

ROTHERHAM BOROUGH COUNCIL – REPORT TO CABINET MEMBER

1	Meeting:	Cabinet Member for Adult Social Care and Health
2	Date:	17 November 2014
3	Title:	The transfer of Independent Living Fund (ILF) support and funding to Local Authorities from 30 June 2015
4	Directorate:	Neighbourhoods and Adult Services

5 Summary

The Independent Living Fund (ILF) was established by the Government in 1988 as a charitable trust. It makes payments to disabled people on low incomes who have to pay for personal care – it is the forerunner of Direct Payments and personal budgets. The maximum ILF award is £475 per week.

The Government originally announced its intention in 2013 to close the ILF from April 2015 and transfer funding and responsibilities to Local Authorities. The closure programme was stopped, however, due to a Court of Appeal ruling regarding the Government's administration of the process. This has now been resolved and in March 2014 the relevant Minister announced that the ILF would close on the slightly later date of June 30th 2015 and a new closure programme would be launched with immediate effect.

There are currently 105 Rotherham ILF users (the ILF has been closed to new applicants since 2010 and the number of recipients has, therefore, decreased slightly each year since then). 62 people are known to the Learning Disability Service; the remainder are known to other adult social care teams. This change to ILF funding now requires local authorities to determine their policy on this matter prior to implementation of the changes in 2015.

6 Recommendations

- **That Cabinet Member considers the options available for the administration of ILF following the 2015 transfer to the Local Authority and recommends endorsing Option C together with maintaining the necessary support for Supported Living.**

7 **Proposals and Details**

All ILF users have received information about changes in their future funding. In recent months ILF administrators have been jointly reviewing each user with a social worker from the Local Authority to give clear information about their future funding. It is expected that all these reviews will be completed by the end of this calendar year.

ILF policies on deciding funding packages are different to Fairer Access to Care Services (FACS) criteria. Frequently the ILF pays for 'desirable' elements of care whereas FACS cannot. There are also significant differences between ILF rules on user contributions to support packages and Fairer Charging.

It is likely that many ILF users will face a reduction in support funding if FACS was applied across the total care package. In many instances users have received high levels of ILF funding for desirable, rather than essential, elements of support.

There are 33 people with a learning disability in supported living schemes, however, who receive ILF funding for a significant proportion of their care package. To continue in supported living the ILF funding will need to be replaced by revenue funding from the Local Authority.

Two examples of how ILF money is used

Carl – living in the community with his family

Carl is 47 years old and has learning and physical disabilities. He lives with his elderly mother who is now in poor health. He goes to a day centre for 5 days per week and has 84 nights of respite care. He also receives £400 from the ILF each week. This pays for 54 hours of support at £7 per hour and 2 nights of support at £30. He contributes £38 to his ILF package (half of his DLA care).

Although some of the 54 hours funded by ILF are for Carl's personal care, a significant proportion are for recreational and community activities. His current indicative budget is £769 and the cost of his day and respite services is £756. At least some of his ILF package could therefore be seen to be 'desirable' not 'essential'.

Peter- supported living tenant

Peter is 42 years old and has learning and physical disabilities. He has lived in a supported living scheme for 10 years as both his parents were in poor health. He goes to a day centre 5 days per week. He receives £470 from the ILF each week and contributes £87 towards his ILF package (half of his DLA care and his Severe Disability Premium as it is in payment).

The Learning Disability Service funds £220 towards Peter's care in the supported living scheme and his ILF monies pay the remaining cost. His current indicative budget is £803. If ILF was not in payment the Learning Disability Service would have to fund the full supported living cost.

Options appraisal

For customers in the community

Option A - Replicate existing funding packages by replacing ILF with a Direct Payment. Customers will be happy and this would be relatively easy to administer. However this would replicate what is already a two tier system and there may be challenges from customers who did not previously receive ILF money.

Option B - Replicate existing funding packages but agree a phased reduction over a fixed period. There are likely to be fewer complaints and customers can make a more gradual adjustment to the loss of funding. However this is potentially a very complex administrative process for the Local Authority.

Option C – Assess everyone under FACS criteria and award funding accordingly. Whilst this is probably fairer it will cause hardship and/or some significant readjustments of lifestyle for some very disabled people and their carers. Complaints are likely to be high.

