



Centre for Research in Education Inclusion and Diversity



THE IMPLEMENTATION OF DIRECT PAYMENTS IN SCOTLAND FOR PEOPLE WHO USE CARE SERVICES

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This CREID briefing examines the implementation of direct payments in Scotland. As a result of pressure from the disabled people's movement, there has been a gradual move in Scotland, as elsewhere in the UK, towards forms of welfare which promote independent living, rather than more passive forms of welfare consumption. Direct payments have been seen as a means of empowering disabled people by allowing direct control over the purchase of services to meet assessed needs. At the same time, they have been resisted by public sector trades unions as an example of the 'creeping privatisation of welfare'.

Main findings

Two central arguments have been used to promote direct payments:

- (1) Direct payments have been promoted by the disability movement as a way of empowering disabled people
- (2) The Scottish government has seen direct payments as a way of delivering flexible, personalised and cost-efficient services, thus contributing to the modernisation of welfare agenda.
 - As a result of this twin rationalisation, direct payments remains a contentious area of social policy.
 - Take up in Scotland has been significantly lower than in England, and there are large differences in use of direct payments in different local authorities and for different user groups.
 - Local authorities have not as yet shifted funds from traditional services into direct payments and there are anxieties that an increase in uptake of direct payments might destabilise existing provision.
 - Training for front-line staff is patchy and social workers report a lack of knowledge and confidence.
 - Local authorities have major anxieties about financial accountability issues and social workers feel the paperwork associated with direct payments is onerous.
 - Social work staff also have concerns about how the local authority can guarantee a high quality of care since they have no control over personal assistants.
 - Social workers often worry about users' ability to cope with financial management. However, service users believe that, whilst there are significant administrative demands, these are manageable with support.
 - There is a growth in the number of people managing direct payments on behalf of others (e.g. parents of disabled children, children of frail older people). Whilst these service users feel that direct payments provides opportunities for personalised services in their home, there are concerns about ownership of the payment.
 - Local authority case studies illustrate the micro-cultures within particular settings which either inhibit or support the development of direct payments.

Background

Since the implementation of the Community Care (Direct Payments) Act 1996, there has been differential use of direct payments by local authorities in Scotland, and, particularly at first, there was relatively low uptake of direct payments in Scotland compared with parts of England (Witcher et al, 2000; Pearson, 2000; Riddell et al, 2005). In 2001, there were only 207 direct payment users

in Scotland, although this had increased to 1,438 by March 2005 (Scottish Executive, 2005). Certain groups, particularly people with learning difficulties, mental health problems and black and minority ethnic groups, have been particularly poorly represented among direct payment users. In addition, there have been significant differences between local authorities in the average size of packages, so that some local authorities which appear to be making quite extensive use of direct payments are spending a considerably lower proportion of their social care budget than others, which have fewer users but make larger payments on average (Scottish Executive, 2005). Research carried out by team members (Priestley et al, forthcoming) has identified the local factors which appear to make a difference to the use of direct payments. These include the nature and capacity of the local support organisation, the micro-politics of the local social work department and the political complexion of the local council.

The Community Care and Health (Scotland) Act 2002 places a duty on local authorities to offer direct payments to all client groups using community care services, and, it therefore has the potential to contribute to the promotion of direct payments in Scotland. Sufficient time has elapsed to allow an assessment of the early impact of this legislation.

Research objectives

The specific objectives of the research were to:

- examine whether there has been any significant change in uptake of direct payments since the Community Care and Health Act 2002 came into force,
- identify the extent to which people turn down the opportunity to receive direct payments,
- identify the reasons why people choose not to take up direct payments,
- identify differences in uptake between different client groups and explore whether there are specific reasons for these differences,
- examine the experiences of those receiving direct payments in order to identify areas of good practice which facilitate their use and any difficulties encountered in using them,
- identify barriers to effective implementation of the direct payments scheme by local authorities and support organisations.

Research methods

The research consisted of three phases, starting with a broad analysis of official statistics. This was followed by a more in-depth study of three local authorities which included an examination of the experiences of relevant stakeholders using a questionnaire survey and semi-structured interviews.

Phase 1: Analysis of official statistics

Scottish Executive statistics were obtained on use of direct payments from 2001 – 2005. Secondary analysis of data was conducted by local authority, nature of client group, size of package and nature of support organisation. National figures gathered by the Scottish Executive were used in this analysis.

