



DERBY CITY COUNCIL

DISABLED PEOPLE'S ADVISORY COMMITTEE
22 SEPTEMBER 2005

Report of the Director of Social Services

Direct Payments – Progress and Developments

RECOMMENDATION

1. To comment on progress report on the uptake of Direct Payments.

SUPPORTING INFORMATION

2.1 Developing Direct Payments in Derby

- a. Derby implemented Direct Payments (restricted to personal care/support) in 1998 following the power granted by the Community Care (Direct Payments) Act 1996.
- b. A dedicated Direct Payments officer charged with promoting Direct Payments both internally and externally was appointed in December 2001.
- c. The authority agreed in February 2002 to make more community care services (personal support, day services, respite services and equipment) available as Direct Payments.
- d. A dedicated support service was commissioned for start in April 2004. An organisation of disabled people, Disability Direct have been offering advice and support on other disability related issues for ten years.
- e. Based on current numbers and size of care packages, Social Services will spend a projected £1,500,000 this year (2004/2005) on packages of care provide through Direct Payments.

(See Appendices 2-4 for background, analysis, comparisons and graphical information on take the up of Direct Payments.)

2.2 National, Regional and Local Context

National

- a. The government, through the Department of Health and the CSCI, places a high priority on the increased use of Direct Payments. Direct Payments are to be the first choice of service provision as an alternative to our in house or externally commissioned services.

For Information

- b. The authority is monitored through the Performance Assessment Framework on the numbers of adult Direct Payment users. AO/C51 is the Key Performance Indicator¹.
- c. A joint report from the Prime Ministers Strategy Unit in the Cabinet Office² sets out a 20 year vision for improving the life chances of disabled people that cuts across central government departments, local authority and health services to disabled people from childhood to older age and existing policy initiatives in social and health care, education, sustainable communities, work and benefits.
- d. Direct Payments features prominently throughout the report.
- e. Government thinking is for a move towards “individualised funding” where separate funding streams (community care including equipment and minor adaptations, Independent Living Funds, Disabled Facilities Grants, Family Fund and Access to Work) are merged so that each eligible person receives their own budget for all these services. This emerging thinking goes well beyond current government policy in relation to Direct Payments.

Regional

- a. Derby is represented on the newly formed East Midlands Direct Payment Development Forum where regional approaches are considered in relation to:
 - systems development
 - practice issues
 - marketing, communication and training and
 - commissioning/procurement Issues.

Local

- a. The Joint Review Action Plan (October 2003) recommended that Direct Payments should be promoted more actively and that rates are made to reflect actual cost of providing support. The development of the support service includes promotion to service users in its remit and the development of the project management approach incorporates internal awareness raising and focuses on services where take-up is less than others. Work on costs is being undertaken by the Direct Payments Project Group, there are definitional uncertainties to be worked through before the agreed “reasonable cost” is determined as a basis for a Direct Payment.
- b. Direct Payments are included in the Derby City Partnership, City of Opportunity Action Plan 2004-2005 Objective 4.

1.1.1.1.1.1

¹ PAF AO/C51 Adults and older people receiving direct payments per 100,000 population aged 18 or over.

² Improving the life chances of disabled people. Prime Ministers Strategy Unit – Cabinet Office. Jointly written by Department of Health, Department for Works and Pensions, Office of the Deputy Prime Minister and Department of Education and Skills. January 2005.

2.3 Progress

- a. The Social Services Performance Plan for 2004 –2005 set a target of 80 adult Direct Payment users per 100,000 of population by the end of March 2005.
- b. At the end of January 2005 the figure is 84 per 100,000, which is Performance Band 3 for AO/C51. The highest, Band 5, is 150 per 100,000 which equates to 269 adults using Direct Payments in Derby.
- c. Our current target for 2005 – 2006 is 90 per 100,000 which is 162 adult Direct payment users.
- d. Yearly increases have taken place since the start of the scheme:

Take Up of Direct Payments Since Start

Year	New Users	DP's Finished	Total at years end
1998	4		4
1999	7	2	9
2000	7	1	15
2001	19	3	31
2002	37	12	56
2003	71	11	116
2004	79	32	152 (Oct 2004) + 11 (payments held)

- d. A total of 252 people have used Direct Payments to date.
- e. Derby's performance is favourable when compared nationally (top 20 authorities) and with the comparator authorities.¹
- f. Prince 2 project management methodology has been adopted to maintain progression of Direct Payment take up and support.

