMARY

1.1 This report seeks agreement to the setting up of a Direct Payments Support and Advice Service for users of direct payments.

1.2 The Department of Health requires Local Authorities to offer direct payments to service users and/or their carers, and to provide advice and support for those who wish to directly employ their own carers. Direct payments cannot be used to purchase in-house local authority services, or any long-term residential/nursing home care.

The background to the Brent scheme is explained and the policy requirements and purpose of such a scheme, are detailed.

1.3 The service will be subject to tender for an external provider and the new scheme will commence from 1st April 2004. Appendix 1 contains estimated costs.

2.0 RECOMMENDATIONS

2.1 That Members agree to the setting up of a Direct Payments Support and Advice Scheme.

3.0 FINANCIAL IMPLICATIONS

3.1 Cost of Service

The estimated cost of an support and advice service is contained in Appendix 1 as exempt information. A partial scheme has been set up in older people service. The budget for this existing scheme can contribute funding to the new scheme. A growth bid of £15,000 will be required to fully fund the scheme. If not successful the proposed scheme will not be able to go ahead or the budget will need to be found from elsewhere. Details are in appendix 1. The cost of the scheme will be known when tenders are evaluated in November/December 2004.

- 3.2 The estimated value of this contract is below the threshold requiring Executive approval to tender the contract.
- 3.3 For purchasing budgets, giving more users direct payments has medium to long term financial implications, as some services are tied up in direct provision and there is no additional budget to make direct payments, instead of using places in block contracts. For example most respite is provided in residential settings. Direct payments would enable care to be provided in the home, but unless in-house or contracted services are de-commissioned additional funds will not be available for cash payment. This impact needs to be profiled through the joint commissioning processes to identify clearly what the changed pattern of service provision is likely to be, in the medium and long term, in order to ensure the costs of direct payments can be met.
- 3.4 There are 19 users overall receiving direct payments. The current rate of direct payments is £9.50 per hour, based on the average cost, per hour of personal home care. Current expenditure by older people's service is approx. £200 per week per user, annual gross cost of £104,000. Users are subject to fairer charging assessment. Current charge is £20.70 per week for the 3 users. The physical disability service has 12 clients, learning disabilities 3, mental health 1. The gross physical disability and learning disability costs are £248,849, mental health, £1,8000 p.a.

4.0 STAFFING IMPLICATIONS

- 4.1 The older people's service provides advice and support to older people on direct payments. The advice and support post is vacant and will not be filled in order to provide funding for an external service. Another member of staff is currently carrying out the work, on a temporary basis.

5.0 LEGAL IMPLICATIONS

- 5.1 The direct payments support and advice service contract is a medium value contract for the purposes of Contract Standing Orders and as such is required to be let by a competitive tendering exercise.
- 5.2 Chief Officers (and other officers authorised by them) have delegated authority to invite expressions of interest, agree shortlists, invite tenders and award contracts for services contracts valued at £500,000 or less.
- 5.3 This contract is a part B Service for the purposes of the EU Regulations and therefore is subject to only partial application of the Regulations.

6.0 DETAIL

6.1.1 Background

There are 19 in total, people on direct payments. There are 3 older people, 3 people with learning disabilities, 1 mental health, 11 physical disability, and 1 with sensory impairment, in receipt of direct payments.

6.1.2 Direct payments are cash payments made in lieu of social services provision to individuals, assessed as needing services according to the 'Fair Access' criteria. The aim of Direct Payments is to give more flexibility in how services are provided by enabling individuals to have greater choice and control over their lives through the ability to make their own decisions about how their care is delivered. Direct payments cannot be used to purchase Social Services Department run services. They can only be used for care in the home, independent living and respite. They cannot be used for any long term residential or nursing home care.

6.1.3 Direct Payments were introduced in April 1997 through the Community Care (Direct Payments) Act 1996. They were extended to older disabled people in 2000, and since April 2001 under the Carers & Disabled Children's Act 2000 Direct Payments have been available to carers.

6.1.4 New regulations came into force in April 2003 which require councils to offer direct payments to people who have an assessed need and who are able to manage them, either alone or with assistance.

6.1.5 The following groups of people are now eligible to receive direct payments:

- Older people who have been assessed as needing community care services
- Disabled people aged 16 and over including people with short as well as long term needs
- Carers in place of carers services
- People with parental responsibility for disabled children

Use of direct payments can either directly employ carers, or the user can pay an agency to provide the service required.

6.1.6 The Government wants to see more extensive use made of Direct Payments, and alongside the new regulations introduced in April 2003 (see 5.1.2 above) resources to promote the provision and take up of Direct Payments is being made available through the 'Direct Payments Development Fund' to the voluntary sector. This fund provides £3 million per annum over the next three financial years for these purposes and is targeted at national, regional and local voluntary organisations working in partnership with local authorities. A local organisation has made a bids supported by social Services to promote awareness in the Asian community.

- 6.1.7 Paragraphs 6.7.1 to 6.7.6 below detail the current arrangements for offering and supporting the delivery of Direct Payments to people in Brent. Further work to develop a robust and consistent direct payments support service is being undertaken.
- 6.1.8 Currently there are no performance indicators required by the DoH SSI to measure uptake and compare performance. However from April 2003 a new performance indicator has been set on the number of people receiving direct payments. Further details will be given on expected numbers to achieve from April 2004.

