



Adult Social Care Select Committee  
30 November 2012

**Direct Payments**

**Purpose of the report:** Scrutiny of Services/Policy Review and Development

This report outlines Adult Social Care improvements to practise and performance with making Direct Payments to individuals and carers. The report includes specific details following an internal audit (April 2012) and resulting Management Action Plan.

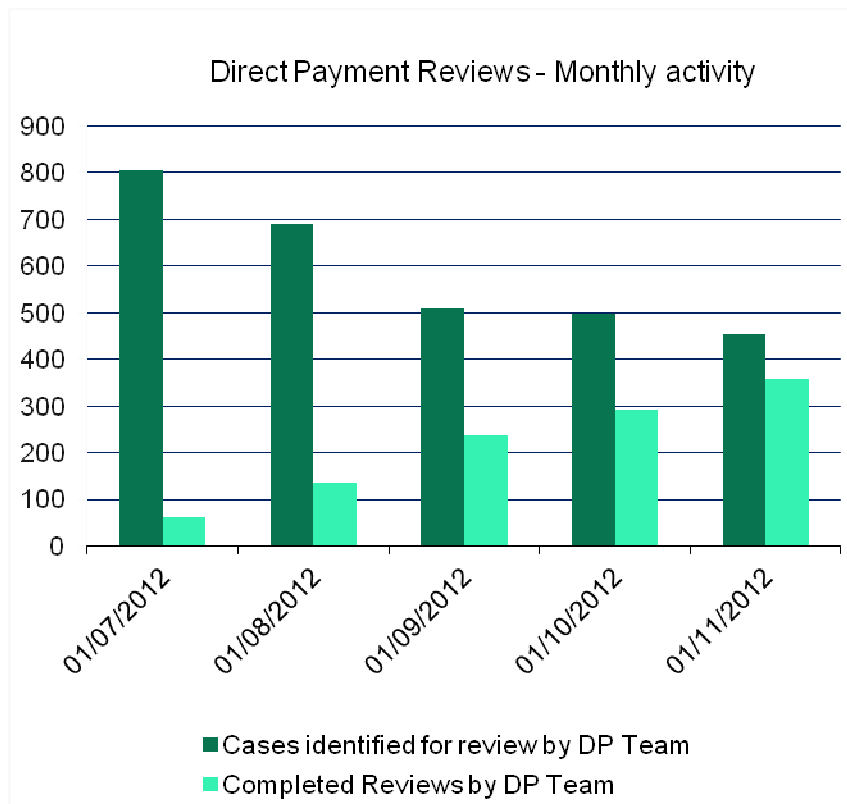
**Introduction:**

1. Direct Payments continue to have national importance as a means of increasing choice and control for individuals and carers. Everyone in receipt of support from a local authority should have a personal budget by April 2015 and the stated aim is that the majority of these should be by way of Direct Payment.
2. In Surrey, at the end of September 2012, 21,478 individuals were in receipt of support from Adult Social Care (ASC) with 5,910 carers also identified. Of this, 2,587 individuals and 615 carers were in receipt of a Direct Payment in 2011/12 although the carers figures do not include one-off Direct Payments.
3. An internal audit was carried out in April 2012 – Review of Direct Payments: Controls Mitigating Fraud and a subsequent Management Action Plan (MAP) was agreed. A significant concern was raised at the number of individuals who had not had an annual review of either their support needs or financial reconciliation which meant Adult Social Care could not be sure that fraudulent activity had taken place. In addition, failure to complete an annual review may leave people at risk that their needs are not met and insufficient support is provided.
4. A number of other improvements and changes have been made to Direct Payment Policy and Procedures to support practitioners and finance staff in giving clear and accurate information to people who use Direct Payments.