2.4 Barriers to Take Up

A recent Commission for Social Care Inspection (CSCI) report² commented that the potential barriers to take up of Direct Payments on a national basis broadly seem to be:

- lack of clear information for people who might take advantage of direct payments
- low staff awareness of direct payments and what they are intended to achieve
- restrictive or patronising attitudes about the capabilities of people who might use a direct payment and a reluctance to devolve power away from professionals to the people who use the service
- inadequate or patchy advocacy and support services for people applying for and using direct payments
- inconsistencies between the intention of the legislation and local practice
- unnecessary, over-bureaucratic paperwork
- problems in recruiting, employing, retaining and developing personal assistants and assuring quality.

1.1.1.1.1.1

¹ Performance Assessment Framework at http://www.csci.org.uk/council_performance/paf/pi_scores_cssrv3.xls

² Direct Payments – What are the barriers? CSCI. August 2004.

For Information

These issues are being directly addressed through the Direct Payments Project and through the support service arrangements.

Particular areas for development are:

- Addressing the information and support needs of a range of service users and their carers including:
 - People with learning difficulties
 - Families of disabled children
 - People with mental health needs
 - Older people
 - Black and minority ethnic groups

2.5 Quality and Service User Experience

Service users views are obtained from their contact with the Project Manger, Care Managers, Finance section, the Local Implementation Group and Disability Direct.

We already know from feedback that:

- Very few Direct Payment users would choose to return to provided services.
- People value the control, flexibility and autonomy they get with Direct Payments.
- This is especially true for those users who employ their own staff despite the difficulties in recruitment and retention.
- People often comment about the improved way they can manage their lives, taking into account day to day demands, changes in need and opportunities.

Service users and carers also comment on how things could be improved:

- Improved local authority staff (and other departments such as Benefits Agencies, Job Centres and Inland Revenue) knowledge about Direct Payments, what they are and how they might benefit service users.
- The need for simple and flexible monitoring arrangements
- The need for respect for the levels of personal, legal and financial responsibilities people take on board with Direct Payments and for the time and stress invested in managing their own support.
- Better clarity about the allowable flexibility with which a Direct Payment can be spent.
- Start up costs, especially for those recruiting their own staff and are on low incomes to start with.
- Clarity about how the rates are calculated and how they compare with the actual cost to the authority of directly providing the services.
- More flexibility in relation to health care needs.

These issues are being are incorporated into the development programme for Direct Payments through the project.

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Background papers: Appendix 1 – Implications
List of appendices: Appendix 2 – Graphical analysis of Direct Payment take up
Appendix 3 – Resources allocated by social services
Appendix 4 – Direct Payments Rates and Forecast Expenditure

IMPLICATIONS**Appendix 1****Financial**

- 1.1 At 152 users and assuming they all receive Direct Payments for a full year, current expenditure is approximately £1.5 million per year.
- 1.2 Financial mapping indicates that in achieving a target of 95 per 100,000 will result in expenditure of £1,800,000 for the year 2005-2006. It is likely that the target of 90 will be reached part way through this year.
- 1.3 Direct Payments substitute for services that would normally be delivered and are not additional to current budgets.
- 1.4 There will be a point, a critical number of Direct Payment users, at which we will need to consider the implications for core service capacity.
- 1.5 Direct Payments may be attractive to people who would not normally ask for our services even though they are eligible. This would appear as additional unforeseen service demand.
- 1.6 Government has implied that care packages provided by social services could involve payments for services traditionally provided by health (e.g. payments made to employ personal assistants to provide physiotherapy). There is no accompanying regulation or guidance on this as yet. The implications of Direct Payments for a broader range of services may need to be explored.¹
- 1.7 The support service provided by Disability Direct may experience capacity issues as the numbers of Direct Payment users grow. Future commissioning of support services will have to reflect the, sometimes intense, nature of support some people will require to benefit from Direct Payments.
- 1.8 Capacity and rates for services in the independent sector are subject to market forces and may fluctuate.

Legal

- 2 The department has a **duty** to provide Direct Payments to **any** eligible person who appears capable of managing them alone or with support so that they can purchase their own services.

Personnel

- 3 There will be future implications for managing down the capacity of in house and commissioned services over time.

1.1.1.1.1.1

¹ Improving the Life Chances for Disabled People, DoH, January 2005.

Equalities impact

- 4.1 Direct Payments contribute to greater choice and control for disabled people and at their best promote a level of involvement and inclusion that has the potential to counter some of the inequalities disabled people face in society.
- 4.2 The way in which Direct Payments and in house provided services operate could inform future commissioning strategies
- 4.3 The flexibility of Direct Payments and the value that service users place on this could provide lessons for the future development of in house services.

Corporate objectives and priorities for change

- 5 The provision of Direct Payments meets the council's objective to enable people to live the independent life they choose. It also supports the priority of modernising our community care services for adults.

What is a Direct Payment?

