

WLGA and ADSS Cymru Consultation Response to the Independent Living Fund – Future Arrangements to Support Recipients in Wales

Introduction

1. The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales, and the three national park authorities and three fire and rescue authorities are associate members.
2. It seeks to provide representation to local authorities within an emerging policy framework that satisfies the key priorities of our members and delivers a broad range of services that add value to Welsh Local Government and the communities they serve.
3. The Association of Directors of Social Services Cymru (ADSS Cymru) is the professional and strategic leadership organisation for social services in Wales and is composed of statutory Directors of Social Services, and the Heads of Service who support them in delivering social services responsibilities and accountabilities; a group of 80 or so social services leaders across the 22 local authorities in Wales.

General Comments

4. The WLGA and ADSS Cymru welcome the opportunity to comment on the proposals contained in the Welsh Government consultation paper on the 'Independent Living Fund – Future Arrangements to Support Recipients in Wales'. This consultation comes out at a time when there are significant change and challenges facing local authorities across social services. Given that different approaches to the future arrangements and delivery of the ILF scheme are being taken by the other UK nations it is appropriate that we take the time to consider the issues outlined in the consultation paper.
5. We agree that at a time of considerable examination of the social care system and finance it is opportune to review the existence of a parallel stand-alone scheme. However, we would also wish to note the tremendous value placed upon the scheme by the body of users, and the sense of independence experienced by many through use of the funding.

6. Whichever option is adopted it will have an impact on those who are current recipients of ILF. A clear communication plan needs to be in place, with recipients provided with timely information and advice about what impact the changes may have on them, particularly given the timescales involved and new arrangements needing to be in place from 1st July 2015. The consultation paper outlines a number of options, 3 of which would require local authorities to manage and arrange the care provided under the scheme. This will require a reassessment of current packages of care and support over a period of time and as a result it is likely that some ILF recipients will see changes to their current packages. This needs to be communicated as early as possible, with people provided with support for the transition.

7. This consultation comes out at a time when Wales is preparing for the implementation of the Social Services and Well-being (Wales) Act and so any changes to future arrangements need to be applied within the context that the Act sets out, complementing the approach that will be taken with future services. The Act aims to promote equality, improve the quality of services and enhance access to the provision of information people receive. It will also encourage a renewed focus on prevention and early intervention and on improving the well-being outcomes for people who need care and support and their carers. The Act has the potential to provide local government and partner agencies such as the NHS with the powers required to manage growing demand for care and support in a situation where budgets are reducing. This can only be done by enabling local government to put in place new approaches that encourage people to live more independently.

8. Following this consultation Welsh Government will need to set out the principles that the future fund will operate under. For example, it needs to be clear whether the intention is that the funding transferring over is to be used just to support existing ILF users, or whether there is agreement that it should be used to support the wider aim of supporting people to live independently, contributing to people's care and support needs.

Response to Consultation Questions

Question 1: Would you favour setting up a successor body to support existing ILF recipients beyond 30 June 2015? If so, what would you see as the main advantage of such an approach, how long might it operate and for how long? If not, why would you not support this?

Comment:

In looking at this option it is worth considering the rationale behind UK Government's original decision to close the ILF scheme as this will be applicable to Wales as well. In announcing the closure of the ILF in 2012 UK Government argued that changes in the wider care and support system called into question the effectiveness of separate support arrangements for some disabled people operating outside of mainstream care and support provided by local authorities' social services departments. It concluded that there was no longer a need for separate arrangements to meet the needs of those who require a high level of support. It was also recognised at this time that the ILF was not thought to be sustainable given the reducing number of recipients each year.

It should be recognised that the ILF was introduced over 25 years ago and we now have a very different policy context in terms of meeting care and support needs compared to when the ILF was originally established. During this time services to support people to live independently have been further developed, services which re-able people have been expanded and the introduction of Direct Payments has given people greater choice and control. In 2016 the Social Services and Well-being (Wales) Act will also come into force, which aims to put the citizen at the centre and transform the way social services are delivered through an approach that is focused on achieving the outcomes necessary to promote a person's well-being as an individual, as part of a family and as part of their community. The evolution of services and the changing legislative framework in Wales mean that having a separate support system for some disabled people, which this option would maintain, should be unnecessary.

