

Agenda Item 17.

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| TITLE | Independent Living Fund update |
| FOR CONSIDERATION BY | Health Overview & Scrutiny Committee on 11 July 2016 |
| WARD | None specific |
| DIRECTOR | Stuart Rowbotham, Director of Health & Wellbeing |

OUTCOME / BENEFITS TO THE COMMUNITY

The Government previously notified the closure of the final element of the Independent Living Fund (ILF) with effect from 30th June 2015. Therefore, from 1st July 2015, responsibility for all remaining cases moved to the respective local authority responsible for adult social care in the area that the customer resided.

This change unifies two existing forms of overlapping support. Many, if not all, ILF customers are known to their local authority Adult Social Care Service and in many cases receive additional care services from them that are not covered by the ILF funded services that they already source. Therefore, all their eligible care needs would be determined and dealt with by a single organisation. Also, the transfer gave an opportunity to carry out a detailed review in each case under the full rigour of the new Care Act requirements that came in to being in April 2015.

RECOMMENDATION

The Health & Overview Scrutiny Committee is asked to note this report and update on the transfer of ILF cases to the Council.

SUMMARY OF REPORT

This report provides HOSC with a final update around the Government closure of the Independent Living Fund and the actions taken to successfully migrate the affected customers to Council supported care services under a single point of care management and funding provision. A previous report came to HOSC in September 2015, during the course of the transfer and review process.

This report therefore clarifies the review outcomes and financial impacts through to 31st March 2016, as well as the ongoing financial implications for the current financial year and beyond.

Details of the program of contact with affected residents were set out in the previous report and have not been repeated here.

Background

The ILF was established in 1988 to make direct payments to enable disabled people and (where appropriate) their carers to purchase support that could not be obtained from local authorities. Following changes to the way in which care is delivered by local authorities, the ILF was closed to new claimants from December 2010 and in 2012 the closure of the fund for existing beneficiaries was announced. Since 01/07/15 Local Authorities have had full responsibility to fund eligible care needs (defined in accordance with the Care Act 2014) for current ILF beneficiaries.

The ILF, ADASS and the LGA agreed a joint code of practice to manage the effective transfer of the ILF to sole local government support from 01/07/15. This was used by the Council to manage the transfer process. The key elements of this code of practise were a joint commitment to:

- Ensuring that users are kept updated on the transfer process;
- The provision of information relating to users from the ILF to local authorities at appropriate times to enable a smooth transition;
- That local authorities have in place a support plan for users that ensures their eligible care and support needs continue to be met without interruption;
- Signposting support and advocacy arrangements are communicated to ILF users.

On the closure of the fund, remaining ILF budgets for the balance of the 2015/6 financial year for the ILF beneficiaries in the WBC area were transferred to the Council. No other additional funding was made available at that time. WBC are liable for funding eligible care needs, making necessary assessments and funding any transition costs from that point forward.

Analysis of Issues

In conjunction with the Director of Health & Wellbeing, the Health & Wellbeing Leadership Team and appropriate Members, including the Executive Member for Health & Wellbeing, Officers developed a plan to transfer and integrate the ILF cases to WBC.

Regular information updates were provided to WBC by ILF. These initially confirmed that 19 cases were likely to transfer to WBC upon closure of the fund.

On 1st July, 18 cases were actually transferred as confirmed by the final data schedule issued by ILF. Shortly afterwards, the Council were informed that we would receive £230,456 in ILF grant funding for the remainder of the 2015/16 financial year.

Where appropriate, guarantee payments were issued to affected customers. These replicated the former amount of ILF funding each month that they received until June 2015. These payments continued until their had been a formal assessment of their case under Care Act criteria and an ongoing care package with appropriate WBC funding had been put in place. the re-assessment process via staff who had been trained in the new requirements of the Care Act.

All transferred cases were reassessed under Care Act criteria by 31st March 2016. The outcomes can be summarised as follows:

- In 2 cases the customers have moved outside the borough and ongoing care arrangements have been passed to the new local authority in whose area they

now live;

- In 1 case, the customer is now fully funded under S117 arrangements with Health partners;
- In 1 case, the review process has been completed and the customer is now jointly funded by WBC & the CCG on a 50/50 basis;
- In 13 cases, the re-assessment and Personal Budget review process has been completed;
- In 1 case, whilst the re-assessment and Personal Budget process has been completed, the Council is involved with the customer in appealing against Health partners decisions not to fund the case under S117 arrangements.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

| | How much will it Cost/ (Save) | Is there sufficient funding – if not quantify the Shortfall | Revenue or Capital? |
|-----------------------------------|-------------------------------|---|---------------------|
| Current Financial Year (Year 1) | See below | Yes | Revenue |
| Next Financial Year (Year 2) | See below | | |
| Following Financial Year (Year 3) | See below | | |

Other financial information relevant to the Recommendation/Decision

As mentioned above in this report, the transferred customers received ILF funding direct for the months April to June 2015 on the basis of their ILF assessments. From 1st July, all funding requirements were met by WBC. In recognition of this, the ILF transferred the remaining assessed ILF funding for the identified cases for 2015/16 to WBC. Expenditure against this grant can be summarised as follows:

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| ILF transferred grant 2015/16 | £230,456.00cr |
| Guarantee payments issued to 31/03/2016 | £83,950.01 |
| Increased Personal Budgets for 2015/16 following completion of individual case re-assessments (measured against former WBC funding values) | £73,984.09 |
| Total additional spend – 2015/16 | £157,934.10 |

This meant that Council had a surplus of grant over costs of £72,521.90 for the 2015/16. There was no requirement to return the surplus to Government.

Having previously indicated that there would be no specific funding for these cases beyond March 2016, in February 2016 the Government launched a consultation on funding for 4 financial years – 2016/17 to 2019/20 (the length of the current Parliament). On 1st May 2016 the Government announced the outcome of the consultation. That outcome confirmed that a further grant would be paid for each of the 4 financial years, based on the former ILF caseload data and reducing year-on-year in lieu of expected

reductions in ILF funding that would have occurred had the fund not closed. Wokingham has therefore been notified that we will receive the following grant:

2016/17 - £291,790

2017/18 - £282,182

2018/19 - £273,270

2019/20 - £264,970

Excluding the impact of the case that is subject to appeal mentioned above, increased WBC spending for 2016/17 over what would have been spent if the ILF fund had not closed, has been estimated at £139k per annum from 1st April 2016.

The case that is in dispute involves total funding (WBC and former ILF) of £55k per annum. This represents an increase of £24k per annum on the former WBC funding level. Therefore, should all appeals be lost and the costs fall entirely on WBC, there is still sufficient grant available over each of the next 4 years to cover this cost without impacting other budgets. However, if the appeal is successful, in part or in full, any decision will be retrospective to March 2016, when the initial decision by Health partners was taken.

Cross-Council Implications (how does this decision impact on other Council services, including properties and priorities?)

The process of incorporating these transferred cases into the normal business streams has had an impact on a number of teams within the Council and its partners. These include:

ASC budget managers – to approve ongoing Personal Budget requirements;

Finance – analysis of overall budget impact on the Council;

Disability Learning Team – assistance in creating suitable letter templates for those with learning difficulties;

Welfare Benefits Team – for ensuring that all financial assessments for the transferred customers are up to date (in order to determine any contributions to Personal Budgets from the customers income & savings);

Optalis – to carry out the individual re-assessments and recommend care plans and likely Personal Budget requirements.

Reasons for considering the report in Part 2

None

List of Background Papers

Various data schedules from ILF;

Letter templates;

Emails between relevant staff/services detailing review outcomes;

Financial outcomes monitoring reports;

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