



# **THE IMPLEMENTATION OF DIRECT PAYMENTS FOR PEOPLE WHO USE CARE SERVICES**

## **REPORT TO THE SCOTTISH PARLIAMENT HEALTH COMMITTEE**

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## **SECTION 1: BACKGROUND AND RESEARCH DESIGN**

### **Introduction**

Partly 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. However, 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 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 Aim and Objectives**

Following the research specification, the over-arching aim of the research was to evaluate the implementation of direct payments policy in Scotland.

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.

## Methods

The research used a progressive focussing strategy, starting with a very broad overview of the field, and gradually focusing down on the dynamics within three local authorities, highlighting the experiences of users, non-users and carers within specific local contexts. The study was conducted in the following overlapping phases:

### *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 to be 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. Each case study differed slightly in relation to the interviews and focus groups conducted and further details are given in Section 4. 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.

Interviews and focus groups with service providers and support organisations explored:

- (a) the extent to which the individual considers direct payments are currently in place
- (b) the benefits perceived for their particular area of practice or need
- (c) the disadvantages for their particular area of practice or need
- (d) perceived barriers to implementation
- (e) perceived drivers for implementation
- (f) details of any practice examples relevant to direct payment training requirements

Interviews and focus groups with direct payment users and non-users explored:

- (a) Initial access to their support; areas of help and hindrance (and the key agencies involved), supporting roles.
- (b) How payments are used (where appropriate) and their interaction with other day to day employment and/or social activities.
- (c) Views on how their support could be improved.

### **Summary of research methods**

| <b>Activity</b>                      | <b>Group</b>   | <b>Number</b> |
|--------------------------------------|--|---------------|
| Analysis of official statistics      | Scottish Executive Data, 2001 - 2005                           |               |
| Local Authority Questionnaire Survey | Administered to person with responsibility for direct payments | 32            |
| Local Authority Case Studies         |  | 3             |

### **Structure of the report**

The report is structured as follows: Section 2 includes an analysis of official statistics collated by the Scottish executive on the use of direct payments in Scotland; Section 3 presents findings of the local authority survey and Section 4 focuses on local authority case studies. In the final section we summarise findings and draw some conclusions about the current use of direct payments in Scotland and possibilities for the future.

## SECTION 2: UPTAKE OF DIRECT PAYMENTS IN SCOTLAND

### Introduction

In this section, we first present data on the uptake of direct payments in Scotland, drawing on information collected by the Scottish Executive from local authorities (Scottish Executive, 2005). Subsequently, we make some cross-Border comparisons, examining the use of direct payments in different parts of the UK.

### Direct Payments in Scotland: The Current Picture

#### *Characteristics of users*

Although direct payments have been available to people in Scotland since April 1997, early uptake was very slow and in 2001, there were only 207 users. In March 2005, the number of direct payment users had increased to 1,438, a seven-fold increase. Figure 2.1 shows the number of users from 2001 – 2005, and the distribution by user group. People with physical disabilities still predominate, in 2005 making up about sixty five per cent of all users. It is also interesting to note that the majority of direct payment users with physical disabilities are 18-64 (see Figure 2.2 and Table 2.1)

Figure 2.1: Number of people receiving direct payments 2001-2005 by user group

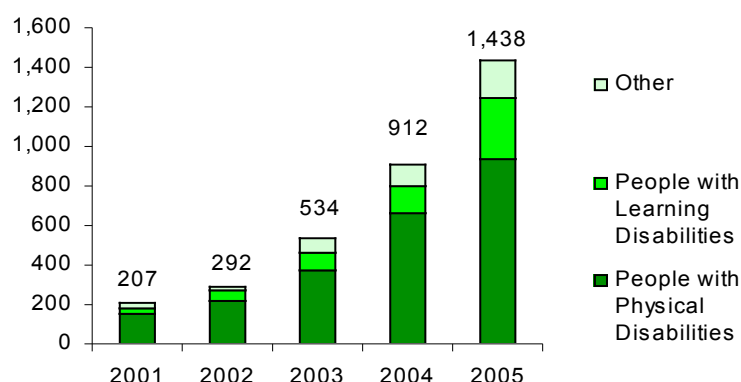


Figure 2.2: Number of people receiving direct payments 2005 by user group and age

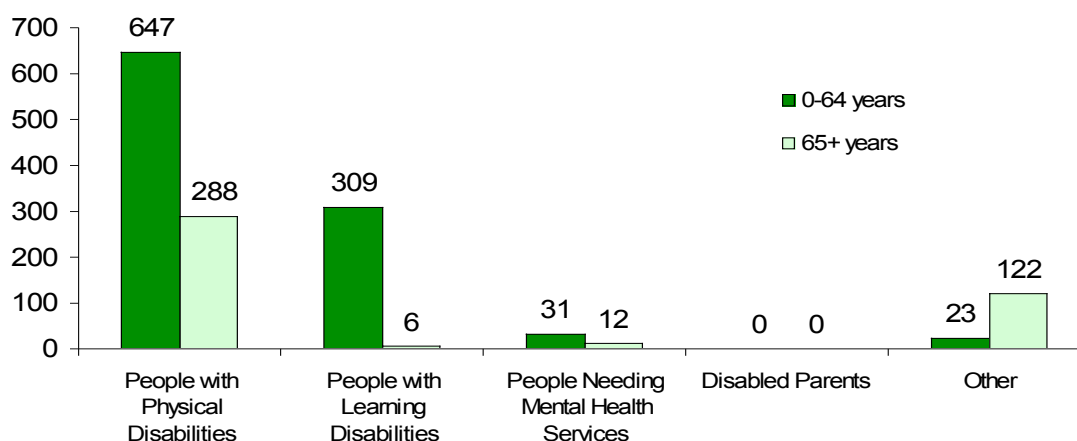
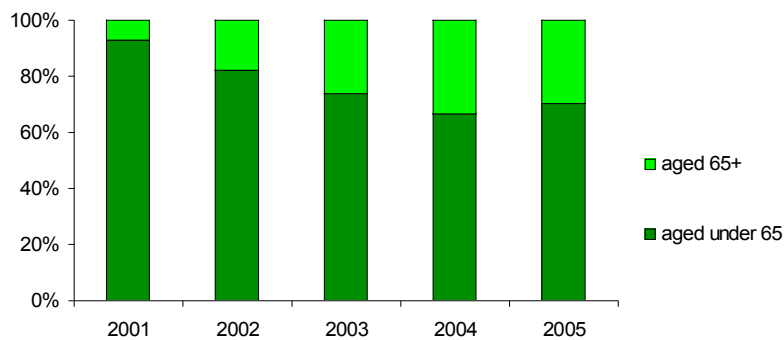


Table 2.1: Number of direct payments and value by age and client group, 2005

|                                       | Number of Clients |                |                |              |       | Value of Payments (£,000) |                |                |              |        |
|---------------------------------------|-------------------|----------------|----------------|--------------|-------|---------------------------|----------------|----------------|--------------|--------|
|                                       | 0-15<br>years     | 16-17<br>years | 18-64<br>years | 65+<br>years | Total | 0-15<br>years             | 16-17<br>years | 18-64<br>years | 65+<br>years | Total  |
| People with Physical Disabilities     | 36                | 5              | 606            | 288          | 935   | 173                       | 46             | 7,539          | 1,913        | 9,672  |
| People with Learning Disabilities     | 52                | 19             | 238            | 6            | 315   | 211                       | 77             | 2,045          | 60           | 2,394  |
| People Needing Mental Health Services | 2                 | 0              | 29             | 12           | 43    | 2                         | 0              | 258            | 107          | 367    |
| Disabled Parents                      | 0                 | 0              | 0              | 0            | 0     | 0                         | 0              | 0              | 0            | 0      |
| Other                                 | 7                 | 0              | 16             | 122          | 145   | 16                        | 0              | 112            | 1,139        | 1,268  |
| Total                                 | 97                | 24             | 889            | 428          | 1,438 | 403                       | 124            | 9,955          | 3,219        | 13,701 |

Whilst younger users still account for about seventy per cent per cent of the total, the proportion of users who are sixty five and over has steadily increased over time (Figure 2.3). It is worth noting that from April 2005, eligibility was extended to older people aged sixty five and over assessed as needing care services due to frailty or old age, but this change was too late to be reflected in these figures.

