

**REPORT TO:** Executive Board Sub Committee

**DATE:** 25<sup>th</sup> July 2008

**REPORTING OFFICER:** Strategic Director, Health & Community

**SUBJECT:** Review of Direct Payments Policy & Procedure

**WARDS:** Borough-wide

**1.0 PURPOSE OF REPORT**

1.1 To seek the Board's approval to the proposed changes to the Direct Payments (DP) Policy & Procedure.

**2.0 RECOMMENDED: That**

**(1) The Board approves the changes outlined in sections 4.1- 4.2 of this report and the appended Policy & Procedure.**

**3.0 SUPPORTING INFORMATION**

**3.1 Background**

3.1.1 In 2007/8 Halton Borough Council's DP rates were reviewed for new and existing service users and benchmarked against neighbouring Local Authorities.

3.1.2 Options were considered and recommendations proposed to Executive Board Sub Committee on 20<sup>th</sup> March 2008, to consolidate and simplify the DP rates paid by the Council to an agency or a personal assistant, for new and existing service users.

3.1.3 The 2008/9 DP approved rates are as follows:-

	<b>AGENCY</b>	<b>PA</b>
<b>2008/9 RATES</b>	£10.70	£9.35
<b>(uplifted by 2.5%) from 7.4.2008</b>	£11.36 (exceptional circumstances)	£11.36 (exceptional circumstances)

3.1.6 DP rates will be kept under review, for further amendments in line with changes to tendering arrangements for domiciliary care agencies. New contracts are to be in place from 1<sup>st</sup> April 2009.

**4.0 PROPOSED AMENDMENTS TO THE POLICY & PROCEDURE**

4.1 It is proposed that the DP Policy & Procedure be amended in the following areas to:-

- introduce eligibility criteria to determine the rate at which DPs will be set, based on current good practice (see pp 6-7 of Policy);
- reflect the changes introduced by the Mental Capacity Act 2005, with additional detail on capacity – Appendix 1 to the Policy;
- reflect the growth in PAs and, if required, include payroll charges in the set-up costs, and annually thereafter as a supplement to be paid to the service user if required, when employing a PAs from 01.04.2008.

4.2 Healthy Halton PPB on 10<sup>th</sup> June 2008 supported the revised policy changes.

## 5.0 **POLICY IMPLICATIONS**

5.1 See 4.1 and 4.2 above.

## 6.0 **OTHER IMPLICATIONS**

6.1 Not applicable.

## 7.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### 7.1 **Children & Young People in Halton**

The proposal covers Adult and Children & Young People's Social Care Services. The DP Team currently provides services to 16 Children via a SLA with Children and Young People's Directorate.

### 7.2 **Employment, Learning & Skills in Halton**

The proposal would ensure DP hourly rates reflect the cost of service and that local services to meet local need can be developed with care staff employed by the service users either via an agency or as PAs.

### 7.3 **A Healthy Halton**

The proposal clearly demonstrates the Council's commitment to promoting the service user's independence, health, wellbeing and, as well as ensuring value for money.

### 7.4 **A Safer Halton**

None.

### 7.5 **Halton's Urban Renewal**

None.

## 8.0 **RISK ANALYSIS**

8.1 By including payroll costs in start up costs and, if required, thereafter for Direct Payment recipients who employ PA's directly, potential difficulties and debt, in relation to tax and national insurance payments could be avoided. DP recipients, and in the future, Individualised Budgets recipients, could thereby employ a PA directly to meet their support needs, which is consistent with the Government's directive to promote the uptake of Direct Payments and Individualised Budgets.

## 9.0 **EQUALITY & DIVERSITY ISSUES**

9.1 All service users who choose to have their support needs met via DPs will have sufficient funds to access the services that they have been assessed as needing. It would also introduce consistency across all community-based services. The continued presence of the complex rate of £11.36 would allow for exceptions, with the introduction of DP criteria providing consistency.

9.2 If a Payroll Service is not funded for DP recipients who employ PAs directly, inequality would be created with service users from other neighbouring and nationwide Local Authorities.

## 10.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

10.1 There are no background papers under the meaning of the Act.