- a. Direct Payments are cash payments made by social services directly to service users instead of the community care services they would normally have received from the local authority.
- b. Service users become responsible for arranging their own services in ways that meet the identified needs and the outcomes on their care plan.
- c. Service users must both consent to a Direct Payment and be in control over how the money is used to secure services.
- d. They may contract individually with a local independent sector care agency, employ their own staff or purchase any service that meets their agreed needs and outcomes.
- e. Service users assume all responsibilities intrinsic to these activities.
- f. Service users must evidence that they are using this public money in an appropriate and agreed way.
- g. The local authority is relieved of its duty to arrange services. Where a Direct Payment stops for any reason, community care services must be provided to the equivalent level of the Direct Payment so long as people are eligible for services.

Where did Direct Payments come from?

Direct Payments came out of the Independent Living and the Disabled People's Movements. They are firmly rooted in the social model of disability.

- a. Disabled people had campaigned since the 1970's for a change in the law to allow local authorities to make cash payments in lieu of their services.
- b. Parliament passed the Community Care (Direct Payments) Act 1996 which was implemented in 1997.
- c. This gave Local Authorities a **power** to make Direct Payments to a restricted age range (18 – 65) of people with community care needs.
- d. Subsequent regulations have extended the range of people eligible:
 - Regulations enabled people over 65 to be eligible for Direct Payments.¹ (Dependent upon a Community Care Assessment)
 - The Carers and Disabled Children Act 2000 extended the power to include families with disabled children and 16/17 year old disabled people (in relation to any service provided under section 17 of the Childrens Act 1989)
 - In addition, young 16/17 year old carers and carers of adult disabled people became potentially eligible under the same legislation carers for carers services.²
- e. In April 2003 regulations (made under powers given to the Secretary of State by the Health and Social Care Act 2001) changed the power to a **duty** to make Direct Payments to all eligible people. This duty effectively makes Direct Payments the first option that must be offered, as an alternative to our own in house or externally commissioned services.³

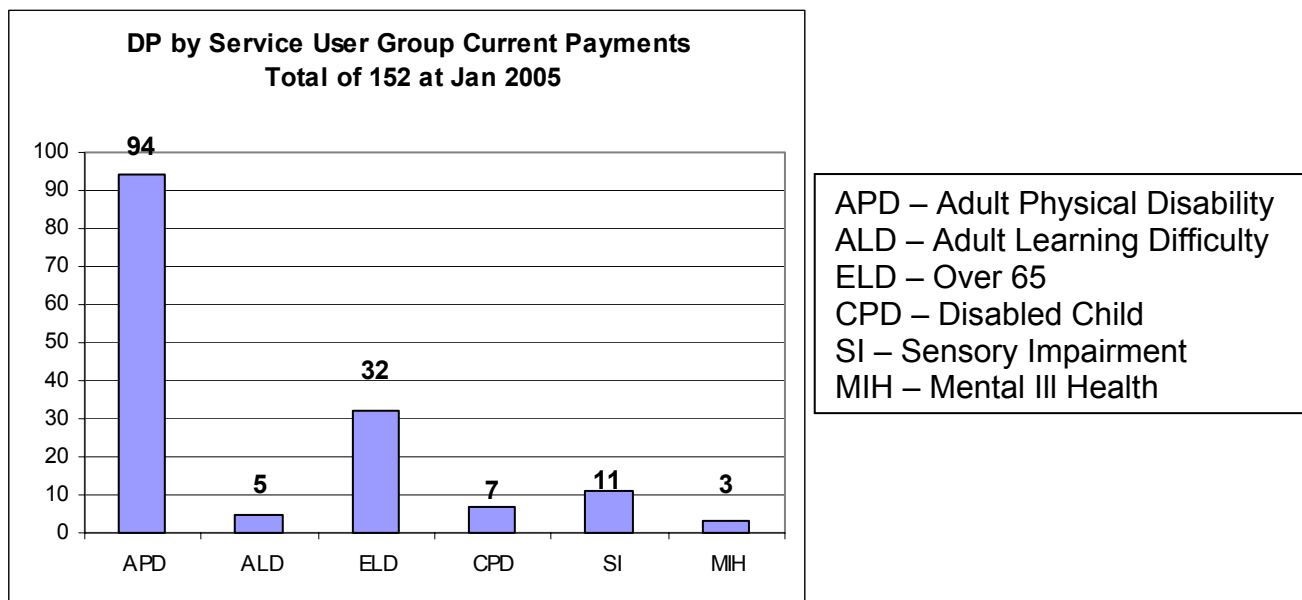
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¹ The Community Care (Direct Payments) Amendment Regulations 2000

