

# Agenda Item 29.

<b>TITLE</b>	<b>Independent Living Fund update</b>
<b>FOR CONSIDERATION BY</b>	Health Overview & Scrutiny Committee on 29 <sup>th</sup> September 2015
<b>WARD</b>	None specific
<b>DIRECTOR</b>	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 30<sup>th</sup> June 2015. Therefore, from 1<sup>st</sup> July 2015, responsibility for all remaining cases would move to the respective local authority responsible for adult social care in the area that the customer resided.

This change would unify two existing forms of overlapping support. Many, if not all, ILF customers were 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.

The Committee is also asked to confirm whether it would like a further report once all reviews have been completed, and if so whether there are any specific questions that the Committee would like to see answered within that report.

## **SUMMARY OF REPORT**

This report provides HOSC with an 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.

Throughout the lead up to the formal closure date of 30<sup>th</sup> June 2015, Officers were in contact with ILF staff, affected cases were identified, migration plans were made and subsequently executed and financial impacts are being monitored and reported to the relevant staff within Health & Wellbeing and Finance departments.

## **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 from 31/03/15 was announced. Any individuals who would have benefited from ILF whose needs were identified after December 2010 have been supported by Local Authority funding. Judicial Review delayed the final winding up of the ILF until 30/06/15. 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.

One of the reasons given by the Secretary of State for Disabled People, in a statement of 6th March 2014, for closing the fund was that he “did not think that the current two-tier arrangements are justified”. They were two tier because across the country there were a significant number of individuals with equivalent care needs to ILF beneficiaries, whose needs arose after 2010, that have therefore always been met by local authorities.

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. 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. No further ILF related payments will be made to WBC, so all future care funding will be formulaic – i.e. through the Local Government Finance Settlement for the 2016/17 financial year and beyond.

## **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. This plan called for:

- a letter be sent by WBC to all identified ILF recipients setting out the plan WBC intended to follow. This was in addition to similar letters being issued by ILF itself;
- a full re-assessment to take place for each transferred case to determine the appropriate level of care needs arising from the introduction of and requirements of the Care Act;

- financial support to continue at the ILF rate in payment as at 30<sup>th</sup> June until the re-assessment and review process was completed;
- any new arrangements to come in to effect from September 2015 onwards;

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. Therefore, on 30<sup>th</sup> April all customers were sent a letter confirming the transfer date, that WBC intended to carry out a full re-assessment of their needs and that, in the meantime, funding at the appropriate ILF level would be paid by the Council for the months of July & August where appropriate. Should the re-assessment process not be completed by the end of August, then further funding at the ILF level would be made available for September.

Whilst the base letter was a normal text letter, work was undertaken with colleagues in the Learning Disability Partnership Team to create an “easy read” version which was issued to all those transferring cases where learning difficulties were identified. A copy of text letter version is included at Appendix A for reference.

On 1<sup>st</sup> 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 financial year.

In keeping with the announced plan, payments equivalent to 2 months’ worth of ILF funding were issued in 12 cases. For the remaining 6 cases, the individual ILF funds were already passed to the Council to fund their additional care alongside the normal care services we were due to provide. Therefore, there was no need to actually send money to those customers. At the same time, all cases were passed to commence the re-assessment process via staff who had been trained in the new requirements of the Care Act.

As at 8<sup>th</sup> September, progress on the transferred cases 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 7 cases, the re-assessment and Personal Budget review process has been completed;
- In 5 cases, the re-assessment process has been completed and reviews of the outcomes and possible impact on WBC defined Personal Budgets are ongoing;
- In 1 case, the re-assessment process is still ongoing;
- In 1 case, the Council has been unable to gain access to undertake the re-assessment and efforts are continuing to enable the required access.

Where appropriate for the 7 incomplete cases highlighted above, an additional payment at the former ILF rate has been issued for the month of September. These cases will be kept under review and if necessary, further payments at the former ILF rate will be considered until the re-assessment process and review of the Personal Budget is complete. This will ensure that the customers do not suffer any financial issues throughout the changeover period through the non-payment of monies previously

assessed as required to meet their care needs.

## 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)	Neutral	Yes	Revenue
Next Financial Year (Year 2)	Not known		
Following Financial Year (Year 3)	Not known		

### 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 on the basis of their ILF assessments. From 1<sup>st</sup> July, all funding requirements were to be met by WBC. In recognition of this, the ILF transferred the remaining assessed funding for the identified cases for 2015/16 to WBC. We received notification that our total grant would be £230,456 and that this would be paid in 3 instalments through the remainder of the financial year.

To date, expenditure against this sum can be summarised as follows:

Initial Guarantee payments for the months of July	£17,948.97
Further Guarantee payments for the months of August & September	£35,896.94
Increased Personal Budgets following completion of Review	£66,136.63
Total commitment to date	£119,982.54

Initial indications are that the overall increase in expenditure for 2015/16 faced by WBC will be contained within the transferred grant. Of those cases that have been fully completed and where all Personal Budget figures are understood, 3 have seen an increase in overall budget provision compared to the previous separate strands of ILF and WBC personal budget, and 3 have seen a decrease. Increases range from 6.42% to 11.88% whilst decreases range from -5.82% to -11.11%. Whilst overall care funding levels may have changed, it should be noted that all cases have been reviewed in line with the new requirements of the Care Act and that care support now comes through a single source. So, there should be no adverse impact on the lives of the individuals concerned.