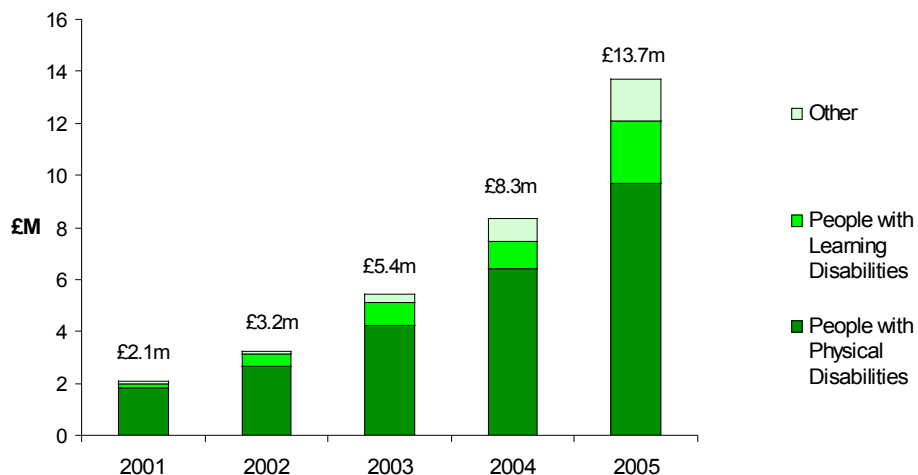
Figure 2.3: Percentage of people receiving direct payments by age, 2001-2005



### Value of direct payments

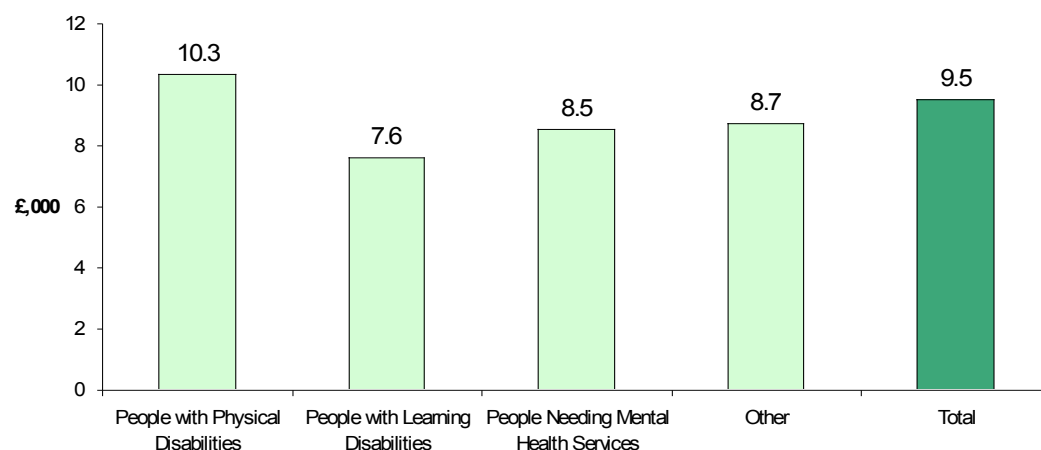
In addition to an increase in the number of users between 2001 and 2005, there has also been a marked increase in the value of direct payments, from £2.1 million in 2001 to £13.7 million in 2005 (see Figure 2.4).

Figure 2.4: Value of direct payments by user group, 2001-2005



Whilst the average value of a direct payment in 2005 was £9,500 per client, users with physical disability received the highest average payment (£10,300) and those with learning disabilities received the lowest (£7,600) (see Figure 2.5).

Figure 2.5: Average value of a direct payment by user group, 2005



The average value of a direct payment has fluctuated over time. However, it is interesting to note that the average value per client in 2005 was £9,500, which is less than the average value per client in 2001 (£10,100). This suggests that there has been an increase in smaller packages (see Figure 2.6 and Table 2.2).

Figure 2.6: Average value of a direct payment, 2001 – 2005

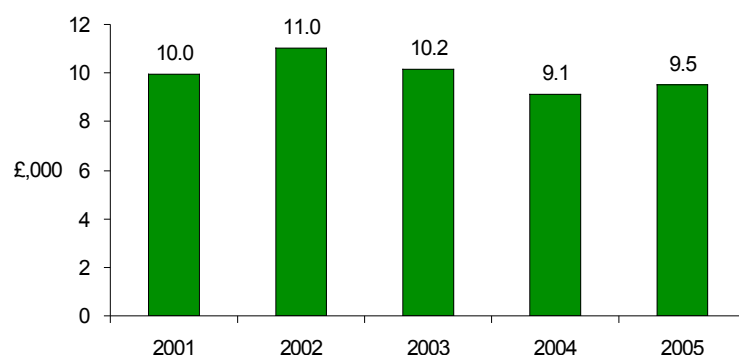


Table 2.2: Average value of direct payments by client group, 2001 – 2005

|                                       | Average (£,000) |             |             |            |            |
|---------------------------------------|-----------------|-------------|-------------|------------|------------|
|                                       | 2001            | 2002        | 2003        | 2004       | 2005       |
| People with Physical Disabilities     | 12.2            | 12.2        | 11.4        | 9.7        | 10.3       |
| People with Learning Disabilities     | 4.4             | 8.3         | 9.9         | 8.0        | 7.6        |
| People Needing Mental Health Services | 0.0             | 6.7         | 6.0         | 6.8        | 8.5        |
| Other                                 | 3.2             | 5.4         | 3.8         | 7.6        | 8.7        |
| <b>Total</b>                          | <b>10.0</b>     | <b>11.0</b> | <b>10.2</b> | <b>9.1</b> | <b>9.5</b> |

### *Use of direct payments by local authority*

Whilst all local authorities made some direct payments in the year to 31st March 2005, Fife Council made the most payments (15 per cent of the Scotland total). The City of Edinburgh had the greatest total value overall (£2.5 million, about a fifth of the total amount paid). Inverclyde had only three direct payment users. Figure 2.7 shows the number of direct payments users by local authority and user group. Angus made



fewer direct payments than it had in the previous year, but all other local authorities made more.

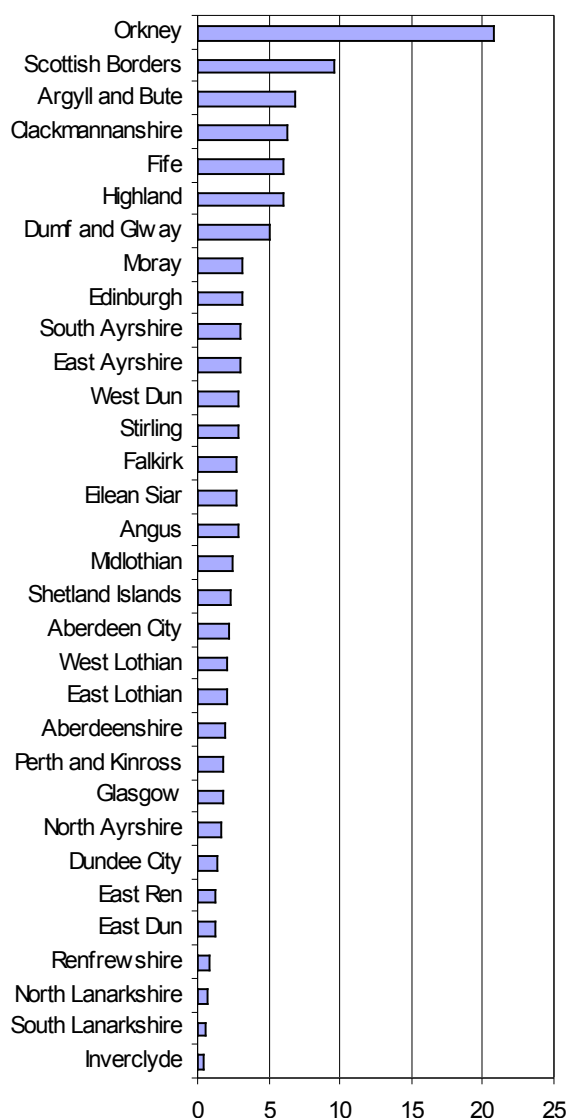
Figure 2.7: Number of people receiving direct payments in 2005 by local authority and user group



The average value of a payment increased in 20 out of the 32 local authorities, with Midlothian showing the biggest increase, from an average payment of £3,400 per client in 2004 to £13,100 in 2005.

Figure 2.8 illustrates the rate of clients per 10,000 population. It is evident that smaller rural authorities tend to have a higher proportion of clients using direct payments, with Orkney having by far the highest proportion of direct payment users. Of the city authorities, Edinburgh has the highest proportion of users. Central belt authorities in the west, Glasgow and Dundee all have relatively low uptake.

Figure 2.8: Rate of clients per 10,000 population by local authority



As noted in section 1, an aim of the study was to make some comparisons between the different countries within the UK to identify patterns in the uptake of direct payments in different parts and to explore the impact of a range of variables, including the political control of the local authority, the number of people reporting a long-term limiting illness in the 2001 census and the presence of a support organisation for disabled people wishing to make use of direct payments. All direct payments figures are based on publicly available statistics and statistical breakdowns available on February 18th 2004 (see Riddell et al, 2005 for further discussion).

Table 2.3: Direct payment users in each country/province of the UK between 2000/1 and 2003: number and rate per thousand people with LLTID.

| Country/province | Population  | % LLTID | 2000/1:<br>number & rate<br>per thousand<br>people with<br>LLTID | 2002/3:<br>number &<br>rate per<br>thousand<br>people with<br>LLTID | 2003:<br>number &<br>rate per<br>thousand<br>people<br>with LLTID |
|------------------|-------------|---------|--|---|---|
| England          | 50 million  | 18      | 4,900 (0.54)   | 6,300 (0.7)   | 9,700 (1.0)   |
| Scotland         | 5 million   | 20      | 207 (0.20)   | 392 (0.4)   | 571 (0.57)  |
| Wales            | 3 million   | 23      | *  | 185 (0.26)  | *   |
| Northern Ireland | 1.5 million | 23      | 33 (0.09)  | 49 (0.14)   | 128 (0.37)  |

#### Notes

- *Figures for Wales not available for 2000/1 and 2003*
- *LLTID refers to the percentage of people reporting a limiting long-term limiting illness or disability in the 2001 Census. 10.9 million people in the UK reported LLTID with significant regional variations (London & South East: 15 %; Northeast England : 23 %)*

Table 2.3 shows that in 2003, England had about twice the number of DP users relative to its population compared with Scotland, Northern Ireland and Wales, despite having the lowest proportion of people with long-term illness or disability. Nonetheless, there have been significant increases in use throughout the UK.