Phase 2 : Survey of local authorities

A questionnaire was sent to all 32 local authorities in Scotland to identify what they consider to be the major facilitating and inhibiting factors in relation to the uptake of direct payments in relation to different user groups. The extent of current or anticipated change following the implementation of the Community Care and Health (Scotland) Act 2002 was also investigated. Specific factors explored were the role of the local support group, the contribution of the Scottish Executive, knowledge and

awareness in local social work departments and the nature of local funding regimes (e.g. spot or block purchase arrangements).

Phase 3: Case studies of three local authorities

Case studies were conducted in three local authorities with different policies, practices and take-up rates in relation to direct payments. Within each local authority, the aim was to gather data from a range of perspectives including social work staff, finance officers, support organisations, users of direct payments and those who had opted not to use a direct payment. Interviews were semi-structured and the majority were tape recorded and transcribed. Interviews were designed to explore the critical factors within each local authority which have contributed to the development of direct payments. The experiences of direct payment users were contrasted with the views of local authority personnel and support organisations

Findings

The status of direct payments in Scotland

Direct payments were initially adopted at a very slow pace by many Scottish local authorities. In 2002 there were ten Scottish local authorities with no direct payment users despite the fact that enabling legislation had been passed in 1996. By March 2005, all thirty two Scottish local authorities had at least one direct payment user, although in some local authorities numbers remained very low. Per head of population, Scotland has only half the number of direct payment users compared with England, although in both countries there is considerable regional variation. Some local authorities have been much more enthusiastic in their uptake of direct payments than others, with the City of Edinburgh Council being the largest local authority spender on direct payments, and Fife having the highest proportion of direct payment users (albeit with smaller average packages). It is evident that west coast local authorities, with traditional Labour administrations and significant concentrations of deprivation, make less use of direct payments than others. Resistance to direct payments appears to be driven in part by a desire to defend collective approaches to welfare provision and to protect public sector jobs against 'creeping privatisation'. Direct payments policy may be seen to exemplify Scottish suspicion of some aspects of the modernisation of welfare.

In Scotland, official government documents state that direct payments is one of a number of means of delivering improved and more individualised social services. However, no member of the Scottish Parliament has strongly championed direct payments and local authorities have not been expected to meet any targets in relation to direct payments implementation. There has also not been an equivalent in Scotland of the Direct Payments Development Fund (Hasler, 2006), under which £9 million of Department of Health money was invested over three years in improving take-up of direct payments by investing in support organisations. In Scotland, a development organisation, Direct Payments Scotland, was funded until 2005 to support Scottish local authorities and support organisations in implementing direct payments and supporting users.

Inequality of access by different user groups

The independent living movement emerged in the US in the 1960 and 1970s, with physically disabled students at the University of Berkeley being particularly active in demanding access to all aspect of ordinary living. Modern technology was seen as playing a crucial role in empowering disabled people. The campaign for direct payments in the UK was inspired by the ideals of the independent living movement and it is interesting that to date the main beneficiaries of direct payments have been people with physical difficulties aged between 18 and 65, who still make up by far the largest group of direct payment users. There are currently moves to equalise access to direct payments for other groups, including people with learning difficulties and mental health difficulties, older people and disabled children. This raises questions about what it means to be 'willing and able' to manage a direct payment and how much support can be made available to those with fluctuating conditions or

permanent cognitive impairments. Questions also arise with regard to the ability of centres for independent living to represent effectively the interests of newer user groups such as frail older people. Indeed, in the future older people are likely to make up the fastest growing group of direct payment users, raising major questions about the type of support and advocacy which will be needed

The influence of the disability movement

It has been argued that a key element in the promotion of direct payments is likely to be the advocacy of local groups of disabled people, who, as individuals, blaze policy trails and, collectively, provide support to others (Priestley, 1999). In Scotland, findings from the local authority survey suggest that those with above median use of direct payments are more likely to have a user-led support organisation. The local authority case studies provide illustrations of the operation of user-led support organisations. The most effective support organisations had developed productive working relationships with the local authority often over a considerable period of time. They adopted an extremely important role in supporting service users and in providing information and guidance to social work staff. There were continued debates about the extent to which they should retain an independent and arms length relationship with the local authority. Local Authority 1 provided an example of a support organisation taking over some of the work of the local authority in financial monitoring, whereas the support organisation in Local Authority 2 felt that undertaking monitoring on behalf of the local authority might compromise their ability to advocate for the disabled person.

