

SURREY COUNTY COUNCIL**CABINET****DATE: 20 DECEMBER 2022****REPORT OF CABINET MEMBER: MARK NUTI, CABINET MEMBER FOR ADULTS AND HEALTH****LEAD OFFICER: LIZ BRUCE, JOINT EXECUTIVE DIRECTOR OF ADULT SOCIAL CARE & INTEGRATED COMMISSIONING****SUBJECT: DIRECT PAYMENTS STRATEGY 2023-2028****ORGANISATION STRATEGY PRIORITY AREA: SO EVERYONE CAN BENEFIT/ TACKLING HEALTH INEQUALITY/ EMPOWERING COMMUNITIES****Purpose of the Report:**

A joint Adults and Children's DP Programme Board was established to lead the response to a light touch review of Adults Social Care Direct Payments offer during 2019. As a result, an external organisation was commissioned to undertake a co-production exercise to develop a Draft All-age Direct Payments Strategy.

The purpose of this report is to seek approval to broader consultation regarding the draft Strategy which it is anticipated will be finalised and published in early 2023/2024.

Recommendations:

It is recommended that Cabinet:

1. Support the production and publication of a Surrey Direct Payments Strategy covering the period 2023 to 2028.

Reason for Recommendations:

Direct Payments provide individuals with greater choice and control over their care and support arrangements than can be the case where services are directly commissioned by the Council. This Strategy presents Surrey County Council's ambition to increase resident take up of the system enabling them more autonomy and ownership of their lives. It sets out how we will seek to provide a stable, unified way of approaching direct payments which will resolve current issues and streamline the process, making it easier and more appealing to a wider resident base. Ultimately, we want to see out uptake rate increase to at least 40% by April 2028.

Executive Summary:

The need for a 'One Council' All-Age Direct Payments Strategy was identified as a result of the Social Care Institute for Excellence (SCIE)'s report following their review of Adults Social Care (ASC) Direct Payments offer during 2019 and subsequent discussions between ASC and the Children with Disabilities (CwD) and Special Educational Needs and Disabilities (SEND) Teams within Children, Families and Learning (CFL) in 2020.

The Draft Strategy, co-designed with users of services, their carers, practitioners and providers, presents the steps that the Council will take to aid access and promote uptake of its Direct Payments offer.

Having a robust and appropriately funded Direct Payments offer will:

- a) Support the Growing a Sustainable Economy ambition through:
 - sustaining and increasing the number of people working as Personal Assistants in this segment of the care market
 - sustaining and increasing the number of support providers who accept Direct Payment clients
- b) Support the Empowering Communities ambition through:
 - Offering individuals and families a greater degree of choice and control over their care and support arrangements
 - Offering an additional and commonly more flexible employment option for people seeking a career in social care.

Background

1. Direct Payments (DP) have been around since 1997 and there is national 'Care & Support Statutory Guidance' available that indicates how local authorities should provide and manage direct payments. However, there is no standard framework, rather the national guidance is subject to local interpretation. As a result, the application of many aspects of providing direct payments, including how the value of a Direct Payment should be calculated, whether external user-led support should be commissioned and how their use should be monitored, is inconsistent across authorities.
2. Direct Payments are a means for individuals and families to exert greater choice and control over care and support arrangements than is the case where services are directly commissioned. They can be used for all or part of someone's support plan, potentially funding:
 - Care within the Home
 - Community Services
 - Day Care
 - Respite / Short Breaks
 (DPs are not an option for nursing and residential care)

Context

3. In Surrey, Adults and Children that are eligible for funded Social Care support are allocated a Personal budget which currently can be deployed in two ways:
 - Directly commissioned services
 - Direct Payments (managed by the individual/family themselves or via a third party to manage the accounts)
4. The number of individuals and families that have chosen to have a DP is shown in the tables below:

	Older People	Physical Disability	Mental Health	Learning Disability and Transition	Carers	Total
No. adults in receipt of community support	3,304	1,510	521	2,599	200	8,134
No. adults with Direct Payment	563	638	67	770	181	2,219
Percentage of people choosing Direct Payments						27%
Percentage of DP clients by client group	22%	32%	5%	33%	8%	100%

Source: Social Care records system, Oct 22 - Open Direct payments by Client Category

Children With Disabilities	
No. of Families eligible for funded support	634
No. of Families with a DP	546
Percentage uptake	86%