#### Summary

- In Scotland, the number of people in receipt of direct payments has increased from 207 in 2001 to 1,438 in March 2005.
- Over 40 per cent of people who received a direct payment in 2005 were those aged 18-64 with physical disabilities.
- The value of payments has increased by nearly £11.6 million, from £2.1 million in 2001 to over £13.7 million in 2005.
- Almost a third of people who received direct payments in 2005 were aged over 65 or over, compared to over 7 per cent in 2001.
- There were major differences between local authorities in Scotland in their use of direct payments. Fife had the largest number of users, but the City of Edinburgh contributed the greatest value overall, accounting for £2.5 million (almost a fifth of the total amount paid).
- Scotland has only half as many direct payments users as England, whether this is measured by rate per 10,000 population or as a proportion of people with long-term limiting illness or disability.

## **SECTION 3: LOCAL AUTHORITY QUESTIONNAIRE SURVEY**

### **Method**

A questionnaire was devised which aimed to investigate the management of direct payments in Scottish local authorities and the factors promoting or inhibiting their development. Questionnaires were sent off to all 32 local authorities. After three reminders we received responses from 23 local authorities, representing a response rate of 72%. Due to the small number of responses, we did not look for statistical difference but chose to express the analysis in proportions. The data were analysed according to rate of direct payment clients per 10,000 of population and comparisons were made between local authorities above and below median (see section 2, figure 2.8). The groups were as follows:

Above median: Orkney, Scottish Borders, Argyll and Bute, Clackmannanshire, Fife, Highland and Dumfries and Galloway, Moray, Edinburgh, South Ayrshire, East Ayrshire, West Dunbartonshire, Stirling, Falkirk, Eilean Siar.

Below median: Angus, Midlothian, Shetland Islands, Aberdeen City, West Lothian, East Lothian, Aberdeenshire, Perth and Kinross, Glasgow, North Ayrshire, Dundee City, East Renfrewshire, East Dunbartonshire, Renfrewshire, North Ayrshire, North Lanarkshire, South Lanarkshire, Inverclyde.

Of respondents, 46% were in a designated post for direct payments and 54% were not. Local authorities that were below median were less likely to have a designated post for direct payment (36.4%) than local authorities above median (50%).

### **Financial arrangements within local authority**

Around half (52%) of the local authorities reported having a generic budget for direct payment use. This was the case regardless of whether the local authority was above or below median direct payment use.

About half (47.8%) of the local authorities reported devolving budgets to care managers for individual spot purchasing. Local authorities above median were slightly less likely to do so (41.7%) than local authorities below median (54.5%).

### **Support organisation and user involvement**

Nearly all local authorities (83%) fund a support organisation. This figure was marginally larger for above median (83.3%) than below median (81.9%) local authorities. The size of the annual grant was less than £100,000 in the majority of local authorities. However, 16.7% of above median local authorities had a grant size of more than £150,000 compared to 9% of the local authorities below median.

Table 3.1: Size of annual grant to support organisations

| If so, what is the size of their annual grant? |       |             |                    |                   |                    |       |
|--|-------|-------------|--------------------|-------------------|--------------------|-------|
|  |       | No Response | Less than £100,000 | £100,000-£150,000 | More than £150,000 | Total |
| Above median                                   | Count | 1           | 9                  |                   | 2                  | 12    |
|  | %     | 8.3         | 75.0               |                   | 16.7               | 100.0 |
| Below median                                   | Count |             | 9                  | 1                 | 1                  | 11    |
|  | %     |             | 81.8               | 9.1               | 9.1                | 100.0 |
| Total  | Count | 1           | 18                 | 1                 | 3                  | 23    |
|  | %     | 4.3         | 78.3               | 4.3               | 13.0               | 100.0 |

The support organisation was “user led” in the majority of local authorities although slightly more so in above median local authorities (58%) than in below median local authorities (45.5%).

Table 3.2 Is the support organisation user led?

| Is the support organisation "user led"? |       |             |      |      |       |
|---|-------|-------------|------|------|-------|
|   |       | No Response | Yes  | No   | Total |
| Above median                            | Count | 3           | 7    | 2    | 12    |
|   | %     | 25.0        | 58.3 | 16.7 | 100.0 |
| Below median                            | Count | 1           | 5    | 5    | 11    |
|   | %     | 9.1         | 45.5 | 45.5 | 100.0 |
| Total                                   | Count | 4           | 12   | 7    | 23    |
|   | %     | 17.4        | 52.2 | 30.4 | 100.0 |

Generally local authorities appeared to focus on short-term as well as long-term contracts for the support organisations. Above median local authorities appear to focus slightly more on short-term contracts with a third reporting having contracts lasting less than two years compared to just above one quarter in the below median local authorities.

Table 3.3: Length of contract of support organisation

| What length of contract does the support organisation have? |       |             |                   |           |                   |       |
|---|-------|-------------|-------------------|-----------|-------------------|-------|
|   |       | No Response | Less than 2 years | 2-3 years | More than 3 years | Total |
| Above median  | Count | 2           | 4                 | 3         | 3                 | 12    |
|   | %     | 16.7        | 33.3              | 25.0      | 25.0              | 100.0 |
| Below median  | Count | 2           | 3                 | 3         | 3                 | 11    |
|   | %     | 18.2        | 27.3              | 27.3      | 27.3              | 100.0 |
| Total   | Count | 4           | 7                 | 6         | 6                 | 23    |
|   | %     | 17.4        | 30.4              | 26.1      | 26.1              | 100.0 |

Local authorities above median appeared to regard user involvement as slightly more important for the development of direct payments (50%) than below median local authorities (36.4%).

Table 3.4 Importance of user involvement in development of direct payments

| <b>How important is user involvement in the development of direct payments?</b> |            |                       |                  |              |
|---|------------|-----------------------|------------------|--------------|
|   |            | <b>Very important</b> | <b>Important</b> | <b>Total</b> |
| Above median  | Count<br>% | 6<br>50.0             | 6<br>50.0        | 12<br>100.0  |
| Below median  | Count<br>% | 4<br>36.4             | 7<br>63.6        | 11<br>100.0  |
| Total   | Count<br>% | 10<br>43.5            | 13<br>56.5       | 23<br>100.0  |

Participants were asked what advantages they saw in encouraging user involvement. Interestingly the majority of the local authorities with above median use of direct payments appeared to argue that the main benefit was that users were able to give feedback to each other and share experiences, whereas the majority of the local authorities below median seemed to argue that the main benefit was that users could inform the local authority and in that way influence the administration and the decision making processes. Comments are listed in table 3.5 below.

Table 3.5: Advantages of user involvement

| <b>What do you see as the advantages of user involvement?</b> |   |
|---|---|
| Above median  | By having user involvement it allows us to see if our process is clear and the information we distribute easy to follow.  |
| Above median  | Close working with a CIL gives my authority credibility in its contacts with individual clients....Also changes to the administration and implementation of DPs discussed with the CIL.   |
| Above median  | Direct experience of using direct payments, able to share this experience with prospective direct payment recipients.   |
| Above median  | Gives a user's perspective, advocates more effectively on behalf of users, less bureaucratic  |
| Above median  | Gives potential users some insight into the pros and cons of undertaking Direct Payments.   |
| Above median  | More effective, better quality service. Strengthened community capacity. Mutual support. Enhanced empowerment, service user control.  |
| Above median  | The local authority has operated a Direct Payment Scheme for the last ten years and I, therefore, have no personal knowledge of user involvement in the development of Direct Payments. However, there are clear advantages in involving service users, particularly in ensuring that independence, autonomy and control for the service user is recognised. Service users are also very effective in ensuring that adequate support is in place to ensure that DP recipients can manage all aspects of their Direct Payment. |
| Above median  | Users can highlight ways of improving the service and can identify problems that need attention. User involvement in staff training has emphasised to staff the importance of DPs.  |
| Above median  | User involvement ensures that services are developed to suit their needs, ensures greater transparency in the way direct payments are managed. Prevents community care staff who are hostile to direct payments from denying access to the services.  |
| Below median  | Better understanding of the benefits of DP to service users. Also better understanding of the issues and difficulties for service users in administering DP.  |

|              |   |
|--------------|---|
| Below median | Control, participative in development can promote and support with knowledge. The support organisation is working with a number of people to develop a local direct payments organisation.  |
| Below median | Experience of using services, provision of independent advice and information   |
| Below median | Keeps users informed of the process. Enables scheme to adapt to user needs.   |
| Below median | Peer support, better understanding of system, tailored training opportunities, local payroll services, knowledge of workforce availability.   |
| Below median | Their experiences can be built on to move forward and improve the way in which DPs are handled and supported.   |
| Below median | There is general agreement that user involvement is important for all service delivery. Our experience is that people using Direct Payment successfully are satisfied with the services they receive and do not wish to become involved in any user led to support organisation.  |
| Below median | User involvement helps influence local and national policy and decision making processes through partnership working with stakeholders. It ensures the continued relevance and accessibility of services to people who require community care services. User involvement can also help promotion of services and user uptake. |

Participants were asked what they saw as the disadvantage of user involvement. One quarter of respondents argued that the user perspective might be too narrow, focusing too closely on the user's interests and concerns, and failing to recognise that other people's priorities might be different. A quarter of respondents argued that service users had unrealistic expectations with regard to local authority resources, a view reported particularly by local authorities with below median use. Comments are listed in table 3.6 below.