Direct payments and local cultures of welfare

The three Scottish local authorities provide contrasting models of the implementation of direct payments. In Local Authority 1, there was a broad endorsement of the principle of direct payments, although the task of financial monitoring was seen as arduous by social workers and care managers, and it was being contracted out to the support organisation. In practice, direct payments were often being managed not by the disabled person, but by a family member, and there was sometimes a slippage in terms of ownership, with references to 'my package' by proxy managers. Although it was felt that some disabled people benefited from more personalised services, many users were clearly not having full ownership of the process, and indeed for people with the most significant impairments financial management may not have been possible. Nonetheless, the extensive use of direct payments by proxy managers was likely to have some impact on the potential of direct payments to reorientate social welfare provision to meet the needs of the disabled person. The alternative goal of direct payments, to foster a mixed economy of care within social welfare, would clearly be met regardless of whether the disabled person or the proxy manager was being empowered.

In Local Authority 2, with much higher levels of poverty and limiting long-term illness and disability, direct payments were being pursued with much less enthusiasm. Senior managers felt that their creaking budgets were unlikely to be able to meet the needs of the new social welfare service users generated by the promise of direct payments. Whereas traditional local authority services had been off-putting to some potential users, the possibility of individually tailored services would be much more attractive and therefore more needs would be identified. Senior managers believed that the designated direct payments budget would increase as a growing demand was demonstrated, however grass roots practitioners had absorbed the message that no new funds were available and therefore did not encourage people to consider a direct payment. Practitioners also complained that their applications for direct payments were rarely approved, despite a large investment of time in the necessary paperwork, and this experience also dampened demand. For a period of time, social workers had refused to process direct payment applications on the advice of their union.

At senior management and grassroots level, there were serious doubts that service users had the financial competence to manage financial transactions, and there were fears that unsuitable individuals would be employed as personal assistants. Overall, practitioners felt that direct payments threatened to deskill their work and make them loose contact with their 'client'. The support organisation believed that it had been given insufficient funds to meet user demand for support, and had taken a long time

to reach a working agreement with the local authority. Service users, for their part, believed that there was a shortage of both funding and support, and were therefore not encouraged to press their requests for direct payments. Compared with Local Authority 1, where conditions seemed reasonably conducive to the development of direct payments, Local Authority 2 illustrates the profusion of barriers to direct payments development at organisational, financial, cultural and ideological levels.

Local Authority 3 appeared to have made the most progress in the development of direct payments. With a strong user-led support organisation and commitment from social services, the difficulties in managing direct payments were recognised. However, the benefits of allowing service users greater freedom to manage their own services were seen to outweigh the problems of loss of control over commissioning. Even in this authority, however, it was recognised that a major expansion of direct payments would pose problems for some existing services, particularly those with high recurrent costs such as day centres.

The future development of direct payments in Scotland

The future of direct payments in Scotland is, of course, unwritten, and will depend on many factors including the future political composition of the Scottish Parliament. There are signals from the Scottish Executive that development work on direct payments will continue over coming years. The Scottish Consortium of Direct Payment Support Organisations is receiving support from the Executive to develop peer support amongst support organisations. There has also been targeted investment in training for support which will be led by Lothian Centre for Integrated Living and its partners to help them operate more effectively. The Scottish Personal Assistant Employers Network is also receiving support, and from 2007 Contact-a-Family, a voluntary organisation supporting families of disabled children, has been commissioned to deliver targeted training and support for disabled children's service users. In addition, a Consortium of Mental Health Organisations has been funded to deliver targeted training and support for mental health service users. Perhaps even more significant is the recognition in the 2006 Spending Review that direct payments inevitably require some additional funds to assist with start-up costs, even if they are cost neutral in the longer term.

Individualised budgets are being strongly promoted by the Westminster Government (DoH, 2005; Cabinet Office, 2005). These would involve the aggregation of funds from a number of sources such as local authority direct payments, the Independent Living Fund, Attendance Allowance, Access to Work and Disability Living Allowance, providing the service user with even greater control over resources with far fewer bureaucratic constraints. There would also be considerable administrative savings, since at the moment each stream of funding has separate assessment and monitoring procedures. At the moment, whilst there is a commitment in Scotland to the delivery of personalised services, the extent to which this might involve individualised budgets is unclear.

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Further information

The full report of the study is available at <http://www.leeds.ac.uk/disability-studies/projects/UKdirectpayments/UKDPfinal.pdf>. Scottish findings are reported more fully in Pearson, C., Riddell, S. and Williams, V. (2006) *Direct Payments and the Personalisation of Care* Edinburgh: Dunedin Academic Press

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