The option of setting up a successor body would maintain a system which is no longer equitable as it is closed to everyone except those already in receipt of ILF. The equity of the scheme itself can also be questioned – those

aged over 65, many of whom would have similar needs for independent living to those of younger disabled adults, were not eligible and other inequalities have been introduced during the life-time of the ILF as it was adapted to manage demand.

The number of recipients continues to decline and although the costs of administering the scheme are not defined within the consultation paper this is unlikely to be sustainable over time as the number of people on the scheme declines to a point where it becomes uneconomic to maintain. This scheme would also require a third party to set up and administer the scheme which creates additional complexity and costs.

Therefore this option is not supported as it is felt that the care and support needs of current ILF users should be met within the mainstream care and support systems, rather than having an inequitable parallel stand-alone scheme. In addition this option will not be economically sustainable in the longer term.

Question 2: Would you support establishing a National Independent Living Scheme in Wales? If so, what would you see as the main advantages of such an approach? How might it operate and for how long? If not, why would you not support this?

Comment:

It is recognised that there are some merits to this option - having access to a central fund may support local authorities to manage complex cases in the community, with accessibility for all those whose needs fall above the threshold providing an equitable system.

The consultation document does not however provide a great level of detail for how this option would work in practice. Key areas that would need more detail include: how the scheme would be funded; what threshold would be set; who would administer the scheme; and who would be eligible for the scheme.

There is no indication of how this scheme would be financed in the longer term. As it would be open to new applicants the ILF money transferring over would only go so far, particularly if the attrition rate is applied to future

funding levels. Given the current significant pressures facing local authority finances the longer term funding would need to be considered. There would also be costs associated with the setting up and administration of the scheme, which similar to Option 1, would create additional difficulty and costs.

The determination of the threshold would be key given the rising complexity and costs of supporting people in the community. Determining individual access and eligibility thresholds would be both onerous and inefficient. This will also be affected by the number of people who might become eligible for the scheme. If opened out to everyone, e.g. including everyone aged over 65 living in the community, then the threshold may have to be set at a much higher level than at present in order for the budget available for the scheme to be able to afford to meet the needs of the increased number becoming eligible for the scheme. As a result this may mean that many who are currently in receipt of ILF may fall under the threshold, which following an assessment, may result in a change in the support that some receive.

The consultation paper identifies that this option would *'provide to the local authority the cost of the support required which was above the level of the national threshold. This would assist local authorities in meeting the care and support of those who require high and complex care packages and remove some of the financial challenge this presents them.'* This implies that it would still be the responsibility of local authorities to arrange and manage the care provided under the scheme, meaning that options 3 and 4 may be more efficient approaches, where the care and support is arranged by the local authority without requiring an additional process where an application is made to another scheme for funding.

Given the lack of detail, the complexities in setting up this option, the timescales involved and the ongoing bureaucracy it would require, this option is not seen as the best way of managing arrangements in the future.

Question 3: Would you support transferring the responsibility for meeting ILF recipients' needs to local authorities and to the transfer of the funding into the Revenue Support Grant they receive? If so, what would you see as the main advantages of such an approach? If not, why would you not support this approach?

Comment:

The devolution of funding into local authority social care budgets clearly has the merit of bringing two funding streams together, and having all the resulting adult social care funding allocated more equitably through the same system. Depending on individual circumstances local authorities have been split between options 3 and 4. It is acknowledged that this option provides the most efficient way of managing care arrangements, with funding based upon population need rather than historic allocation and fortune, allowing local authorities' to use their own discretion to allocate resources to meet the needs of their disabled population as a whole. It does, however, need to be recognised that the ILF budget is unevenly distributed across Wales and so if the fund was put straight into the RSG it may result in "financial winners and losers" across local authorities and local authority areas.

Local authorities are well placed to be able to acquire responsibility for the administration of ILF funding, in line with their broader duties to support people with disabilities. It is our view that the other options set out in the consultation will involve greater levels of bureaucracy and would require greater levels of coordination between organisations. The local authority option will minimise administration costs since local authorities already have much of the infrastructure in place, including staff members who are skilled and experienced in assessment and care management, financial assessment, income maximisation and administration. Local authorities also have experience in awarding direct payments to individuals to help meet their needs for care and independent living. However, this is not to say that transferring responsibility to local authorities would not create additional costs. Additional assessments and reviews would be required, along with advice and support needed to be provided to those affected. Local authorities are likely to have to deal with an increase in enquiries from existing ILF users, many of which will require specialist knowledge. It will be important to identify the associated costs and resource local authorities appropriately to support with this.

