



DERBY CITY COUNCIL

COUNCIL CABINET
2 October 2007

Report of the Adult Services and Health Commission

Direct Payments

RECOMMENDATION

- 1.1 That the Council Cabinet is asked to review hourly rates offered to personal assistants and care agencies as part of Direct Payment to make them compatible and ensure users get the service they need.

SUPPORTING INFORMATION

- 2.1 The Adult Services and Health Commission considered the 3 July Council Cabinet's report on Direct Payments at their last scheduled meeting held on 3 September as part of the Commission's retrospective review process.
- 2.2 Members considered the report detailing changes in hourly rates for people receiving Direct Payments which proposed a reduction in the hourly rate from £10.20 to £9.00 where service users employ a Personal Assistant and an increase from £10.20 to £10.52 where services users purchase care from a Care Agency. Members felt that these proposals should be reconsidered for a number of reasons:
 - Derby is one of the best performing authorities in the country in delivering Direct Payments and the reduction in hourly rates is likely to have adverse influence on number of users taking up Direct Payments
 - The increase of 32p per hour to the care agencies is most likely to be absorbed by the agencies as part of their profits and benefits of the increase are unlikely to be passed on to service users.
 - The Commission welcomes the announcement by the Cabinet Member for Adult Services that protection is offered to users who had already entered into contracts and could get into financial difficulty. However, service users also have administrative costs for managing their care needs and the reduction in hourly rates could affect their ability to employ personal assistants.
 - Savings from the reduction in the hourly rates for Personal Assistants will not have a major impact on the growing budget deficit in Adult Social Services. There are others options that could be considered to control the growing budget deficit.
 - Should the Cabinet agree to enforce the changes in rates then any surplus generated from the reduction in hourly rates should be reinvested back into Direct Payments and enable Disability Direct to offer greater support to the service users.

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Background papers:	3 July Council Cabinet Report on direct Payments
List of appendices:	Appendix 1 Implications

Appendix 1

IMPLICATIONS

Financial

1. Changes in hourly rates for Direct Payments are expected to generate savings of £90k in 2007/ 08 and £170 during the full year 2008/09.

Legal

2. None arising from this report

Personnel

3. None directly arising

Equalities Impact

4. Direct Payments affects people with disabilities.

Corporate priorities

5. These proposals support the Council's objectives of healthy, safe and independent communities and the priorities of modernising social care.