Table 3.6 Disadvantages of user involvement

| <b>What do you see as the disadvantages of user involvement? Please state below:</b> |  |
|--|--|
| Above median   | Sometimes see the scheme as offering what it cannot because of eligibility criteria.   |
| Above median   | Difficulties in ensuring perspectives and needs of the most vulnerable are included/represented.   |
| Above median   | Sometimes there is a lack of recognition that the DP route is not for everyone. Service users often see a Direct Payment as a way of solving a problem which should and could be addressed in a manner more appropriate than by Direct Payments. |
| Above median   | No knowledge of competing priorities, often lacking realistic expectation, views given will be very personal.  |
| Above median   | Too narrow a perspective, more inclined to look at individual rather than all who could benefit more time consuming at times lack of understanding.  |
| Above median   | None. The CIL can be a strong, argumentative and vocal advocate for the client - but that is as it should be.  |
| Above median   | Where service users with unreasonable expectations of direct payments have close links they can seem to distort issues, put pressure on individual care managers and attract adverse and inaccurate publicity.                                   |
| Above median   | Due to the geographical constraints it is very difficult for a user led organisation to operate within the authority -- Population density is very low -- any meetings involve overnight accommodation etc.                                      |
| Above median   | Is difficult for users to give the time and often struggle to have the energy to be involved; people often unable to be involved for health reasons. Takes time for staff to manage.   |
| Above median   | Can be cumbersome and cause additional work.   |

|              |   |
|--------------|---|
| Above median | There can sometimes be unrealistic hopes, however this depends on the users chosen and their knowledge and experience of the scheme.  |
| Above median | Sometimes requires a lot of support to function as a support organisation i.e. employing staff and dealing with contentious issues.   |
| Below median | Problem with rurality far user group.   |
| Below median | It could be non-productive if approached negatively. The restraints both with legislation and finance can at times be bureaucratic and difficult to justify to the users.   |
| Below median | 1) Users may be/become complacent, only interested in issues that affect them personally rather than for DP users as a whole. 2) May only be involved for a short period and move on, meaning their support and experience is lost to new users coming through.   |
| Below median | User involvement needs to cover all aspects of D.P. user. Too many people representing an particular group can be hard for some.  |
| Below median | We find there are two main issues: a) It is time consuming to work with users in developing DP schemes. b) they tend to think of DPs in terms of a shopping list and want prices assigned to every service so that they can pick what they want. This makes it very difficult to focus on the process of referral - assessment - care plan. |
| Below median | Unrealistic expectations of resources available to local authorities on occasion  |
| Below median | User involvement can sometimes be portrayed negatively towards stakeholders with service users attending meetings with their own personal agendas and steering topics away from set discussion.   |
| Below median | Issues of wide ranging care needs and not having the ability/knowledge/skills to deal with wide remit.  |

### Factors facilitating development of direct payments

Respondents were provided with a list of factors and were asked to tick which of these applied in their particular context. They were asked to rate whether the factors were “helpful” (“unhelpful”), “important”, “critical” or “irrelevant”.

The main aiding factors which respondents believed had contributed to the growth of direct payments are listed in Table 3.7 below.

Table 3.7: Main aiding factors

| Factor   | Proportion ticked (critical, important, helpful) |
|--|--|
| Demand from service users and carers for direct payments               | 96%  |
| National legislation, policy and guidance                              | 91%  |
| Positive attitude to direct payments amongst staff                     | 91%  |
| Training and support for front line staff                              | 87%  |
| Accessible information on direct payments for service users and carers | 87%  |
| Effective direct payment support scheme                                | 87%  |
| National support for direct payments                                   | 87%  |
| Leadership within local authority                                      | 82%  |
| Local political support for direct payments                            | 82%  |
| Availability of people to work as personal assistants                  | 82%  |

Other factors perceived to be of critical importance included “National legislation, policy and guidance” (68%), “Training and support for front line staff” and “Effective direct payments support scheme” (57%), “Accessible information on direct payments for service users and carers” (52%) and “leadership within local authority”, “Local political support for direct payments”, “National support for direct payments”, “Availability of people to work as personal assistants” and “Positive attitude to direct



payments among staff" (48%). "Important" factors include "Demand from service users and carers for direct payments (57%) and "Strong voluntary sector" (52%).

Rarely mentioned aiding factors are listed in Table 3.8 below.

Table 3.8: Rarely mentioned aiding factors

| <b>Factor</b>   | <b>Proportion ticked (critical, important, helpful)</b> |
|---|---|
| Ring fenced budget for direct payments                | 48%   |
| Central government performance monitoring             | 58%   |
| Inspection and regulation of Local Authority services | 61%   |
| Flexibility of commissioning strategy                 | 65%   |
| Strong local voluntary sector                         | 74%   |

"Ring fenced budget for direct payments" was considered irrelevant by 22% of respondents. The factors "National support for direct payments", "Central government performance monitoring" and "Flexibility of commissioning strategy" were considered "irrelevant" by 9% of respondents.

Generally, local authorities with above and below median use of direct payments identified the same number of facilitating factors. However, some differences were found in ratings of the importance of aiding factors between above and below median local authorities:

- "Leadership within local authority" appeared to be regarded slightly higher as an aiding factor by local authorities above median (91.7%) than local authorities below median (81.8%).
- "Local political support for direct payments" was regarded slightly higher by local authorities below median (63.6%) rating it as a critical aiding factor and only around a third of local authorities above median (33.3%).
- About two thirds of local authorities above median (66.7%) but only about half (45.5%) of local authorities below median rated "Effective direct payments support scheme" as a critical aiding factor.
- Nearly three quarters of local authorities below median (72.7%) rated "Training and support for front line staff" as a critical aiding factor, corresponding figure for above median local authorities was 41.7%.
- Nearly two thirds of local authorities below median (63.6%) considered "Accessible information on direct payments for service users and carers" a critical aiding factor. The corresponding figure for local authorities above median was 41.7%.
- Local authorities above median (58.3%) considered "Availability of people to work as personal assistants" as a critical aiding factor, this was true for only 36.4% of local authorities below median.
- "National legislation, policy and guidance" was rated as a critical aiding factor by 81.8% of local authorities below median but only by half of above median local authorities.

Overall, it appeared that local authorities with above median use placed considerable emphasis on the importance of the local and national policy context and on the involvement of a support organisation. Local authorities with below median use saw training and support of frontline staff as a particularly important factor.

## Factors inhibiting development of direct payments

The main inhibiting factors for the development of direct payments are listed in table 3.9 below.

Table 3.9 Main hindering factors

| <b>Factor</b>  | <b>Proportion ticked<br/>(critical, important,<br/>unhelpful)</b> |
|--|---|
| Concern about managing direct payments among service users and carers.       | 66%   |
| Difficulties with the availability of people to work as personal assistants. | 63%   |

Other inhibiting factors are listed in table 3.10 below.

Table 3.10 Other hindering factors

| <b>Factor</b>  | <b>Proportion ticked<br/>(critical,<br/>important,<br/>unhelpful)</b> |
|--|---|
| Competing priorities for policy implementation                                 | 48%   |
| National legislation, policy and guidance                                      | 43%   |
| Inadequate training and support for front line staff                           | 35%   |
| Incongruency of direct payments policy with other LA duties                    | 35%   |
| Lack of accessible information on direct payments for service users and carers | 31%   |
| Resistance to direct payments amongst staff                                    | 26%   |
| Lack of ring fenced budget for direct payments                                 | 26%   |
| Insufficient leadership within local authority                                 | 22%   |
| Underdeveloped direct payments support scheme                                  | 21%   |
| Weak voluntary sector  | 21%   |

Rarely mentioned are listed in table 3.11 below:

Table 3.11 Rarely mentioned hindering factors (Scotland)

| <b>Factor</b>                                       | <b>Proportion ticked</b> |
|---|--------------------------|
| Lack of local political support for direct payments | 17%                      |
| Inflexibility of commissioning strategy             | 13%                      |
| Lack of national support for direct payments        | 8%                       |

Overall, a greater proportion of local authorities below median direct payments use identified inhibiting factors compared with local authorities above median. Cross tabulations revealed some differences in ratings between local authorities above and below median.

- Nearly three quarters of local authorities below median (72.7%) and just below 60% of local authorities above median considered “Concern about managing direct payments among service users and carers” a hindering factor.
- Around two thirds of local authorities below median (63.6%) and 41.7% above median considered “Difficulties with the availability of people to work as personal assistants” a hindering factor.