² Carers and Disabled Children Act 2000

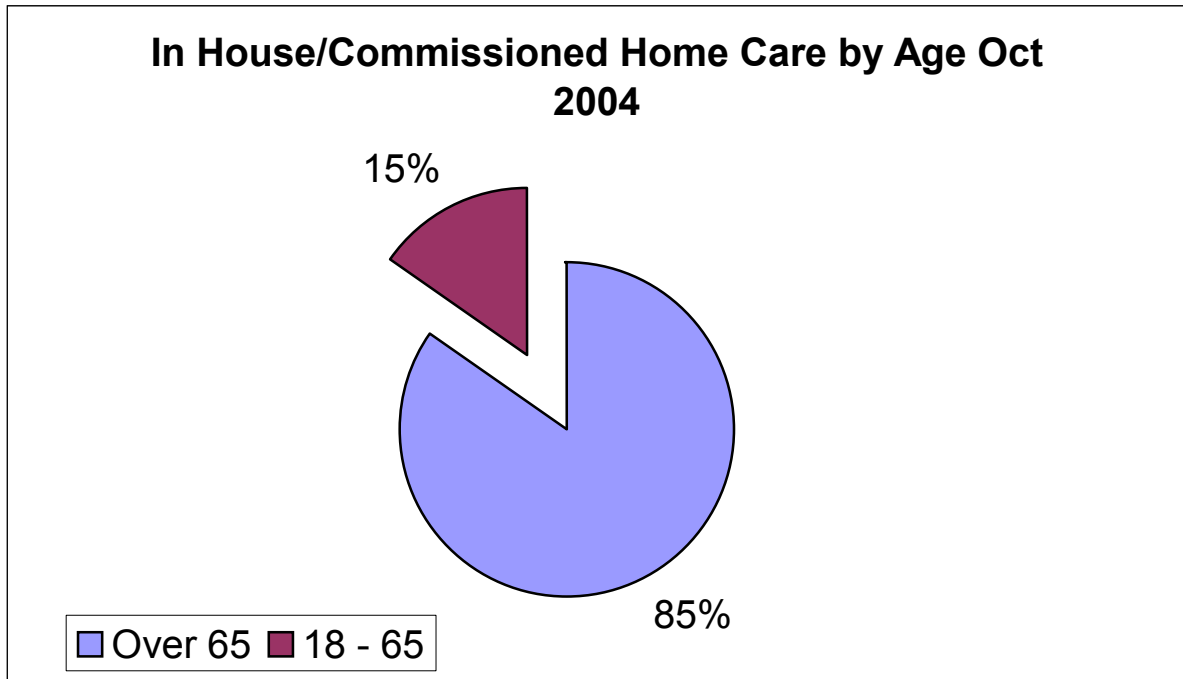
³ Statutory Instrument 2003 No. 762, The Community Care, Services for Carers and Children's Services (Direct Payments) (England) Regulations 2003