## Direct Payment Review Team

5. In order to address the audit report's identified risk in Adult Social Care's failure to undertake annual reviews, a Direct Payment Review Team was established, which began to undertake reviews in June 2012. This work was led by the Transformation Team and consisted of permanent practitioners from that team working with a group of temporary social workers. Recruitment to temporary posts was slow as our provider was not able to provide suitable staff quickly and a turnover of those staff has taken place. The Transformation Team provided extensive bespoke training and support which remains ongoing.
6. In April 2012, 2,202 individuals were in receipt of a Direct Payment from Adult Social Care. This figure does not include carers with a Direct Payment. In May 2012, 816 individuals with a Direct Payment had not had an annual review. Outstanding review dates varied, with a few individuals having no review since 2005.
7. All 816 individuals have now been screened – details investigated of any current concerns or activity, their financial status and reconciliations and any information held by Surrey Independent Living Council (SILC). SILC currently provide advice, information and support to individuals and carers who would like to have a Direct Payment or who are in receipt of a Direct Payment.
8. Of the 816 individuals who had not had an annual review, 360 did not require any action by the Direct Payment Review Team. This was for a number of reasons, which included being wrongly included as the Direct Payment was for a carer, the individual had died or the local team had already begun a review or reassessment or a Direct Payment was no longer provided.
9. In total, 368 reviews have now been completed, beginning with the most overdue reviews first, with all reviews due from 2005 to 2010 being completed. The team are now working on reviews due to have been completed in 2011. A significant number of individuals who had a review due in 2011 are requiring a reassessment which will give an opportunity to provide greater clarity about which of an individual's needs are eligible needs, how they would like these needs to be supported and finally to provide a clear support plan.
10. It has become evident that, with the rollout of Self Directed Support in Surrey, some practitioners, in the early days, found the new Supported Self Assessment challenging to complete as well as the requirements of a Support Plan. This meant that some early Support Plans lacked clarity for individuals – something which is far less of an issue now. It is anticipated that the initial 816 individuals will have had a review or completed reassessment where required by the end of 2012.

11. The graph below shows the number of reviews to be completed by the Direct Payment Review Team (column on left) which has reduced where it was identified that this team did not need to undertake a review. The right hand column shows the reviews which have been completed.



12. No fraud has been identified to date during the process of review but there has been some evidence of misuse in a minority of cases. In some instances this has been a result of a lack of clear information from practitioners about what the Direct Payment should be spent on. An important role of the Direct Payment Review Team has been to provide a clear review document detailing what has been agreed and a requirement that individuals sign to confirm this is accurate and that they are in agreement. This will provide important information for future reviews and will allow for absolute clarity about the purpose for which the Direct Payment has been made and which eligible needs it is meeting.
13. In terms of reclaiming surplus funds, the current position is that a Direct Payment recipient can maintain a balance equivalent to thirteen weeks of Direct Payment funding in year. Any surplus more than two weeks of Direct Payment funding is then reclaimed at the end of the financial year. The Direct Payment Review Team has contacted local finance teams to reclaim a total surplus of £86,000 since June 2012. It is important to note that some of these reclaims will have already been started by local finance teams before the Direct Payment Review Team began.
14. The MAP identified ongoing risk to ASC if annual reviews are not completed and this risk has been included in the directorate risk register. The transition to Self Directed Support with the expectation that

everyone has a personal budget has proved nationally to be a strain on resources as most reviews require a reassessment. The Medium Term Financial Plan for ASC included a change in the numbers of qualified to unqualified posts – requiring additional training and support to staff. With a restructure and slow recruitment, teams are only now beginning to address outstanding reviews. It is proposed that the Direct Payment Review Team remain in place until March 2013.

#### **Direct Payment Project Group**

15. A Direct Payment Task and Finish Group was initiated in November 2011 with the aim of increasing the take up of Direct Payments and improving processes and procedures relating to Direct Payments. This group was chaired by a Senior Manager from Transformation and had Personal Care and Support managers, practitioners and finance staff as members. ASC Commissioning was also represented with Children's Services, SILC and individuals and carers who currently use a Direct Payment.
16. The group has met every month with a high level of commitment from members with significant new documents produced. The following documents have either been refreshed or are new.
  - Direct Payment Policy – joint policy with Children's Services
  - Direct Payment Procedures – practitioners and finance staff including an escalation procedure for misuse and fraud
  - Guidance for practitioners – what a Direct Payment could be used for
  - Direct Payment Agreements – for people who have a Direct Payment
  - All Direct Payment correspondence relating to financial reconciliation
17. Following the Internal Audit Report of April 2012, the Direct Payment Group also incorporated MAP requirements into the documents as above.

#### **Direct Payment Re-launch workshops**

18. The Direct Payment Project Group has led five workshops in October for all staff from Personal Care and Support. Over 370 staff have attended with the aim of ensuring everyone is aware of the value of Direct Payments to recipients in terms of increasing their choice and control of the support they need. In addition, a key aim was to introduce the revised Direct Payment Policy and Procedures and answer queries and concerns. The workshops were aimed at practitioners and finance staff together as it is essential different groups of staff work together to understand how to support individuals to manage their Direct Payments and what to do if concerns are raised. Two further workshops are planned for November and December and feedback from the workshops has been positive.