- Nearly two thirds of local authorities below median (63.6%) considered “Competing priorities for policy implementation” a hindering factor, but only one third of local authorities above median (33.3%).
- “National legislation, policy and guidance” was considered a hindering factor by 33.3% of local authorities above median but only 18.1% of those below median.
- “Inadequate training and support for front line staff” was considered a hindering factor by 41.7% of local authorities above median, but only by 27.2% of local authorities below median.
- Around a third of local authorities both above (33.3%) and below (27.2%) median considered “Lack of accessible information on direct payments for service users and carers” a hindering factor.
- “Resistance to direct payments among staff” was considered a hindering factor by 36.3% of local authorities below median but only 25% of local authorities above median.
- “Insufficient leadership within local authority” was considered a critical hindering factor by 25% of above median local authorities but only 9% of local authorities below median.
- Around two thirds of local authorities below median (63.6%) considered “Underdeveloped direct payment support scheme” to be a hindering factor, the corresponding figure for local authorities above median was around 42%.
- “Weak voluntary sector” was considered a hindering factor by 27.2% of local authorities below median but only 16.6% of those above median.
- “Lack of local political support for direct payments” was considered an important hindering factor by 25% of local authorities above median, 9% of local authorities below median considered this factor to be “unhelpful”.
- “Lack of national support for direct payments” was considered a hindering factor by 8.3% of local authorities above median and 9.1% below median.

### Advantages and disadvantages of direct payment

Respondents were asked about the advantages of direct payments for the individual service user. Irrespective of whether the local authority was above or below median direct payment use, most respondents mentioned choice and /or flexibility (67%) and/or control (43%). Responses are listed in table 3.12 below.

Table 3.12: Advantages of direct payments for the individual service user

| What do you see as the advantages of direct payments for the individual service user? |  |
|---|--|
| Above median  | Flexibility and Choice   |
| Above median  | Choice, control, more flexible individualised service, access to mainstream and community activity, support to maintain family and community roles and responsibilities, independence from family support. |
| Above median  | Care provision can be truly person centred. The service user retains independence and control over their life. Care can be delivered in a flexible manner to suit the lifestyle of the individual.         |
| Above median  | Where the client has the ability, this scheme does offer freedom of choice in how support is arranged/managed.   |
| Above median  | More flexibility, choice for care and the level of involvement the service user can have or not have with the local authority care can be provided when and where and by whom the service user decides.    |
| Above median  | Flexibility is as important as choice of provider. Ability to design genuine person centred and practical arrangements.  |

|              |   |
|--------------|---|
| Above median | For those who choose to employ their own PA team, there is much greater control and flexibility in the way their service is arranged. Some service users have been able to access good disability care through an agency with which the LA could not contract.  |
| Above median | Obvious advantages of control over care is deemed important by service users.   |
| Above median | It will give many people the choice of how they would like their services. It also gives people who due to the geography etc may not have been able to easily access services the opportunity to arrange.   |
| Below median | Ability to plan their own care. Involvement in choice of carer. Give the user control of care package Needs Led rather than service.  |
| Below median | Self direction, control, small number of PAs working directly with service user.  |
| Below median | It gives independence and choice and is regulated and monitored.  |
| Below median | Flexibility giving choice and control. Allows service user to plan their life around their needs and wants.   |
| Below median | Empowerment, control, flexibility and choice over who provides our support needs, when and how.   |
| Below median | Control over care especially when it is delivered, by whom and in what way. Flexibility to adjust care to meet individual needs, attraction of additional funding e.g. Independent Living Fund  |
| Below median | Much more flexible care delivered in a person centred way. Assessed need met in flexible way. Service users have the choice of support for every day activities outwith day care hours.   |
| Below median | Direct Payments empowers Independent Living. Service users who choose this alternative funding option have chosen to take over the ownership of their care packages from the local authority and the decision making processes involved. Service users have choice and control over who provides their care and have greater flexibility over how and when care is provided. Service users also benefit from advice and support from the local authority's Independent Living Support infrastructure. Additional benefits are also paid to personal assistants employers to assist them in becoming good and effective employers, as well as elements within the care packages to enable them to contract with payroll agencies to assist with payroll. |

Respondents were asked to identify disadvantages of direct payments for the individual user. Irrespective of whether the local authority was above or below medium, frequently mentioned factors involved issues related to ownership of responsibility should any problems occur, liabilities of being an employee, care user being more vulnerable. Other issues involved amount of paperwork involved and difficulty recruiting staff. The responses are listed in table 3.13 below.

Table 3.13: Disadvantages of direct payments for the individual service user

| What do you see as the disadvantages of direct payments for the individual service user? |   |
|--|---|
| Above median   | Employer liabilities  |
| Above median   | Stresses from employer responsibilities and relationships, recruitment difficulties, service may be insecure, risk of isolation, risk of dependence on carers who manage the payment. |
| Above median   | Amount of paper work  |
| Above median   | Taking on the role of an employer can be problematic. Service users require a lot of support in this area. Difficulties in recruiting staff can often lead to high levels of anxiety. |
| Above  | Too much administration, lack of suitable PAs, PAs leaving employment.  |

|              |  |
|--------------|--|
| median       |  |
| Above median | All the downsides of keeping an employee. Some clients have very unrealistic expectations that the LA will step in to pick up expenses when difficulties occur. Many clients do not expect problems with staff and are devastated when issues arise, clients much more open to abuse.  |
| Above median | Not enough support for some of the requirements of the local authority. Care plans do not record enough information. Alternative arrangements, should the care run into difficulty, are not included at time. Having too much of a contingency fund in the bank account can lead to overspending in the wrong areas.   |
| Above median | There can be disadvantages if and when the client/3rd party is unable to manage Direct Payments in relation to supplying relevant documentation for monitoring.  |
| Above median | 1) Paper work. 2) Liabilities of being an employer. These are issues with regard to who a vulnerable person is. Responsibilities and liabilities unclear.  |
| Above median | Even with the support of our DP support and payroll service some people can experience anxiety about their responsibilities. One of two service users has had difficulties with their PAs who have become too involved in their personal affairs and too controlling.  |
| Above median | Responsibility of managing care arrangements and finance can be frightening. May not know what to do if things don't work out as expected.   |
| Above median | Initial setting up can be time consuming and a little daunting.  |
| Below median | Self management, emergency back-up support, accountability to LA.  |
| Below median | Responsibilities of being an employer/purchaser of services, occasional conflicts of interest between service user and carer. Frustration when unable to employ/purchase service within their local area (particularly in rural areas), need to account for spending in a systematic way which can be problematic for some service users even with support. Making and keeping up to date realistic contingency arrangements   |
| Below median | Management is much more difficult than it appears. Being a good employer involves time, energy and commitment. Great deal of support required in setting up packages and ensuring that initial difficulties are overcome. Funding for a robust support organisation out of existing budgets given present financial constraints. Can be time consuming and give rise to anxiety in relation to financial returns etc.  |
| Below median | The disadvantages that we have come across for service users are that service users who have family members who do not have the capacity - have to obtain guardianship or power of attorney before proceeding. Some service users prefer services rather than having the hassle of being an employer whereas others are frightened of the responsibility of becoming an employer and although benefits and systems that can help are explained to them decide it is too much of a responsibility to take on. Also, if there are block constraints in place such as day care centres whereby budgets are tied into staffing and buildings - it would benefit to free up monies to be given as a Direct Payment. |
| Below median | There is a shortage of people to employ as personal assistants and this may mean some direct payment users are unable to recruit people.   |
| Below median | Responsibility - can be too much for people who have a lot to deal with. Increase in third party requests (welfare guardians) where it is not the individual service user who is receiving the payment.  |
| Below median | Responsibilities of being an employer and dealing with employee issues e.g. disciplinary matters, recruitment in rural areas.  |

Respondents were asked what advantages direct payments brought to the local authority. The most frequently mentioned factors involved were greater choice for customers; more user involvement and fewer complaints; reduced contact with

management once care packages were established. The responses are listed in table 3.14 below.

Table 3.14 Advantages of direct payments for the local authority

| <b>What do you see as the advantages of direct payments for the local authority?</b> |  |
|--|--|
| Above median   | Able to offer greater range of choice  |
| Above median   | Cost-effectiveness, better quality individualised services, enhanced community and individual capacity and independence, increased workforce pool, potential reduction in workload for care managers.                        |
| Above median   | Gives a message of more user involvement consultation. Overcomes some of the problems with unsatisfied service users.  |
| Above median   | Another way of ensuring that person centred care is delivered. However, I would have to say that with flexible commissioning of care and a mixed economy of care Direct Payments does not bring great advantages to the L.A. |
| Above median   | Creates another mechanism to meet needs. Can lead to waiting lists and stress on other services.   |
| Above median   | Ability to offer choice to those clients who wish a DP   |
| Above median   | More choice for individuals on the surface may appear cost effective or savings but the overall cost is likely to be more costly.  |
| Above median   | Satisfied customers. An increase in choices for people with assessed care needs. A reduction in pressure on service providers.   |
| Above median   | Allows service user to have the care they choose as and then they want it.   |
| Above median   | Service users can choose appropriate services for their needs -- less inclined to continually complain about provision. Less day to day involvement. Provides far better care for each individual.                           |
| Below median   | Has freed up staff time from dealing with regular changes to care packages and client complaints about the service. Once DP is in place, paperwork is reduced. Positive response from users of service.                      |
| Below median   | Less time spent in care management, particularly interaction between LA --> provider --> service user.   |
| Below median   | LA no longer has responsibility for organising care  |
| Below median   | Service users generally run direct payments schemes well and make less demands on care manager. Attraction of additional funding e.g. ILF  |
| Below median   | Able to meet service user in a personal way. Service users take back control of their care. Once package is established service user needs minimum contact with social work staff.   |
| Below median   | If service users take responsibility for their own care packages, workforce capacity may be increased. Efficiencies achieved through care management and financial processes.  |
| Below median   | None- other than where it helps users gain control and this helps them   |
| Below median   | It allows some people who it may have been hard to provide services for to arrange their own provision.  |
| Below median   | Promotion of independence and responsibility to service users for their own care.  |
| Below median   | Flexibility and choice for users.  |

Next respondents were asked about any disadvantages to the local authority in using direct payments. The main factors mentioned included financial and administrative

issues such as lack of central funding and the amount of paperwork involved when monitoring budgets (see table 3.15 below).