Derby Direct Payments – January 2005

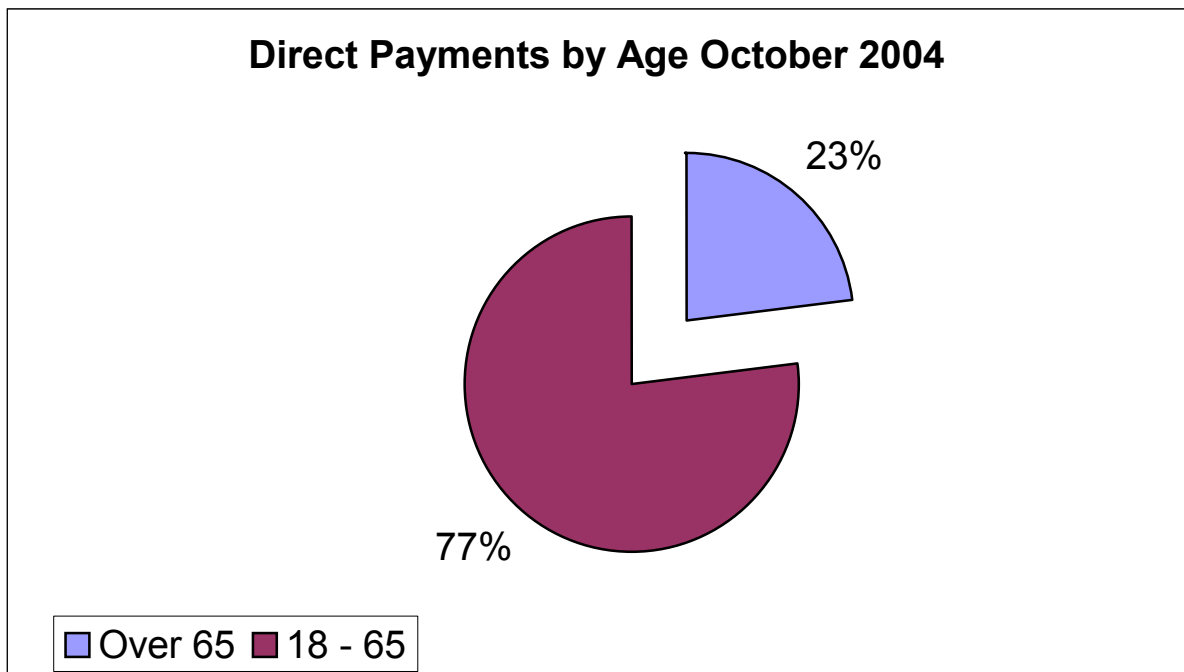


The government is concerned about take up amongst people with learning difficulties, people with mental ill health, older people and people from BEM communities. Targets for particular groups will be set through the Project Team.

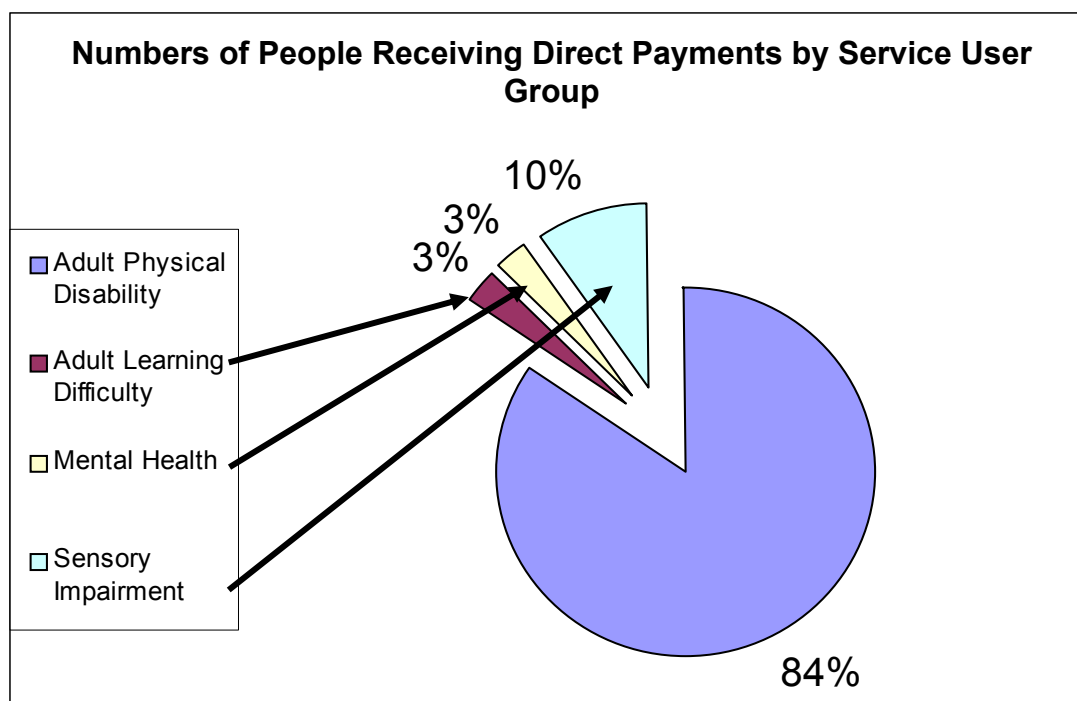
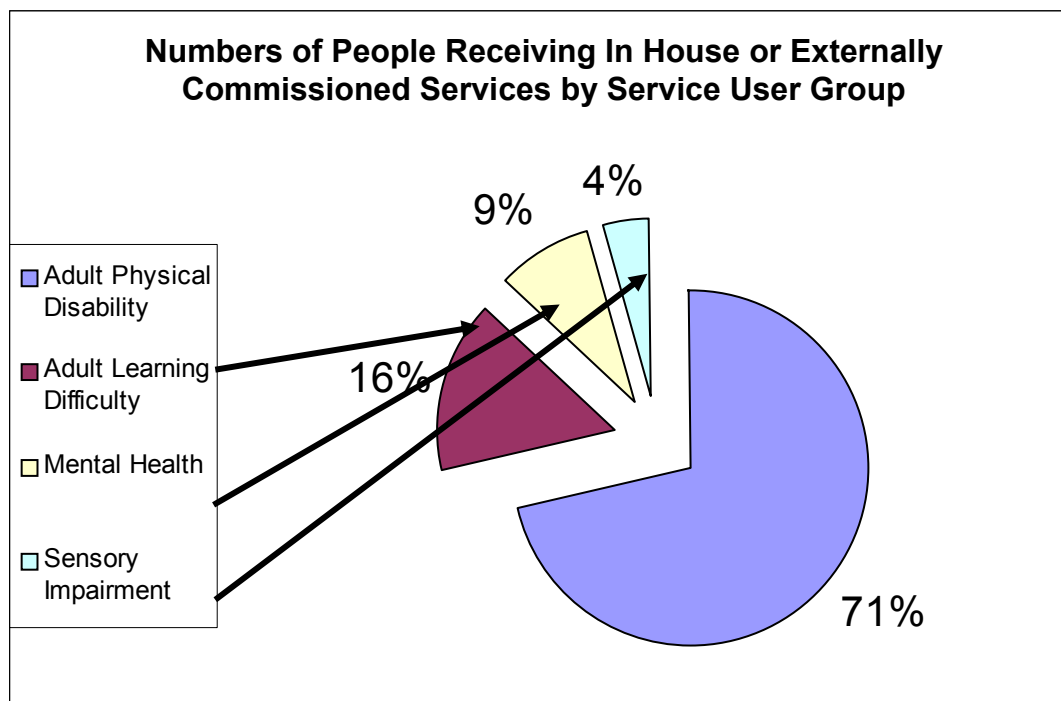
85% of all in house domiciliary or commissioned Home Care Services are provided to people over the age of 65.