For people in supported living schemes

To allocate an appropriate amount into the Supported Living Budget to allow these placements to continue. The alternative would be significantly more costly and inappropriate residential care placements.

8 Finance

The total Rotherham ILF income for the 105 people is approximately £2 million per year. ILF users also typically contribute £35 – 90 per week towards the cost of their support packages, based on ILF rules, not Fairer Charging rules.

Currently the ILF offsets the supported living budget of the Learning Disability Service by approximately £830,000 pa. In addition, supported living tenants contribute about £144,000 pa towards their ILF packages. It is unlikely that they would pay this level through Fairer Charging and therefore any reduction in client contributions would lead to additional costs to the LA of approximately £40,000. This will need factoring into forthcoming reviews of Supported Living scheme costs. However, it may be that potential reductions in other care packages (if Option C is adopted) would offset any additional costs in Supporting Living.

The funding for ILF will be transferred to Local Authorities from 1 July 2015 and indications are this will not be a ring fenced grant. The level of funding will be based on 2014-15 allocations adjusted by approx 5% to take account the estimated reduction in clients.

9 Risks and Uncertainties

Transfer funding from the ILF will not be ring fenced to Adult Social Care. Each Local Authority will be able to decide themselves how the funding is distributed. As a result any customers losing ILF are potential complainants to the Local Authority about changes to their funding.

Any reduction in funding to an ILF claimant will impact upon their lifestyle. ILF users are people with significant needs who require high levels of support. Potentially there will be cases presented to the local media which may be damaging to the reputation of the Local Authority.

ILF recipients will be facing these potential changes to their funding at the same time as the Welfare Reform changes have begun impacting upon their overall benefits. There some customers who are also facing reductions in their respite care provision and some leisure or employment support services from MENCAP as a consequence of RMBC's need to make savings this financial year.

Some customers and/or their carers may seek to challenge reductions in funding through the legal process.

10 Policy and Performance Agenda Implications

How the Local Authority decides to communicate its policy regarding the transfer of ILF funding to customers will need careful consideration. To date, the only information ILF customers have received has been from the ILF itself. They are awaiting the Local Authorities policy on this transfer. There is now an urgency to formulate this policy to avoid confusion and allow preparation for customers and services alike.

Social workers will absorb ILF reviews with the normal annual review. This will make reviews potentially more challenging and thus be a more time consuming process.

Any increase in formal complaints and/or legal challenge will be costly in staff time.

11 Background Papers and Consultation

- ILF Website: www.dwp.gov.uk/ilf
- Includes transfer information and booklets for customers
- 'Transfer review programme: Code of practise' – as agreed by ILF, ADASS and LGA.

12 Examples of potential impact of changes on customers attached.

Document with examples attached.

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Examples of use of ILF monies

C

C is 47 years old and has severe learning disability, cerebral palsy and quadriplegia. He lives with his elderly mother who is now in poor health and cannot provide any of his care. He goes to a day centre for 5 days per week and has 84 nights of respite care funded by the LA. He does not have any Continuing Health Care needs. Family also currently provide a high level of informal support, and his sister is his ILF support worker.

His ILF funding pays for an additional 54 hours of support and 2 nights of support. The ILF worker also provides transport to/from his day service.

C therefore receives a total of 188 nights respite per year paid by the LA and the ILF; this is 3 or 4 nights per week.

Impact: On information gathered it would seem likely that without the current level of support C would be unable to remain at home with his mother, and alternative support would be required.

It is estimated that the LA would need to take on 100% of the ILF funding.

Current LA contribution for C	ILF package	Estimated Future LA contribution if no ILF
£471.72	£473.50	£945.22

W*

W is 44 and has a learning disability. He lives with his parents. The long term family plan is for him to live with his sister in the future. He goes to a day centre 5 days per week, and has a Direct Payment to have respite one night per week at his sister's home, as well as 6.5 hours from a PA to support recreation and leisure. He does not have any Continuing Health Care needs.

His ILF funding pays for an additional 30 hours of support and one respite night at his sister's per week. In addition the ILF fund 112 hours of support for 3 weeks a year, during day centre closures.

W therefore receives a total of 94 nights respite per year paid by the LA and the ILF; this averages at almost 2 nights per week.