However, there are risks for local authorities in adopting this option, as it would likely put additional burdens on authorities and so we would be seeking assurances about:

- The guarantee of continued funding, at the same level, from the Welsh Government, regardless of the outcome of the next Spending Round.

- How additional costs associated with implementing the option would be covered by Welsh Government, i.e. administrative costs, redundancy payments to cover existing ILF users, pension costs, etc.

It is recognised that there are existing ILF users with their own expectations. The adoption of this option would, overtime, require local authorities to review existing packages of care which may lead to changes to people's package of care received via ILF. A clear communication strategy would be required to support people and help them to prepare for any changes through a period of transition.

It is appreciated that to support the implementation of this option it may be best to initially transfer funding via a special grant, initially allowing some protection for existing users, budgets and also allowing time for the Social Services and Well-being Act to come into force. It is suggested that for the 2015/16 financial year funding is transferred via a special grant, with funding moved into local authorities usual funding mechanism from 2016/17. Future consideration will need to be given as to the appropriate distribution formula used to support this via the Distribution Sub Group.

Question 4: Would you support transferring the responsibility for meeting ILF recipients' needs to local authorities but providing the funding to them via a special grant? If so, what would you see as the main advantages of such an approach and for how many years do you think such an arrangement should continue? If not, why would you not support this approach?

Comment:

The response to this question is based on the assumption that this option would provide grant funding based on actuals, i.e. local authorities would receive the actual level of funding via the special grant to cover the ILF recipients in their area.

Similar to option 3, option 4, also provides a more efficient way of managing care arrangements, whilst providing some protection to existing ILF users and the ILF budgets that would be transferred to local authorities. Adoption of this option would again put additional burdens on authorities and so, as with

option 3, we would be seeking assurances about the continued funding and additional costs being met by Welsh Government. Recognised above, the ILF budget is unevenly distributed across Wales and so this option would provide a level of protection for both current recipients and those authorities with high numbers of ILF users in their area. However, in the longer term, this option could be seen as perpetuating funding allocations based on inequitable historic allocations and fortune and limiting local authorities' discretion to allocate their resources to meet the needs of their disabled population as a whole.

As suggested in response to option 3, in the short term this option provides some benefits and should be used to ultimately support the transition to the ILF monies transferring into the RSG, in line with the Social Services and Well-being (Wales) Act coming into force, but is not seen as the longer term solution.

Question 5: The Welsh Government would welcome views on the best mechanism for monitoring the impact of these changes on ILF recipients. Please provide your suggestions and why you think these are the most appropriate.

Comment:

An important mechanism for monitoring the impact of the changes on ILF recipients will be through continued consultation and feedback from the users themselves, as well as the organisation that will be administering whichever scheme is implemented post June 2015. It is important to recognise that the ILF changes are being made at a time of significant change and reform across many areas including welfare, housing and social services. Many of these changes will impact on those in receipt of social care services and so we need to be monitoring not just the impact of changes to ILF but taking into account the wider reforms as well.

Question 6: We have asked a number of questions. If you have any related issues to future arrangements for ILF recipients which we have not specifically addressed, please use this space to report them.

Comment:

A number of ILF recipients contribute to the cost of their care both to the ILF and to local authorities. If the funding transfers to local authorities they will be limited by the First Steps to Improvement charging measures and it is likely that this will be to the detriment of local authorities. We need to be clear on how this funding gap will be covered to ensure that any costs associated with implementation of changes to the ILF scheme do not fall on the shoulders of local authorities, at a time when local authority budgets are already facing significant reductions.

There will be additional challenges for some Group 1 ILF users who may not be currently known to social services. Some may be new to the local authority system and will face a very different set of eligibility criteria from those which were around in 1993. They will need support to understand the process and it will need to be clearly communicated what the impact will be and how this will be managed. They will require additional information about, and preparation for, the new care management system in which they will be eventually reviewed and supported.