23% of Direct Payments are made to people aged over 65.



Comparison of Take Up Between In House or Externally Commissioned Services and Direct Payments for Adults aged between 18 and 65.¹



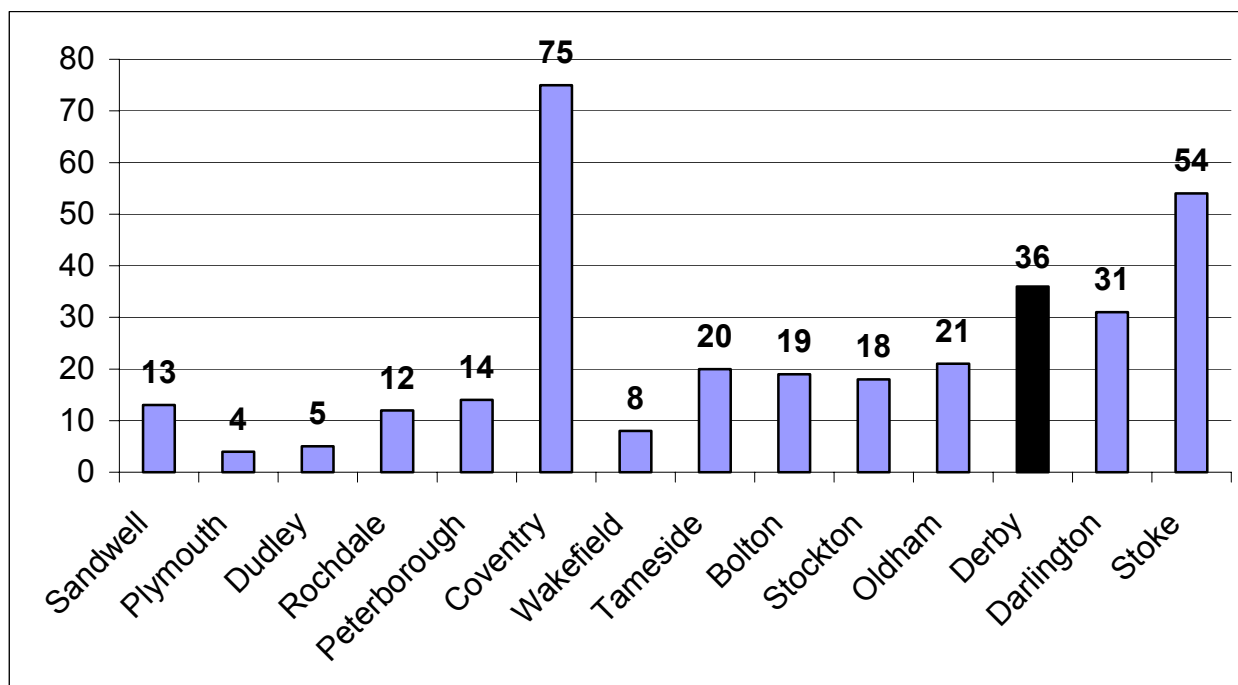
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¹ SWIFT data at November 2004