Impact: On information gathered it is not felt that the current level of support would be reasonably offered by the LA. Based on the level of need identified, the package would need to be reduced. This would impact on W's current life style; however the package also needs to support parents' employment, so there would need to be some increase in funding from LA.

It is estimated that the LA would need to take on 50% of the ILF funding.

Current LA contribution for W	ILF package	Estimated Future LA contribution if no ILF
£357.53	£286.01	£ 500.53

L

L is 27 and has a learning disability, autism and epilepsy. She lives with her parents who both work. She goes to a day centre 5 days per week and has respite for 38 nights per year funded by the LA. She also has a Direct Payment of £56.25 per week for a PA. She does not have any Continuing Health Care needs.

The ILF pays for an additional 30 hours each week to support leisure activities.

Impact: It is felt that the 30 hours of support from ILF would need careful examination and some may be eligible to be provided by LA. This is because both parents work and have stated that without current levels of support, they do not think they could manage to continue to support her. The impact to L would be less leisure activity support outside day services.

It is estimated that the LA would need to take on 75% of the ILF funding.

Current LA contribution for L	ILF package	Estimated Future LA contribution if no ILF
£374.27	£422.84	£691.13

J

J is 26 and has a learning disability and Prader-Wili syndrome (a life threatening eating disorder). Due to this he needs constant support and supervision. He lives with his parents, and younger siblings. He has a Direct Payment for 10 hours of community support and activity costs, and 70 nights of respite (with 1:1 support, 36 hours over 10 weeks) per year funded by the LA. He does not have any Continuing Health Care needs.

The ILF pays for 29 hours of support each week from a specialist service. The support enables J to access community facilities, social/leisure opportunities and to support him in his work placement.

Impact: Without the full care package there would be a significant impact on J's quality of life and his parent's ability to continue to care for him. Alternative specialised support would need to be sought.

It is estimated that the LA would need to take on 100% of the ILF funding.

Current LA contribution for J	ILF package	Estimated Future LA contribution if no ILF
£610.11	£488.36	£1,098.47

M

M is 43 and has a learning and physical disability. She lives with her mother. She goes to a day centre 4 days per week and has 34 nights of respite per year funded by the LA. She does not have any Continuing Health Care needs.

The ILF pays for 14 hours of support per week for access to community and carer support.

Impact: It is felt that the 14 hours of support would need careful examination and not all may be eligible to be provided by the LA; there may need to be some minor increases in funding from the LA to support the carer. She feels that without the additional support the impact on both their lives would be great. The impact to M would be fewer leisure activities outside day services.

It is estimated that the LA would need to take on 25% of the ILF funding.

Current LA contribution for M	ILF package	Estimated Future LA contribution if no ILF
£349.50	£306.55	£426.13

P

P is 37 and has a learning disability. He lives with his mother. He goes to a day centre 5 days per week and has 59 nights of respite per year funded by the LA. He does not have any Continuing Health Care needs.

The ILF pays for an additional 35 hours of support per week.

Impact: It is felt that the 35 hours of support from ILF would need careful examination and most may not be eligible to be provided by LA. His mother has stated that the above package is the only way she can continue to support P. If support is reduced the impact on P would be fewer leisure activities outside day services, and he may possibly need alternative support.

It is estimated that the LA would need to take on 75% of the ILF funding.

Current LA contribution for P	ILF package	Estimated Future LA contribution if no ILF
£513.62	£359.51	£783.25

G

G is 42 and has a learning disability and autism. She lives with her mother. She goes to a day centre 5 days per week and has 40 nights of respite per year funded by the LA. She does not have any Continuing Health Care needs.

The ILF pays for an additional 19.5 hours of support per week.

Impact: It is felt that the 19.5 hours of support from ILF would need careful examination and not all may be eligible to be provided by LA; there may need to be some minor increase in funding from LA to support personal care to G and to support the carer. The impact to G would be fewer leisure activities outside day services. Without the ILF support the need for alternative care may become more urgent if the carer cannot fill gaps from any reduction to support.

It is estimated that the LA would need to take on 50% of the ILF funding.

Current LA contribution for G	ILF package	Estimated Future LA contribution if no ILF
£409.71	£264.98	£542.20