Source: CwD Finance Team, November 2022

5. The tables illustrate that a substantial number of individuals and families use Direct Payments. However, the feedback during co-production exercise highlighted that much should be done to improve the offer across all age groups, both to realise the potential benefits of Direct Payments and to increase uptake.
6. To address SCIE's findings, a 'One Council' (all-age) Direct Payments Programme Board was established, comprising Adult Social Care (ASC) and the Special Educational Needs and Disability (SEND) and Children with disabilities (CwD) Teams in Children, Families and Learning (CFL). During 2021-2022 the Programme Board undertook a strategic review adopting a 'One Council' approach, with the following objectives:
 - Ensure the local market offers a range of attractive options from which DP Clients can choose
 - Embed DP into practice and culture to deliver a better service.
 - Support effective budget management and thereby financial sustainability.
 - Establish effective communication mechanisms
7. It was agreed that, in order to address each of the issues that the review highlighted, a Strategy should be developed in parallel to taking remedial action which included:
 - Training regarding Direct Payments for SCC staff,
 - Increasing the recommended rate of pay for Personal Assistants to match the London Living Wage alongside an expectation that this would apply Monday-Sunday (previously weekend rates were higher, affecting availability)
 - Personal Assistant recruitment campaigns
 - Amending standard terms and conditions in supply/service contracts to require providers to charge no greater a fee for Direct Payment clients.
8. The Direct Payments Programme Board commissioned an external social research enterprise organisation, via Surrey Coalition, to undertake a co-design exercise to research what currently works well in Surrey, what doesn't work well and what needs improvement. The substance of this exercise is noted in the Consultation section below. The Programme Board continued to engage with Direct Payments recipients on the co-design group to shape the findings into a draft Strategy.
9. The draft Strategy (attached as Annex 1) has six objectives that seek to address the issues raised:
 - i. Objective one: Ensuring there is clear, accurate and accessible information
 - Who can have a Direct Payment
 - How to arrange a Direct Payment
 - What a Direct Payment can and can't be spent on
 - How flexible Direct Payments can be
 - What services / service providers are available
 - ii. Objective two: Ensuring quality support from practitioners
 - Assessments and reviews are strength based and outcomes focused.

- Full involvement of customers in producing their Support Plan, which recognises that Direct Payments might be used flexibly to achieve the outcome(s) identified
 - Staff are informed and up to date on Direct Payments policy
 - Direct Payments are offered as one way to deploy a personal budget, with a clear outline of their benefits and disbenefits, and with full involvement of carers where appropriate
 - Communications about Direct Payments are designed to allay anxiety and fear
 - Shared / supported decision-making approaches are used
- iii. Objective three: Ensuring equitable access and support in establishing a Direct Payment
- People have support to set up and manage a Direct Payment
 - Advice and guidance on employment responsibilities if choosing to recruit a Personal Assistant(s)
 - People have support employing and managing Personal Assistants
 - Access to independent support and advocacy to assist with issues and problems
- iv. Objective four: Ensure streamlined systems and administration
- The process to set up a Direct Payment is timely and as simple as possible
 - Financial information and support is consistent, accurate and up to date
 - Progress in establishing the Direct Payment is communicated in a timely and respectful manner
 - People have access to accountancy and brokerage support
 - All information about local providers is available online and in a range of other formats
 - Payments are not automatically reclaimed when not used but discussed alongside review of outcomes, acknowledging that underspend might be due to external / unforeseen circumstance and/or the customer might have a clear plan for how they will be used instead to meet the outcomes agreed in the Support Plan
 - When payments are to be reclaimed, following discussion with the customer, this is clearly communicated in writing
- v. Objective five: Developing the Provider Market
- Ensuring a diverse range of support is available to customers wishing to use direct payments
 - Growing the number of Personal Assistants available across Surrey with a focus on equitable access across Surrey, e.g. across different age groups and ethnicities
- vi. Objective six: The development of a Direct Payments communications plan, to include
- Online and printed information is up to date, accessible and accurate
 - SCC staff are able to implement policy confidently and appropriately
 - All parties understand their respective roles and responsibilities (customer, practitioner, finance team), and the importance of the users' experience is reinforced.
10. The Strategy includes a section outlining how it will be delivered – through a series of workstream action plans that will be co-designed with users of services, their carers, practitioners and providers. These action plans will build on what works well in Surrey and good practice from other Authority areas and will respond to the issues raised in the research undertaken, presented in headline form in paragraph 14 below.