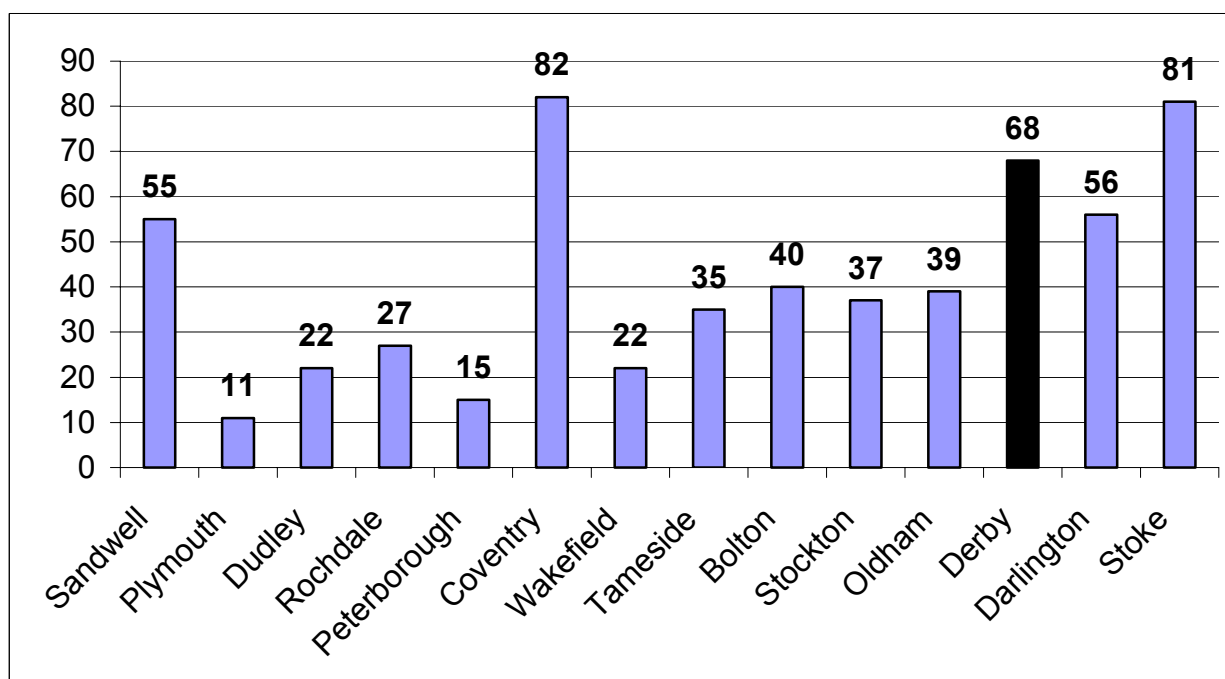
Analysis of Take up**Appendix 3**

Performance Assessment Framework Indicators for Comparator Authorities. These do not reflect current performance.