If required a further report can be bought back to the Committee once all reviews have been completed with an emphasis on the outcomes experienced by those customers who have transferred.

The financial position for meeting the costs of these cases for future years is less clear.

A simple desk-top exercise carried out at the beginning of the financial year showed that estimated additional costs for these transferred cases could be in the region of £300k per annum from 2016/17 onwards (a more accurate figure will be known once all reviews are completed). However, Government have confirmed that the specific ILF grant payments will only be made for 2015/16. No specific grants will be paid for future years. Therefore, any additional funding will only come about through an increase in the 'Relative Needs Assessment' calculations as part of the 2016/17 (and beyond) Revenue Support Grant Settlement, reflecting the increase in Adult Social Care caseload as a result of this transfer. This will not be known until around December 2015 when Settlement announcements are made. However, given the way that Revenue Support Grant is now stated as a single figure, and individual components are not regularly identified by Government, it may not be possible to identify whether such an increase has indeed been included in overall settlement calculations.

**Cross-Council Implications**

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;

Learning Disability Partnership 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;

Financial outcomes monitoring reports;

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<b>Date</b> 9 <sup>th</sup> September 2015	<b>Version No.</b> 1

Tel:  
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Dear

Independent Living Fund

We are writing to let you know about the next steps regarding the closure of the Independent Living Fund and the transfer of responsibilities to the Local Authority. The key news is that we have decided to maintain your support at least at the current ILF level for the time being. We will complete a review of the needs of all ILF beneficiaries over the summer and come to a view about how we will manage your long term needs by this September.

As you know the Independent Living Fund will come to an end on 30th June 2015. The remaining Independent Living Fund budget for 2015/16 is being transferred to local authorities to make necessary arrangements to support you and to cover the cost of transition to the new arrangements. All users of the Independent Living Fund will be transferred to the care of their local authority. This means that from 1st July 2015, Wokingham Borough Council will be responsible for meeting all your eligible care and support needs (i.e. needs that can be met under the eligibility criteria framework for adult social care).

**What will happen to the Independent Living Fund money I currently receive?**

From 1st July you will no longer receive any ILF payments. However, as explained above the Council will continue to make payments to you after 1st July 2015 in accordance with your current ILF arrangements until, at the earliest, 31 August 2015. By September 2015 the Council will have decided how it will support people currently receiving ILF payments.

Your care needs will be assessed this summer under the new national eligibility criteria set out in the Care Act 2014 that apply to all local authorities from 1st April 2015. Even though we intend maintain support at the current level we need to make sure that your needs have not changed and you may need more support. We also need to understand what the changes might be if we moved your care support to the level that we would provide to anyone with equivalent care needs that arose after the ILF closed to new claimants in 2010.

**Will my needs be assessed by Wokingham Borough Council?**

You may already be receiving some services from Wokingham Borough, but we will also need to look at your needs currently met by the Independent Living Fund. We will ask you to take part in a re-assessment to look at all your care and support needs. This will take place between May and August. An assessor from either Wokingham Borough Council or Optalis (the company that carries out these

assessments on behalf of Wokingham Borough Council) will talk to you about your needs and how they impact on your wellbeing and ability to participate in everyday activities. They will also talk to you about how you would like to meet your needs and take into account your wishes and preferences.

Your Support Plan will be taken into consideration during the assessment and amended if necessary.

### **What support will I receive with taking part in the assessment?**

We will provide all necessary support for you to take part in the assessment, such as an explanation of the assessment process and what happens following the assessment. If you wish, your carer or carers (such as family members or friends) can support you through this process. If you need further assistance, we can also provide an independent advocate who can help you express your views and wishes.

### **What will happen following the assessment?**

We will work out how much money your eligible care and support services will cost (known as a 'personal budget'), taking account of our commitment to maintain support at ILF levels. We will work with you on putting together your care and support plan which will set out what services will be provided to meet your needs.

Should you need assistance with completing the assessment, we will provide access to an independent advocate to help you plan your services.

### **Who will manage my personal budget?**

There are several options. You can receive the personal budget as a direct payment (money paid to a dedicated bank account) which means that you will be in charge of your allocated budget and you will pay directly for your support services. Alternatively you can also ask Wokingham Borough Council to manage the personal budget on your behalf or a third party organisation can administer your personal budget for you. We will give you information and advice about managing your personal budget. The rules regarding direct payments from a local authority are different than the Independent Living Fund regulations and you will receive guidance on how direct payments are managed by Wokingham Borough Council.

### **What will happen next?**

We will contact you to let you know about the assessment of your needs which will take place

Lisa Evans (0118 977 8693) and Liz Gray (0118 977 8697) can be contacted directly if you require further information.

You can also visit our website for information and advice about local support services: <http://www.wokingham.gov.uk/care-and-support-for-adults/where-do-i-start/how-adult-social-care-works/>

Yours sincerely

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