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A separate report is submitted in the private part of the agenda in respect of this item, as it contains details of financial information required to be kept private in accordance with Schedule 12A of the Local Government Act 1972. The grounds for privacy are that it refers to the identity, financial and business affairs of an organisation and the amount of expenditure proposed to be incurred by the Council under a particular contract for the supply of goods or services. The public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

Cabinet Member for Adult Services

5 October 2017

**Name of Cabinet Member:**

Cabinet Member for Adult Services - Councillor Abbott

**Director Approving Submission of the report:**

Deputy Chief Executive (People)

**Ward(s) affected:**

All

**Title:**

Money Management Support – Direct Payment Support Services

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**Is this a key decision?**

No. Although the matter within the Report can affect all wards in the City, it is not anticipated that the impact will be significant and it is therefore not deemed to be a key decision

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**Executive Summary:**

The underlying principle of self-directed support is the development of a culture which is supported by the tools that enable people to take greater control of their lives and the support they receive so that they can make decisions and manage their own care and support arrangements and managing risks. This puts people at the centre of assessing their own needs and tailoring their own support.

Direct Payments enable people to have control over spending their personal budgets and facilitate a greater degree of choice than would otherwise be available in how their support is delivered. This can be achieved through employing one or more personal assistants or through spending all or part of a personal budget with an agency who supply support workers to assist with meeting social care eligible needs.

People are able to access a range of support services to assist with the administration of direct payments. Currently this support is almost exclusively provided through a single contract with an annual spend of approximately £250k. This current contract expires on 31 March 2018.

The most recent peer challenge of Adult Social Care completed in 2016 recommended that options for Direct Payments support be considered especially in relation to choice of provision.

In light of this recommendation a number of options have been considered in respect of future Direct Payments support services to ensure that arrangements can both meet the range of requirements that may be required to support someone with a direct payment and deliver value for money for the City Council.

This report seeks approval for a new contract and service specification for 2 years including provision for subcontracting to alternative providers where the main provider is not the person's preferred choice.

**Recommendations:**

Cabinet Member is recommended to:

- 1) Following the outcome of a review of the service and alternative Direct Payment Support arrangements, to support a series of improvements as described in section 1.5
- 2) Approve a new contract and service specification for 2 years including provision for subcontracting to alternative providers where the main provider is not the person's preferred choice.

**List of Appendices included:**

None

**Background papers:**

None

**Other useful documents**

None

**Has it been or will it be considered by Scrutiny?**

No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

No

## **Report title: Money Management Support – Direct Payment Support Services**

### **1. Context (or background)**

- 1.1 Adult Social Care has a well-established perspective of personalisation which sets out a vision where all people who receive social care support should be in control of their own lives, at the centre of planning and controlling their funding in ways that they choose. Direct payments and personal budgets give people who use Adult Social Care the opportunity to control the resources allocated to their support (self-directed support). The Care Act 2014 requires Local Authorities to arrange services to support people to manage their Direct Payment.
- 1.2 The current Direct Payment Support Provision is delivered via a voluntary sector organisation. This arrangement has been in place since April 2001.
- 1.3 In 2016 the Adult Social Care Peer challenge identified that there was not a choice of direct payment support providers in the City which could be restricting the ability of people in receipt of direct payments to have a full range of choices as to how their care and support was arranged. On reviewing the arrangements currently in place in Coventry it has been identified that, although only one provider is used, they do offer a range of money management support options and this provides choice within one organisation. This range includes:
  - Direct Payment Support Service
  - Direct Payment Audit
  - Third Party Supported Accounts
  - Payroll Service
  - Promoting Financial Independence
  - Peer Group Support (quarterly)
  - Suitable Person
  - Appointeeship
  - Deputyship - (Through Application to the Court)
  - Individual Service Funds
  - Personal Assistant without employer liability
- 1.4 In setting a future direction for the arrangement of direct payment support services Coventry Adult Social Care has sought comparable information and views from other authorities in the region, some of which was obtained through a recent regional workshop which formed a consensus view that offering a range of direct payment support organisations in itself produces no tangible benefits for people accessing these services and results in a potential dis-economy of scale.
- 1.5 Therefore, as opposed to considering whether to engage more direct payment support organisations, work was undertaken to identify what further improvements and diversification of support could be obtained from continuing to contract with a single provider. As a result of this work a number of improvements for future provision in the City have been identified. These include:
  - Further development of the Personal Assistants market with improved focus on growing the market place, access, recruitment and training. This will result in more Personal Assistants which will offer more options, innovation and greater choice locally. Personal Assistants will benefit from training, accreditation and support.

- Development of a personal health budgets offer for the provision of continuing health care. These budgets can then be used flexibly and creatively to achieve a patient's health and well-being outcomes.
- A programme of promotional activities aimed at improving the take up of Direct Payments, Suitable Person Service, Individual Service Funds and Personal Health Budgets which will result in more people taking control over the care and support they received, more personalised services and improved outcomes
- Sub regional commissioning as a solution for exceptional cases to be explored, such as a Personal Assistant (PA) service where a provider takes on the role of being the employer where someone lacks capacity. This would enable greater flexibility of care and support.
- Change in contract terms and conditions to include sub-contracting which will allow Direct Payment customers to select a support provider of their own choice should they so choose
- Customer satisfaction surveys to be developed further to capture feedback to enhance the operating model and improve the services that people access

## **2. Options considered and recommended proposal**

2.1 In order to improve the support offered to people who use Direct Payments and enable the improvements outlined in section 1.5 above to be achieved, the following options have been considered:

### 2.2 Option 1 – Recommended option.

Enter into a new contract to allow subcontracting in circumstances where an individual would prefer to work with another provider. This approach would be contingent upon a number of service improvements as outlined in section 1.5.