PAF Figures for 2002 –2003¹



PAF Figures for 2003 – 2004²



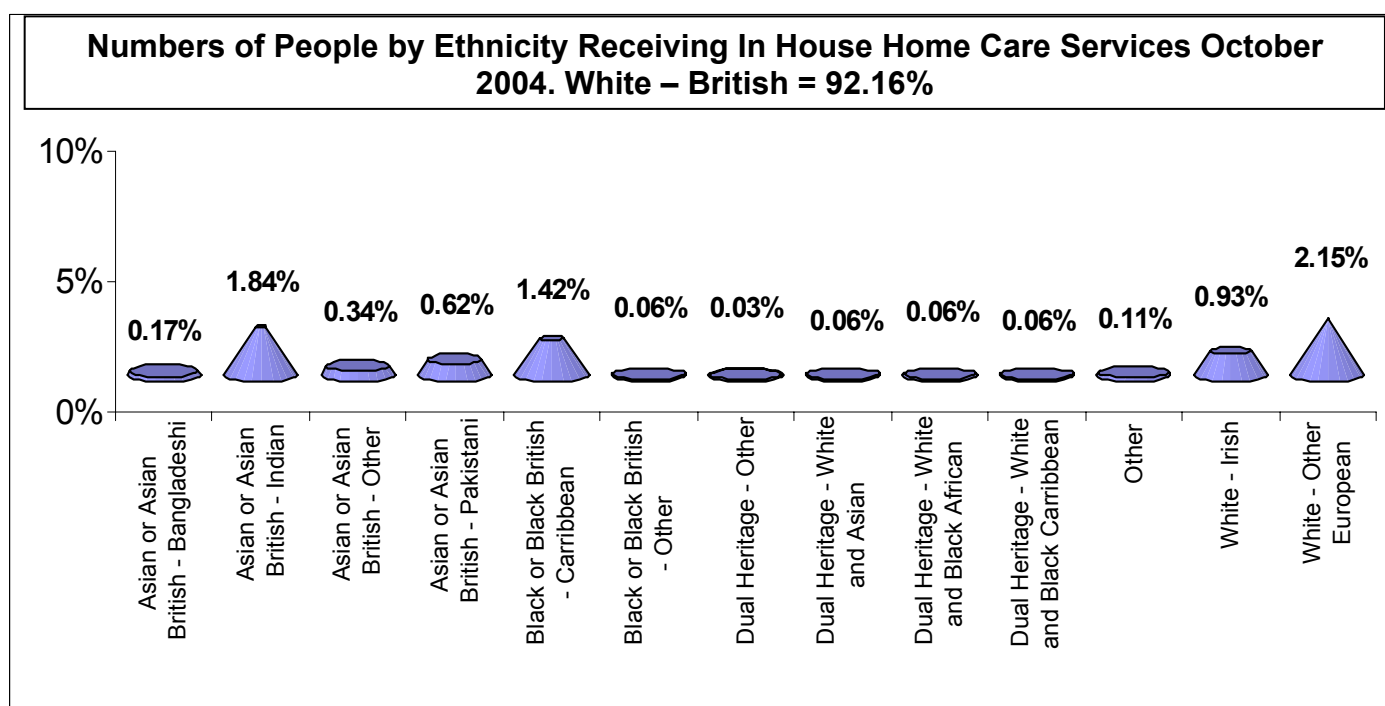
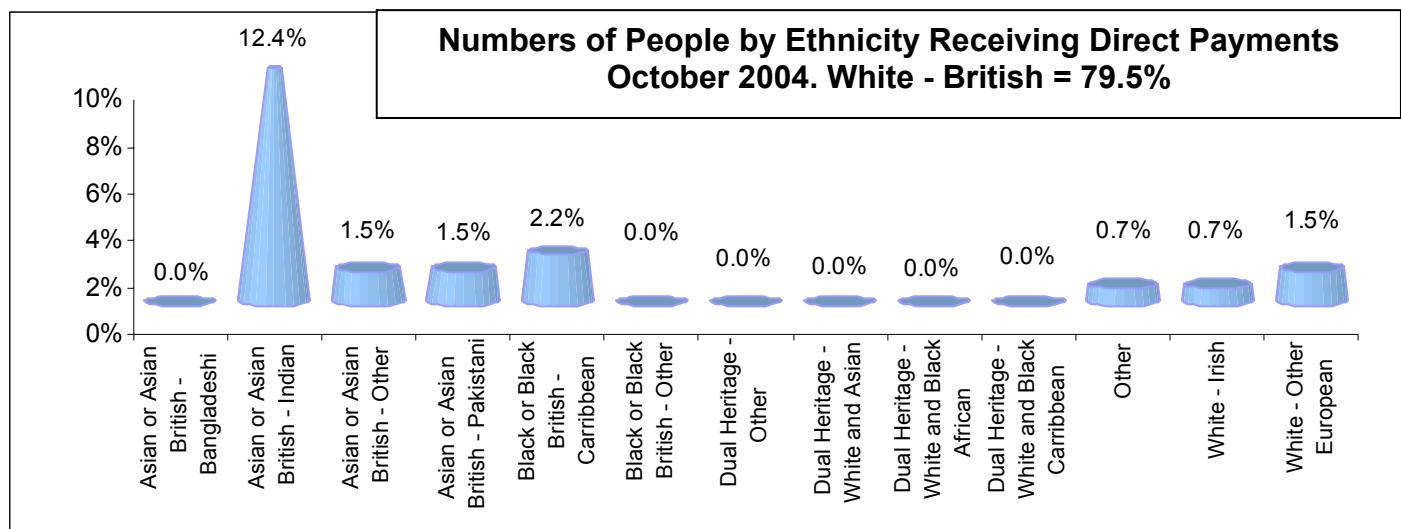
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¹ <http://www.publications.doh.gov.uk/paf/indicators-spreadsheet18nov2004.xls>

² http://www.csci.org.uk/council_performance/paf/pi_scores_cssrv3.xls

Examples of take up amongst black and ethnic minority groups.

For many groups, Direct Payments appear to be a reasonable alternative to our own in house or externally commissioned services. The Project will forward issues where particular groups may have specific information or support needs.



Direct Payments Rates**Appendix 4**

These are the current (2004-2005) rates used when making a Direct Payment.

Personal Care	£9.36 per hour
Equipment	Contract Rate plus 17.5% (not VAT add on)
Day Activity (daily cap)	£36.19 up to daily
Sitting Service	£5.70 per hour
Sleep In	£4.49
Live In	£784.16 up to per week

Where a Direct Payment has been made in respect of a service that would have been a residential short break, the following rates currently apply. These reflect the rates agreed with the independent sector for commissioned services. The actual amount payable is less because of the contribution expected by service users.

Category	Residential	Nursing
Physical or Sensory Impairment under 65	369	453
Drug/Alcohol	286	403
Elderly	271	402
Learning Difficulty	325	410
Mental ill Health	286	403
Very Dependant Elderly	306	
Elderly Mentally ill	292	
Terminally ill		402