## Direct Payment Policy , Procedures and documents

19. Legislation under which local authorities have a duty to offer a Direct Payment as an alternative to arranging social care services has not changed with personalisation and Self Directed Support. Direct Payments continue to be provided to individuals, carers and to children with disabilities. Adult Social Care Direct Payments Policy and Procedure was one document dated May 2008. This was a joint policy with Children's Services and it was agreed that the policy and procedures should be split with a joint Adult and Children's Policy and separate procedures. This has been completed and is awaiting sign off by Children's Services. Adult Services Procedures now contain information for practitioners and finance staff in one document with clear guidance on roles and responsibilities on planning support, setting up a Direct Payment, reviewing support needs, financial reconciliation and an escalation process. Clear guidance has been provided to staff on what types of support could be funded with a Direct Payment to help provide uniform good practise across the county. People who currently use a Direct Payment supported and welcomed this guidance and the new Procedures have been welcomed by practitioners and finance staff.
20. New agreements have been produced reducing the previous eight different agreements to two – helping practitioners give clear advice about Direct Payments to people wishing to take them up. New letters to people detailing the amount of their Direct Payment, asking for reconciliations to be submitted and reclaiming surplus funds have also been produced. Payments are now made electronically two weeks in advance rather than the previous four weeks with a choice of monthly or quarterly payments. This will help some people who may find budgeting over a quarter more challenging.
21. An escalation process has been formalised when concerns are raised that reconciliations have not been received, unusual payments have occurred or that there are large surpluses or a deficit on a Direct Payment account. This includes ensuring Team Managers and Assistant Senior Managers are informed on a monthly basis and that these issues become part of the quarterly performance and budget meeting held with area Senior Managers and the Assistant Director of Personal Care and Support.
22. A Supported Managed Account (SMA) is available to people who need support with managing the financial aspects of a Direct Payment. Guidance for practitioners and people wanting this level of support has been reviewed. This support is currently provided by SILC and will be included in the contract for information and guidance for people wishing to take up a Direct Payment. The current contract is out to tender and a provider will be appointed from end March 2013.

## **Conclusions:**

23. The work of the Direct Payment Project Group has achieved significant improvements to ASC Direct Payment procedures and guidance for all staff. This work will be embedded in practise over the coming months and it is anticipated that staff will be able to give consistent advice and support to people wishing to take up a Direct Payment.
24. The Direct Payment Review Team has reduced the level of overdue reviews and will continue to support teams and colleagues centrally until teams are in a position to undertake reviews locally.
25. The Direct Payment Project Group will be re formed into a Direct Payment Forum where different groups of people – practitioners, finance staff, individuals and carers who use Direct Payments and voluntary organisations – can come together to share their experiences and improve practise.

### **Financial and value for money implications**

26. Annual reviews as a minimum requirement reduce the risk to individuals and carers of insufficient support, enable surplus funds to be reclaimed in a timely manner and clarify potential inappropriate spend.
27. The use of a review team to undertake this specific focussed task has been effective in reducing the number of overdue reviews for Direct Payment recipients. Evidence continues to be seen of good practise with Case Studies available which support the use of Direct Payments as part of the national policy directive to achieve personal budgets by April 2015 for all recipients of local authority social care support.

### **Equalities Implications**

28. Direct Payments enable everyone to increase the choice and control they have over their own support. Indirect Payments can be made to a 'suitable person' where an individual lacks the capacity to consent to a Direct Payment that might be in their best interest. Direct Payments are an excellent way for individuals and carers to purchase support that best meets their cultural needs.

### **Risk Management Implications**

29. A significant number of Direct Payment recipients have now had a review and no evidence of fraud has been found. There has been no evidence of individuals at risk of a breakdown of support as a result of a review not having taken place.

### **Implications for the Council's Priorities or Community Strategy**

30. Adult Social Care will continue to promote the use of Direct Payments in line with national policy and direction which requires an increase in the

number of individuals purchasing their own support to meet their eligible social care needs.

<b>Recommendations:</b>
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31. The Direct Payment Review Team will continue to provide support to locality teams in undertaking overdue reviews for individuals in receipt of a Direct Payment. It is anticipated this work will continue until the end of March 2013.
32. Remaining planned Direct Payment Relaunch Workshops should take place as planned in November and December and ongoing training in the use of Direct Payments should be re commissioned from January 2013.
33. The Direct Payment Project Group will complete their agreed action plan in December 2012 and a Direct Payment Focus Group will begin in January 2013 bringing practitioners, finance staff and individuals and carers together to share experiences and improve practise and process within Personal Care and Support.

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**Sources/background papers:**

Direct Payments: Controls Mitigating Fraud 2012-2013  
Management Action Plan resulting from above  
Adult Social Care Direct Payment Policy 2012  
Adult Social Care Direct Payment Procedure 2012

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