Table 3.15 Disadvantages of direct payments for the local authority

| <b>What do you see as the disadvantages of direct payments for the local authority?</b> |  |
|---|--|
| Above median  | Lack of central funding. Difficulties especially for small local authorities in sustaining essential provided services and funding DPs. where there is no capacity for reconfiguration. Escalating demand there are no measures to meet. Opportunities have been opened up for people who would not have used provided services.   |
| Above median  | Paper work to give and monitor a direct payment.   |
| Above median  | The difficulties in moving budgets around especially where existing services are on long term contracts and are building based.  |
| Above median  | Difficulty freeing up budget, costly to administer.  |
| Above median  | Very time consuming. Having to get involved in areas of employment law. Can lead to inequality with service users using contingency money to fund additional unapproved care.  |
| Above median  | The carrying of greater risk by funding unregulated care.  |
| Above median  | Providing a support service is costly, especially when service user numbers remain low and can be hard to justify when budgets are under pressure.   |
| Above median  | Doesn't free up budgets. More work for finance staff. Problems around who monitors what. How do we detect when user is struggling? Being taken advantage of by providers.  |
| Below median  | Cost to the local authority of funding a support agency which needs to expand as DP use increases. Cost of additional financial staff time within LA to administer DPs. Time to work through new issues which are often complex.   |
| Below median  | Although less work in care management side, there is more work on financial monitoring.  |
| Below median  | Direct Payments are more expensive to administer. There are additional admin processes required to monitor DP and ensure £s are used appropriately. It's difficult to disaggregate funds from existing services such as day care and there is loss of economies of scale.  |
| Below median  | Effect on budget over financial year is unpredictable, possibility of reduction/closure of some services when direct payments reach critical mass. Provision of services when things go wrong.   |
| Below median  | Cost of setting up systems etc. cost of funding a support organisation. Block funding of existing provision. Cost of designated person. Financial and time implications of financial monitoring. Duty of care issues in relation to disclosures. Fit with existing legislative requirements. Questions re who is employer when things go wrong. Equality of provision issues, without increased funding difficult to provide a comprehensive service.  |
| Below median  | There was little additional funding given for Direct Payments and extra resources would have helped to fund start-up costs for personal assistants, employers and independent support. Additional funding would also have been welcomed to help provide more community care and children's services that would have benefited service users via Direct Payments or direct service provision. Service users on the local authority's indirect payment scheme are not afforded the same benefits as Direct Payment recipients and the local authority is limited in providing as a result of budgetary pressures. Some of the Scottish Executive Guidance is impractical such as Equipment and Adaptations where there are issues such as best value, ownership and recycling. |

|              |   |
|--------------|---|
| Below median | Pressures on budgets, additional administrative burdens.  |
| Below median | It will affect the more traditional day centres possibly as with more direct payments choosing to have their needs met outwith the traditional centres it will have an affect on the staff numbers required in these centres.   |
| Below median | Issues of funding being tied up in buildings e.g. day centre as well as funding for private providers. Majority of current service users are from over 65 years age range and many are paid to (third party) POA guardians. Need to promote further to other groups.  |
| Below median | There remain too many operational differences between other sources of funding for people e.g. ILF. Confusion for care managers and service users who are trying to put together packages of care using various funding sources. Eventually money budgets that fund direct payments will lead to employment of less LA staff and affect other services for people who do not choose to direct payments use. |

### Future development

Local authorities were asked about their predictions for direct payment use over the next five years. Around 90% of local authorities with both above and below median use anticipated an increase in direct payments. No local authority expected a decrease in direct payment use.

Table 3.16 Future use of direct payments

| <b>Over the next five years, do you think overall the use of direct payments in your local authority will:</b> |            |                    |                 |                      |              |
|--|------------|--------------------|-----------------|----------------------|--------------|
|  |            | <b>No response</b> | <b>Increase</b> | <b>Stay the same</b> | <b>Total</b> |
| Above median   | Count<br>% | 1<br>8.3           | 11<br>91.7      |                      | 12<br>100.0  |
| Below median   | Count<br>% |                    | 10<br>90.9      | 1<br>9.1             | 11<br>100.0  |
| Total  | Count<br>% | 1<br>4.3           | 21<br>91.3      | 1<br>4.3             | 23<br>100.0  |

The anticipated difference in uptake of direct payments varied for different user groups. Around 90% of LAs below median anticipated an increase in use among adults with physical and/or sensory impairments. This was true for only 66.5% of local authorities with above median. One quarter of local authorities above median expected use in this group to stay the same.

Table 3.17: Anticipated differences in uptake by different use groups

| <b>Over the next five years, please indicate any anticipated differences in uptake for different user groups: Adults with physical/sensory</b> |            |                    |                 |                      |              |
|--|------------|--------------------|-----------------|----------------------|--------------|
|  |            | <b>No response</b> | <b>Increase</b> | <b>Stay the same</b> | <b>Total</b> |
| Above median   | Count<br>% | 1<br>8.3           | 8<br>66.7       | 3<br>25.0            | 12<br>100.0  |
| Below median   | Count<br>% |                    | 10<br>90.9      | 1<br>9.1             | 11<br>100.0  |
| Total  | Count<br>% | 1<br>4.3           | 18<br>78.3      | 4<br>17.4            | 23<br>100.0  |



Around three quarter of local authorities, both above and below median, anticipated an increase in direct payment use among adults with learning difficulties.

The anticipated difference in uptake of direct payments varied for different user groups, these are displayed in table 3.18.

Table 3.18: Anticipated difference in uptake of direct payments for different user groups

| <b>Over the next five years, do you think overall the use of direct payments in your local authority will:</b> |                    |                 |                      |              |
|--|--------------------|-----------------|----------------------|--------------|
| <b>User group</b>  | <b>No Response</b> | <b>Increase</b> | <b>Stay the same</b> | <b>Total</b> |
| Adults with physical/sensory   | 4.3                | 78.3            | 17.4                 | 100          |
| Adults with learning difficulties  | 4.3                | 73.9            | 21.7                 | 100          |
| Adults with mental health difficulties   | 4.3                | 69.6            | 26.1                 | 100          |
| Older people   | 4.3                | 82.6            | 13                   | 100          |
| Children   | 0                  | 95.7            | 4.3                  | 100          |

Some differences were found between local authorities with above and below median use of direct payemnts:

- Around 90% of LAs below median anticipated an increase in use of direct payments among adults with physical and/or sensory impairments. This was true for only 66.5% local authorities above median. One quarter of local authorities above median expected use in this group to stay the same.
- Three quarters of local authorities in the above median group but only two thirds of those below median anticipated an increase in direct payment use among adults with mental health difficulties.
- Nearly all local authorities expected an increase in direct payment use among children. Note that the only respondent that did not expect an increase represented a local authority above median and expected use to stay the same, thus direct payment use by this group is likely to be high already.

## Summary

- Just under half of local authorities appeared to have a designated post to oversee direct payments. Local authorities with below median use were less likely to have such a post.
- Around half of local authorities, equally distributed between those with above and below median use, reported having a dedicated budget for direct payments.
- Local authorities with above median use of direct payments had more 'user led' support organisations than local authorities with below median use. The above median group also appeared to see user involvement as more important in the development of direct payments.
- Local authorities with above median direct payment use regarded user involvement as a forum for service users to share information, whilst below median local authorities viewed user involvement as a means of gaining

insight into the experiences of the service users. Both groups argued that a disadvantage with user involvement is that perspectives can be too narrow, failing to reflect the experiences of all potential service users. Many local authorities with below median use felt that the expectations and hopes of service users were unrealistic and generally too high.

- Although local authorities identified similar facilitating and inhibiting factors, local authorities with above median use were more positive in their identification of facilitating factors, seeing these as critical, whilst local authorities with below median use were more definite in their identification of inhibiting factors.
- The most commonly cited aiding factors (identified by more than 90% of respondents) were demand from service users and carers; national legislation, policy and guidance; positive attitudes to direct payments amongst staff.
- The most commonly mentioned hindering factors (identified by about two thirds of respondents) were concern about managing direct payments among service users and carers and difficulties with the availability to work as personal assistants.
- Advantages of direct payments for the individual service user include choice, flexibility and control whereas disadvantages include problems with being an employer and managing the payment effectively.
- Advantages of direct payment for local authorities include more user involvement, fewer complaints and reduced contact with service users once care packages were established. Disadvantages of direct payments use for the local authorities included additional time demands, particularly in the early phases, cost constraints and complex administrative matters.
- All local authorities expected an increase in direct payments use for all groups over the next five years. Those with a lower starting point anticipated the largest increases. Children and older people were identified as groups for whom particular increases were anticipated.

## SECTION 4: LOCAL AUTHORITY CASE STUDIES

### LOCAL AUTHORITY 1

#### Characteristics of Local Authority 1

Local Authority 1 is predominantly rural with a dispersed population. The LA includes some of the richest neighbourhoods in Scotland, as well as some very deprived areas which have experienced long-term decline as a result of the collapse of the fishing industry. At the time of interviewing, the council was under no overall control. Interviews across the interest groups indicated that elected members were unlikely to know much about direct payments but would probably be broadly supportive of the underlying modernization of welfare principles, as long as the financial stability of the local authority was not threatened.