- Opportunities: Costs can be contained, simplicity, offers choice, minimal back office costs, greater negotiation leverage, maximise operational headroom within financial envelope, supports the development of personal health budgets offer enabling continuity for citizens
- Risk: Operating through one main provider could limit choice as sub-contracting arrangements are only viable should organisations be willing and able to act as a sub-contractor

### 2.3 Option 2 – Not recommended

Establish a framework to allow a range of providers in the market place that individuals can purchase from.

- Opportunities: This would offer a greater choice of provider
- Risk: This approach may increase costs overall as economies of scale would not be realised. In addition, a greater range of providers in itself does not result in a greater degree of choice as support offers can be very similar between organisations

### 2.4 Option 3 – Not recommended

Do not contract for Direct Payment support and offer individuals a set amount of money within their personal budgets, which they can use to purchase a service from within the market place outside of contracted provision.

- Opportunities: More choice and autonomy for service users

- Risks: With a limited market the ability to purchase an appropriate support service would be limited, thereby reducing the attractiveness of direct payments. Risks associated with no contractual governance and the resulting lack of assurance as to standard of service would create further risks.

### **3. Results of consultation undertaken**

3.1 Although no formal consultation has been undertaken the recommendations and improvements outlined in this report are based on feedback from users, professionals through surveys, reviews and forums.

3.2 The Adult Social Care Survey 2017 suggested that further work is required to improve the information and advice support offer in respect of Direct Payments. Each year the incumbent provider undertakes a customer survey this year's survey will be issued following their AGM in October 2017. 2015/16 survey results reveal that overall service satisfaction was high with 96% of respondents stating they were happy with the service. A number of areas which require further improvement were identified particularly:

- Support with recruitment of a personal assistant and development of the PA finder
- Support planning and brokerage
- Information and advice (online)
- Training and support for being a good employer
- Greater awareness amongst professionals of the services offered
- Mechanisms for reviewing people's feedback

These requirements are part of a rolling programme of change which will be incorporated in a new service specification and contract and performance will be monitored through the strategic commissioning team.

3.3 Following on from the peer challenge, Coventry City Council's Direct Payment lead held a regional workshop to further explore choice. The event was attended by eight Local Authorities including Direct Payment Leads and Commissioners. The overall conclusion from the workshop was that there was little benefit from having a range of providers in a local authority area and there was recognition of the additional costs to local authorities that this would bring. It was also recognised that we need to work more collaboratively as a region to commission for exceptional cases where volume is low and that alternatives to providing employment advice through insurance providers needs to be explored further.

3.4 The Direct Payments support service market is very limited with just 4 main providers. Costs have been benchmarked against other Local Authorities and Providers and Coventry's unit price offers good value for money.

### **4. Timetable for implementing this decision**

4.1 A new contractual agreement to be formally negotiated and implemented for 1 April 2018. During October and November the intention is to undertake additional engagement on any changes that affect or impact on the contract and conclude contractual negotiations.

### **5. Comments from the Director of Finance and Corporate Services**

#### **5.1 Financial implications:**

The contract for Direct Payment support will be funded from within existing Adult Social Care budgets.

## **5.2 Legal implications**

Direct Payments support services assist with delivery of the Councils statutory obligations under the Care Act (2014) Section 117 (2C) of the Mental Health Act 1983 (the 1983 Act) and the Care and Support (Direct Payment) regulations 2014. The local authority must provide a direct payment to someone who meets the conditions in the Act and Regulations.

## **6. Other implications**

### **6.1 How will this contribute to the Council Plan ([www.coventry.gov.uk/councilplan/](http://www.coventry.gov.uk/councilplan/))**

Robust and affordable Direct Payment Support services assist towards meeting Council plan objectives of:

- Improving Health and Wellbeing
- Protecting our most vulnerable people
- Active Communities and empowered citizens

The underlying principle of self-directed support is the development of a culture and the provision of tools to enable citizens to have greater choice and control over their lives and the support they receive, so that they can make informed decisions and live independent lives.

### **6.2 How is risk being managed**

An options appraisal has been undertaken which has included market benchmarking and cost benefit analysis which has indicated that a single source of supply represents value for money. The contract will continue to be monitored on a quarterly basis in terms of operational targets and financial budget to ensure continuity of service in line with contractual expectation.

### **6.3 What is the impact on the organisation?**

No implications

### **6.4 Equalities / EIA**

As a result of the recommendation equality impact will be addressed as part of the new contract arrangements. It is anticipated that there will be a positive equalities impact as there will be more choice and greater opportunity for people previously unable to access the service.

### **6.5 Implications for partner organisations**

The recommended option would facilitate more collaborative working with Coventry and Rugby Clinical Commissioning Group with whom the City Council are working to support the development of a personal health budgets offer and would form part of our integrated health and social care commissioning arrangements.

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Director: Gail Quinton		People	15/09/17	19/09/17
Members: Cllr Faye Abbott			19/09/17	21/09/17

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