Consultation to date:

11. In keeping with the 'Adult Social Care Engagement and Co-Production Protocol' (June 2021); the Direct Payments Programme Board commissioned an external social research enterprise organisation, commissioned via Surrey Coalition. The research was facilitated through micro-community work and conversations with nearly 250 people in receipt of Direct Payments, people working in the system, service providers, voluntary sector organisations as well as SCC staff (ASC, SEND & CwD).
12. The co-design exercise also secured engagement with over 70 SCC practitioners:
 - ASC staff session in February 2022
 - SEND staff session in March 2022
 - CwD staff session May 2022
13. Methods of engagement included:
 - Core Community Group meetings
 - 1-1 interviews
 - Conversations with several groups and organisations
 - Discussions at pre-existing meetings
 - Surveys
 - Case Studies
14. The research found there were examples of good practice – Direct Payments that had led to greater choice and control and achieving individuals' desired outcomes. However, there was also a commonly shared experience of frustration. The main issues that emerged included:

For Service users

- Poor/inconsistent understanding of underpinning principles
- Attitudes in assessments and review practices:
 - Scrutiny of expenditure and lack of focus on outcomes
 - Lack of flexibility regarding how DP can be used to achieve outcome
 - DPs as a result often feeling transactional
 - Unclear rules: practitioners exercising differing degrees of discretion
 - Trust between users and practitioners often an issue
- DPs treated by the Council as an opportunity to achieve cost savings
- Limited expert support to manage DPs
- Inconsistent practitioner contact
- Limited availability of Personal Assistants
- Inconsistent co-ordination and communication between SCC departments
- Unclear/inconsistent expectations of families in transition

For SCC Practitioners

- Process complicated and unclear so can be stressful and resource intensive to pursue
- Pre-paid accounts – unclear whether calculation should be based on NET (less any client contribution) or Gross – determined by decision to use provider or PA for all or some of the care
- Lack of PA availability – particularly where need to support the same culture / language and interest
- Lack of understanding by family / client how to use DP and, if employing a PA, may need to build in on-costs
- Knowledge of principles behind DPs and 'what good looks like' – can result in some of core benefits being lost

15. Distilling the co-design feedback has resulted in highlighting the following themes for a future programme of work, enshrined in the draft Strategy:

System-wide priorities

- Good quality information and advice to support customers deciding whether to opt for DPs
- Streamlined processes for clients, Personal Assistants/Providers and staff
- Good quality information and advice about the process for all parties
- A 'place' where individuals can get help and support with DP issues

Practice priorities

- Build DPs into Strength based practice training
- Review role of DP Champions
- Focus on support to families in transition, including role of parent as child reaches 18th birthday
- Streamlined payment processes

Commissioning priorities

- Establish regular dialogue with providers who support DP clients
- Clarity regarding quality assurance for individuals and providers
- PA recruitment and retention: training packages that support skills development and accreditation; PA Peer support / PA network
- Consideration of whether greater focus on managed accounts is required and exploration of Individual Service Funds.

16. The findings of the co-design work and issues that would be included in the Strategy were presented to the Health Select Committee on 15th July 2022, receiving strong support.
17. The item was discussed at informal cabinet on 14th November, presented by Liz Bruce (and Rachael Wardell).

Risk Management and Implications:

Service delivery:

18. It is essential that there is a robust market to support individuals and families that choose a Direct Payment. Without a robust approach to the delivery of its Direct Payments offer, there is a risk that appropriate support needed by individuals cannot be found in a timely manner by people wanting to use Direct Payments. This leads to a greater reliance on directly commissioned services and thereby a reduction of choice and control, carrying a risk of greater dependence.
19. The offer for service users and their families who wish to use Direct Payments is currently not comprehensive or as equitably available as required. Significant market development is necessary, which the Strategy will facilitate.
20. A key commitment within the Strategy Action Plan is to encourage and facilitate a greater number of people to consider becoming a Personal Assistant, through proactive marketing campaigns as well as developing a care & support training offer through the Surrey Skills Academy. The training offer can be a good introduction to not just working in providing care, but potentially lead individuals towards working towards formal care certificate qualifications and subsequently working in the sector.
21. The Strategy's commitment to support practitioners to better facilitate Direct Payment uptake addresses concerns both they and service users identified with the provision of consistent and accurate information. Without this, service users might be expected to continue to experience challenges and staff might feel unconfident to pursue Direct Payments for people who would find them beneficial

Financial risk:

22. The greater choice and control afforded by Direct Payments can support individual users of services to remain independent for longer. Conversely, greater reliance on directly commissioned services can lead to greater dependence and a quicker escalation of need, leading to greater reliance on the public purse.

Reputational risk:

23. The issues highlighted during the co-design exercise, by users of services, providers and practitioners, hold a reputational risk to SCC that is mitigated by the commitments set out in the draft Strategy.