The authority was below median with regard to the proportion of direct payment users per 10,000 population. However, there had been a four-fold increase in the number of users since 2001 and in the value of payments. Around two-thirds of users were recorded as having physical disabilities. The remaining groups of users were predominantly persons with learning difficulties, with a smaller group of 'other' users (this includes users with mental health problems, older people and parents of disabled children).

#### *Conduct of the case study*

Interviews were conducted with the following individuals and groups in late 2005.

| Focus group/ interview | Participants                                     |
|------------------------|--|
| Focus Group            | 6 Social workers/ care managers, finance officer |
| Telephone interview    | 1 Social Worker learning difficulty team         |
| Focus group            | 3 Direct Payment users                           |
| (Telephone) Interview  | 2 Direct Payment users                           |
| Interview              | 2 Non Direct Payment users                       |
| Telephone interview    | Manager of support organisation                  |
| Telephone interview    | Head of Social Services                          |
| Telephone interview    | Lead Officer for Direct Payments                 |

In the following sections, we present perceptions of the purpose and function of direct payments from a range of perspectives. In order to protect the anonymity of local authority staff, specialist job titles have been replaced with more generic terms such as 'Team Leader' or 'Social Work Practitioner'.

#### Views of direct payments within the local authority

##### *Main benefits and disadvantages of direct payments*

Senior managers stated that the main benefit of direct payments was the potential for user empowerment. However, it was felt that the policy might have significant disadvantages for the service user and for the local authority. The main disadvantage for service users was the responsibility involved in managing the payment and organising services individually, rather than receiving a service arranged by someone else, whereas the challenge for the local authority lay in restructuring traditional services to make direct payments available. Accounting for public money was also a challenge for the local authority:

...it's a new way of doing things, and doesn't fit into... the bureaucratic side of the local authority terribly well. (Senior Manager, Local Authority 1)

According to senior management, direct payments could, in the long run, work out to be more expensive, since there were a number of hidden costs including funding an independent support organisation and monitoring the payment in terms of financial accountability and fulfilling the authority's duty of care.

At the time of the interview there had not been any active promotion of direct payments, due to general resource constraints. However, it was intended to promote the policy, particularly to families with a disabled child or children who, as a group, had not accessed direct payments on a large scale. This group and older people were the likely growth areas in the future.

Some practitioners had been aware of direct payments since 1996, but others said they had only found out about them when the local authority organised training in 2003. Practitioners recognised that direct payments offered benefits to users in terms of control and choice:

They're actually involved in the process of employing people ... they're able to control timetables and when carers are going to come in ... and they know who's going to come in...it's a power thing... they've got the power as opposed to care agencies. (Care Manager, Local Authority 1)

On the other hand, some practitioners were wary about loss of control over services and financial management responsibilities. Comments included:

I personally resented the notion that I would be checking invoices for services that I had not commissioned. (Care Manager, Local Authority 1)

I'm a social worker, I'm not a finance person and we already have quite a heavy financial responsibility in our work. I thought that that part of the process wasn't appropriate to me. (Social Worker, Local Authority 1)

There were also concerns that service users might see direct payments as a backdoor way of accessing services, or that a two-tier service would be created, with direct payment service users getting better services than others.

### ***Training and information***

There was general agreement that social workers needed training in how to administer direct payments effectively, but in addition training of service users and personal assistants was also required. Training had been offered to all social work groups several years ago and more recently a workshop had been held for practitioners with clients using direct payments, with a view to improving current procedures. Although feedback had been positive, there was a feeling that the systems for setting up a direct payment were likely to be confusing until practitioners were regularly dealing with them. A care manager commented:

Every time I do another one... I have to go back to the drawing board and start again, so that's more time consuming you know, and you also feel less confident. (Care Manager, Local Authority 1)

The support organisation was developing systems for training service users in how to operate effectively as employers, and was also taking a leading role in ongoing

training and support for social work staff. It was recognised that better training of personal assistants was required.

### ***Accountability and monitoring***

Senior management recognised that practitioners' reactions to financial monitoring were mixed, despite the fact that the authority had devolved budgets to care managers for a number of years:

We've always had care managers who are, as it were, financially literate, or we hope we are anyway, we have a fairly high degree of delegation to the front line in terms of money, so the care managers are actually able to make decisions themselves on the use of money and are expected to maintain and monitor their own budgets. (Senior Manager, Local Authority 1)

However there were concerns that the monitoring was not as strict as it could be and it was not always clear how the money was being spent. The required level of monitoring was seen as being perhaps too much for care managers to undertake, and the local authority was considering contracting the monitoring out to a third party (the support organisation), although ultimate responsibility would continue to lie with the authority's finance department.

In addition, a conflict was identified between ensuring the standard of care and genuinely passing over responsibility:

On the one hand, you know, they're being empowered to take control of their own lives. On the other hand we're still saying to them, 'well, that's fine, but we still need to know what you're doing, in particular we still need to know that, you know, your needs are being met', which is, a slightly more complex type of relationship than perhaps we've had, so I think there are professional issues there for care managers. (Senior Manager, Local Authority 1)

Accountability was a cause of considerable concern for practitioners, both in terms of a person's ability to manage the payment and the practitioners' responsibilities for monitoring the payment. A care manager asked:

And how do you determine if somebody's capable of managing it? I mean, we've had people that have been made bankrupt in the past and are now receiving direct payments and if they were bankrupt in the past, they obviously couldn't manage in the past... are we trained to determine whether or not they're now capable? (Care Manager, Local Authority 1)

Other social workers, by way of contrast, said that assessing a person's capacity was part and parcel of their job, and therefore assessing a person's ability to manage a direct payment was not a major difficulty.

### ***Relationship of direct payments to core services***

Anxiety was expressed about the possibility that direct payments might draw money away from traditional local authority services, without fully meeting users' needs:

I guess the worry is that, you know, large amounts of money will be doled out, care needs will not be met and we'll end up having to pick up the care needs as well. (Senior Manager, Local Authority 1)

Considerable resources were tied up in buildings such as day centres, although there were moves to change the way this type of service was provided. However, dispensing with day centres altogether was seen as being much more difficult to achieve.

It was not however permissible to use a direct payment to purchase local authority services, as this would be a waste of resources:

If instead of providing a home care service to an individual we provide them with funding in order to purchase a home care service from us, that will involve, transaction costs, ...and you wonder what for, if the net result is that they will receive the same service as they would have received direct from us in the first place. (Senior Manager, Local Authority 1)

### ***Beneficiaries of direct payments***

Senior managers identified younger adults with profound learning difficulties as future major beneficiaries and the largest group of direct payment users, although staff preferred payments to be managed by relatives. Older people were also seen as a potential target group, although take-up currently remained low because of the large numbers involved.

Several practitioners reported that older people were less likely to want a direct payment. This was in part due to the staff and financial management required but was also attributed to a cultural expectation amongst this generation that services should be provided by the local authority.

Many new direct payment users were parents of a disabled child so it could be expected that as these children moved into adult services they would continue to want to use direct payments. There were some conflicting ideas about the appropriateness of using a direct payment to meet complex needs. Whilst direct payments could provide a service for someone whose needs could not easily be met through existing services, there was also a feeling that managing a complicated package could be very difficult and might not be possible without additional support.

The need for support to manage a payment might also deter people from applying, and therefore act as a possible reason for low uptake by older people:

For our clients generally the carers are providing an awful lot of hands on, every day care... the families of our clients are working very hard already, possibly that contributes to the fact that they just don't want that extra responsibility. (Care Manager, Local Authority 1)

Mental health service users were seen as a client group for whom direct payments might be important in the future, in part due to the new Mental Health Act. Direct payments could therefore be used to support them to live in the community, although practitioners also expressed concerns about fluctuating needs. As one practitioner from the mental health team explained:

They have a changing level of ability to kind of cope. They might manage... for two or three months and then... they suddenly become quite depressed. (Social Worker, Local Authority 1)

Again, this underlined the more general view amongst practitioners in the authority that direct payments are most likely to work if the management was shared with another person.

### ***Recruitment and employment issues***

Whilst direct payments might address a shortage of agency staff, recruitment problems were recognised as a potential barrier to using a direct payment. In practice, this had not been a serious problem to date, although a practitioner knew of one agency worker who had chosen not to work for the user as they did not want to lose the agency support and infrastructure. Many users employed someone they already knew, who might have been 'poached' from an agency. It was not common to use agency staff, although some users with mixed packages did so. There had been several instances where the person managing the payment had wanted to be employed to provide the care, however, this was not allowed. Several users employed people who lived in the same house to provide emergency back-up care and this was permitted under the 'exceptional circumstances' provisions of policy. Another service user had decided against getting a direct payment when she discovered that she could not use the money to employ someone on a cash-in-hand basis.

There was also some potential conflict between meeting health and safety requirements whilst working in the home, and practitioners felt that more information was needed about this, as well as personal assistant training. Such concerns were likely to be raised by users and practitioners needed to access the relevant information in order to feel confident about promoting and processing direct payment applications.