6.7 Direct Payments Scheme

The Department of Health guidance states Social Services Departments need to encourage uptake of direct payments, offer advice to users on implications, provide training and support for them to become employers, filling in tax returns, health and safety and understand other employment legislation. The guidance suggests this is best done independently of the Social Services Department by an organisation that closely involves people with physical disabilities. Most Councils have, or are, tendering for organisations to provide such schemes, which include ongoing support and advice.

Position in Brent

- 6.7.1 Brent has 2 schemes. One run in-house, the other by Brent Association of Disabled People (BADP). Older People Services has had a Direct Payment Scheme for Older People for the past 2 years and over that time 11 people have been assessed for the scheme. Currently there are 3 people still on the scheme.

Of the 11, there were 9 females and 2 males, of which 4 were Asian, 1 was African, and 6 were White.

The average costs of the Direct Payments to the 3 people still on the scheme is £200 per week gross with a charge to them of £20.70 per week. Fairer charging rules apply.

The scheme is funded to provide for a Direct Payments Support Officer (DPSO), currently vacant.

Direct payments scheme for adults.

The current scheme for people with disabilities, with mental health problems and learning disabilities, and young people is run by the Brent Association of Disabled People (BADP) The BADP scheme is funded through a lottery grant which they have had for 6 years. It will not fund it further. Although the funding ceases in November BADP should be able to continue giving advice until March 2004, and support to the 16 users, as there has been a vacant post. This service was therefore not subject to a contract or service level agreement from the Council. It also provided an advocacy service.

Role of Adviser

- 6.7.2 The DPSO works very closely with Care Managers in the assessment process and then agreeing that the service user meets the criteria for the scheme and is able to manage and control the direct payments.

The DPSO provides advice, guidance and support to the service user to set up the scheme and remains involved until the person is managing the scheme and their care arrangements independently. They also ensure that the service user has a contingency plan to cater for most emergencies, although as a final resort they can always contact the OPS Duty Team for temporary care support until the emergency has been rectified.

6.7.3 Financial Audit

The scheme has a financial audit trail to monitor and ensure that the direct payments are being used as agreed and to identify when there may be an over or underspend. There is a regularly review system to ensure that the assessed needs are being met. The Council will still retain responsibility for ensuring direct payments are used appropriately, and process/invoice payments.

Children's Services

- 6.7.4 The Carers and Disabled Children Act 2000 established a legal authority for local authorities to make direct payments to:

- parents of and other carers with parental responsibility for disabled children
- young disabled people aged 16 – 17

The Children Act 1989 (Schedule 2 para 6) requires local authorities to provide services to minimise the effects of children's disabilities and give them the "opportunity to lead lives which are as normal as possible." The Carers and Disabled Children Act 2000 inserts a new section, 17A, into the Children Act 1989 to enable direct payments to be made to parents or young people in lieu of services.

- 6.7.5 The purpose of the Direct Payment is to enable parents and young people to arrange for themselves the provision of services that meet the assessed need of the disabled child or young person, rather than rely on the local authority to provide or commission services to meet this need.

There are clear criteria for going on the scheme which is being developed with BADP.

The Disabled Children and Young Person's Team currently has six families who care for a disabled child who are assessed as being eligible for a Direct

Payment gross cost £30,000 p.a. It is anticipated that demand for this scheme will grow as the capacity of the Team to provide Direct Payments increases

6.7.6 Project on Direct Payments Scheme

A project group was set up to develop a strategy for direct payments and to propose the development of the Direct Payments Scheme to develop one Social Services co-ordinated scheme for all service units, so there is consistency and ensure there is no discrimination between age – groups. Where there are differences this will reflect the different statutory requirements for children’s services and community care services.

Consultation

6.7.8 Proposals to develop a local Direct Payments support services as detailed in this report will be discussed within the various Priority Action Groups (PAGs) which are the key decision making and planning bodies for the service user groups concerned. The PAGs contain senior representatives from Social Services, other council departments (eg housing, education), the Primary Care Trust, voluntary sector and user and carer representatives.

When developing the service specification to be tendered, discussions will also be held with service users currently in receipt of Direct Payments to ensure that users needs are met and that any lessons learned from experience to date are addressed in the development of the new service.

Tender Process

The proposed procurement process to be undertaken is set out below.

Timetable	Indicative dates
Adverts placed	August 2003
Expressions of interest returned	September 2003
Shortlist drawn up in accordance with the Council’s approved criteria	October 2003
Invite to tender	October 2003
Deadline for tender submission	December 2003
Panel evaluation	December 2003
Report recommendations to award contract	January 2004
Award Contract	January 2004
Contract start date	1 st April 2004

The contract will commence in April 2004 for a period of 3 years with an option to extend for up to a further year. A two stage restricted tender process will be adopted.

Shortlists will be drawn up in accordance with the Council's Contract Management Guidelines, namely the select list questionnaire and thereby meeting the Council's financial standing requirements, health and safety standards and technical expertise.

A panel made up of officers and carers representatives and service users will evaluate the final tenders for the service.

Conclusion

6.7.9 All Councils are expected to increase the number of direct payment users. They are expected to provide an advice and support service to every individual, time intensive advice and support for individuals to manage direct payments. The DoH advises this is best achieved separately from the assessment process through a direct payments scheme provided by an independent organisation.

6.0 BACKGROUND INFORMATION

- Community Care (Direct Payments) Act 1996
- Carers & Disabled Children's Act 2000
- Community Care, Services for Carers and Children's Services (Direct Payments) (England) Regulations 2003

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