Financial and Value for Money Implications:

24. Direct Payments enable SCC to fund the cost of meeting people's eligible assessed needs while giving people greater control over sourcing their care and support. They can also often be a more cost-effective method of meeting people's needs as individuals will only spend their DP when they require support. As such individuals and families often do not spend all of the DP budget allocated to them meaning there is often a surplus that is returned to the authority (on average this usually equates to around 10-11% of the total value of allocated DPs in Adult Social Care).
25. In the 2022/23 financial year Adult Social Care (ASC) is forecasting just under £42m on DPs across all client groups and £5.8m is forecast for DPs across the Children, Families & Lifelong Learning Directorate (CFL).
26. The implementation of the refreshed Direct Payment strategy for 2023-28 will help to ensure that DPs remain a cost-effective method of meeting people's care needs and as part of this help to maintain sufficient supply of key services such as Personal Assistants. It will also help services to achieve demand management efficiencies required in future years through in some cases avoiding more expensive services that would need to be commissioned if the ability to offer DPs was reduced. The cost of meeting people's needs through DPs in ASC and CFL is built into services budgets in the Council's Medium Term Financial Strategy along with future cost pressures such as the commitment to increase the rate PAs are paid in line with the London Living Wage.

Section 151 Officer Commentary:

27. Although significant progress has been made to improve the Council's financial position, the financial environment remains challenging. The UK is experiencing the highest levels of inflation for decades, putting significant pressure on the cost of delivering our services. Coupled with continued increasing demand and fixed Government funding this requires an increased focus on financial management to ensure we can continue to deliver services within available funding. In addition to these immediate challenges, the medium-term financial outlook beyond 2022/23 remains uncertain. With no clarity on central government funding in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.
28. In this context the Section 151 Officer recognises the importance of effectively implementing the new Direct Payment strategy to both improve the service offer to

residents and ensure that DPs remain a cost-effective method of meeting people needs and helping services to manage expenditure within constrained resources.

29. The Finance service will work alongside services to closely monitor the financial implications of changes in the use and nature of DPs over the course of the 2023-28 strategy's implementation, and ensure these implications are reflected in the MTFS.

Legal Implications – Monitoring Officer:

30. Legal Services will provide such assistance as is required and will advise on any legal issues as and when they arise.

Equalities and Diversity:

31. The Adult Social Care and Children, Families, Life-Long Learning Directorates of Surrey County Council have committed to the development of a 5-year One Council strategy for Direct Payments. The legislative context for Direct Payments is set out in the Care Act 2014, section 117(2c) of the Mental Health Act 1983, the Care and Support (DP) Regulations 2014 and the Children and Families Act 2014.
32. The overall aim of the strategy is to encourage and enable a greater number of people to use Direct Payments, as they are recognised as commonly facilitating greater independence, choice, and control in determining the support people need to live healthy, active, and fulfilling life.
33. An [Equality Impact Assessment](#) (EIA) has been completed, approved by the Adult Social Care Directorate Equalities Group (DEG) and published on the Council website. An action plan is in place to ensure any potential negative impacts for residents and/or staff with protected characteristic are mitigated and all opportunities to promote equality are realised.

Other Implications:

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	The programme of work set out in the DP Strategy will help advise and inform families of our DP offer. Improve the provider market supporting DP clients, in particular seek to increase the number of Personal Assistants available in Surrey that can provide support.
Safeguarding responsibilities for vulnerable children and adults	Increasing the PA market will necessitate further consideration around <ul style="list-style-type: none"> a) appropriate checking that they have DBS checks. b) Offering appropriate care training as well as Safeguarding awareness.
Environmental sustainability	Not Applicable
Compliance against net-zero emissions target and future climate compatibility / resilience	Not Applicable
Public Health	Not Applicable

What Happens Next:

- Undertake a public consultation exercise on the draft strategy, building on the findings of the co-production exercise.
- Final strategy published: Early 2023

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Consulted:

Surrey Council Corporate Leadership Team
Adults Social Care Leadership Team
Commissioners from Adults Disabilities and Mental Health Teams
Commissioners from Children with Disabilities and Special Education Needs Teams
Adults and Children's Social Care Staff
Surrey Coalition for Disabled People
Family Voice Surrey
Sight for Surrey
Surrey Independent Living Council
Health and Social Care Select Committee
Surrey People with Learning Disabilities Partnership Board
Disabilities Empowerment Networks
Joint Adults and Children's Direct Payments Programme Board

Annexes:

Annex 1: DRAFT Direct Payments Strategy 2023-2028

Sources/background papers:

Care Act National Guidance - [Care and support statutory guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/guidance/care-act-national-guidance)
Social Care Reforms - [Adult social care charging reform: further details - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/adult-social-care-charging-reform-further-details)

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