### ***Future plans and wider issues***

Senior managers felt that if the number of direct payment users increased considerably over the next few years, a more rigorous monitoring system would need to be established. The current system was 'homespun' and, whilst adequate for the current level of demand, it would need investment and development to deal effectively with more users. However, a large expansion was not anticipated by senior management due to lack of alternative services to those provided by the local authority.

Social workers and care managers believed that some expansion was likely in the future, particularly amongst mental health service users and parents of disabled children. There was some concern about how direct payments would be funded if demand were to increase dramatically but this was not seen as a barrier.

### ***Service users' perspectives***

Direct payment users who attended focus groups and participated in interviews were all managing payments on behalf of someone else.

### ***Initial awareness of direct payments***

People found out about direct payments through a range of avenues including a local carers' group, a local voluntary organisation and by word of mouth. Social services were not in general the first source of advice and information, but social workers were willing to pursue the possibility once this was suggested. Direct payments were seen as a good idea for those with particularly complex packages and, in the cases of the adult users, they were seen as the only real option. In one case, the parents of a young man with complex needs had been unhappy about the day centre which was the directly provided service and had opted to look after their son themselves. They did this for two years until they felt they could no longer cope:

We were both very stressed, you know, physically and mentally with caring. By the time it [the direct payment] was set up, we had been doing two years care 24/7... we were quite desperate. (Parent of adult son with complex needs, Local Authority 1)

In this case, his mother felt strongly that direct payments was the only acceptable option but she would not have considered going down this route had the day centre been better. Another parent reported that direct payments were offered to her as a last resort after her daughter's care package changed. She had previously received payments through the Independent Living Fund (ILF) for her daughter, but the number of respite hours went over the ILF limit so this money was no longer available. At this point her social worker suggested direct payments to avoid her daughter having to move into residential care and because there were few services available in their rural location.

Another parent who also managed the payment for her son wanted a direct payment as she felt that this would offer the best way of ensuring her son's complex package of care could be continued when he moved from children's to adult services:

I was told that, quite bluntly,... I should be having a direct payment... that it would be too difficult for, you know, an organisation, that particular care organisation to be able to look at my needs and the complex package I had. (Parent of child with complex needs, Local Authority 1)

She reported being shocked initially at the thought of having to manage a direct payment, but felt more reassured when she discovered that support was available.

### ***Reason for using direct payments***

Parents of disabled children felt that in the early years and later on in their adult lives direct payments enabled their son or daughter to receive personalized services in the family home. As the following quotations illustrate, they were mistrustful of externally provided services and wanted to retain control of the quality of care:

There's good practice everywhere which I'm delighted about but I just don't want to take that risk with my son. I couldn't. So I feel I want him to live independently as possible but within the family home. (Parent of child with complex needs, Local Authority 1)

I'm certain that his mental wellbeing and health have been protected through this and... he's not been admitted to hospital,... it's kept him at home because as soon as he's not well, we're able to get in there, get the carer in for him and, you know, it's kept him out of hospital basically. (Parent of adult with complex needs, Local Authority 1)

Dissatisfaction with agency workers provided by social services was also a motivating factor:

She [the agency worker] really wasn't doing things properly, the way that I wanted them done. (Parent of adult with physical impairments, Local Authority 1)

It makes it all worth while, going through all this, because you get to choose all the carers. (Parent of child with complex needs, Local Authority 1)



All the parents to whom we spoke were either fully or largely responsible for managing the funds and they saw direct payments as primarily a means of meeting care needs rather than enabling social inclusion and independent living. They derived comfort from directly managing their children's care, believing that a far better quality of service was being delivered.

### ***Managing the payment***

All users expressed initial anxieties around managing the payment, however in most cases these fears were allayed once the payment started. As one parent commented:

To start with I thought 'Och, you know, all the paperwork and everything', I was a bit worried about that, but I thought once I've done it a couple of times, you know, it would be fine. It is, it's really easy to do now.  
(Parent of adult with physical impairments, Local Authority 1)

Another parent was more critical of the amount of extra work involved:

I do think it's a terrific amount of work that's on top of your caring time and sometimes I feel we'd be as well just doing the caring. (Parent of adult with complex needs, Local Authority 1)

This parent felt that she would like more support from social services, given the time already taken to manage financial benefits and medical appointments.

### ***Role of the support organisation***

All service users were in contact with the support organisation and used their payroll services. Three had heard about direct payments at a talk the organisation had given. They had all had a lot of contact with the field worker for their area and were all largely happy with the advice and support they had received. Several people at one focus group complained that contact with fieldworkers had become more difficult as the number of users increased. However, the importance of accessible support was emphasised:

I think you need support from your social worker and you need support from the support organisation and you need support from everybody that you're working with because you're actually providing a service and I think you should be supported in providing that service. (Parent of adult with complex needs, Local Authority 1)

The users regarded the support organisation as the first point of contact if they encountered a problem. As one participant commented:

I wouldn't even have tried to contact my social worker. (Parent of adult with physical impairments, Local Authority 1)

Another also underlined the importance of the support organisation as the main source of information:

That's a very useful resource I think to have, the fact that you can get support for recruitment and advertising and that kind of support, you know, because really you need that, someone with knowledge of that area. (Parent of disabled adult)

In most cases the support organisation was providing a high level of ongoing support, including services such as managing payrolls, preparation for financial monitoring and assistance with recruitment. Users expected that this level of support would be maintained at the same level, which of course might be difficult if the number of users increase.

### ***Training and information for service users***

Information leaflets had been provided by both the support organisation and social services. Several users thought that the support organisation's leaflet was a bit 'jargony' and that the information could be written in a clearer way. One user had received information from her social worker, initially in the form of a brief leaflet, and later as a more comprehensive booklet. However, in her view written information was not a substitute for face to face support:

Normally you can read it and understand it but when it's to do with direct payments and you're stressed about the caring as well then you need the support to understand it. Even if you do understand, you need the support to implement it and I think it's the nature of the beast that we are in that position. (Parent of adult with physical impairments, Local Authority 1)

Service users felt this was particularly necessary in times of emergency or if a specific query arose which required a rapid decision.

### ***Accountability and monitoring issues***

There was considerable anxiety surrounding monitoring procedures. Service users were asked to complete a social work monitoring sheet every month. Social workers were often confused about procedures, and the support organisation was called in when help was needed. One service user commented that assistance with managing funds was not an appropriate task for a social worker:

I don't think it's fair on them [social workers] at all. I think... it should be somebody independent who's got more accountancy skills. (Parent of adult with physical impairments, Local Authority 1)

The frequency and rigour of monitoring varied according to the individual's social worker. One parent said that her social worker simply flicked through her books while another likened the process to a VAT inspection. Several thought that monitoring should occur more frequently and the whole process should be better supported.

### ***Employment issues: recruitment***

Several users had employed people they already knew and who they had in mind when they applied for direct payments. Those employing more than one personal assistant had gone through a more formal recruitment procedure, which some had found stressful. Difficulties arose in getting people to undertake only a few hours work. For instance, one user with physical impairments had been assessed as needing two people to hoist him, but this only amounted to an additional hour's work spread across the day. As a result, the mother undertook the work of the second personal assistant much of the time.

Another parent reported that her son had experienced a high staff turnover, which she attributed to assistants underestimating the amount of work involved in caring for a young man with head injuries. She preferred to use a number of assistants because her son required a change of faces. In this case, the mother had found it

hard to find a balance between her son's role as an employer and his desire for independence and her own role managing the payment:

It's a difficult position for us because we're saying to the carers 'right, get back to us, check with us [before doing something with her son] rather than land yourself in trouble', so it's difficult, it's quite stressful.  
(Parent of adult with physical impairments, Local Authority 1)

It was clear that several users had developed close relationships with their personal assistants, which was necessary to share domestic space, but also difficult in maintaining the professional distance which normally exists between an employer and an employee:

I mean, it's not easy. There's no way you can say that it's easy having people in and out of your home, sleeping in your home overnight, you know, coming in at 10 o'clock... but I've accepted that if my son was going to have an independent life away from us and really helping his normal development as much as I could that was the price that we must pay; to lose our privacy, if you like. (Parent of adult with complex needs, Local Authority 1)

It was also acknowledged that personal assistants had no obvious means of getting help with work-related issues:

It's difficult for the carers to come to you to say to complain about your son, if you like. Or to complain about the conditions or to ask you things because... they see you as the parent first. (Parent of adult with physical impairments, Local Authority 1)

Several users thought the lack of professional development opportunities meant that personal assistance was not an attractive long-term job, although others thought that enjoyment could be derived from building a relationship with a disabled person. It was thought that individuals might work as a personal assistant for a period of time and use this experience to find work with a larger organisation where there would be more opportunities to pursue training and qualifications.

### ***Restrictions and negative features of direct payments***

Several users would have liked to use the payment more flexibly, for example, to buy furniture or other necessities. There was also some resentment that parents could not be paid for the occasions they provided care when the personal assistant was unavailable. None of the users felt that they had particularly 'tested' the limits of the payment. One service user regularly used his payment for social activities and his mother was more concerned about whether the activity was appropriate rather than whether it was permissible to use funds for this purpose. Several users also received ILF and were more likely to use this money for social activities, keeping the direct payment for providing 'care'.

Overall, direct payments were seen by service users as rather stressful and complex ways of providing services where no others were available, or where the alternatives were of a poor quality. Only one person spoke of direct payments as a way of promoting independence and inclusion. However amongst all users there was a feeling that the payment was as much for them as it was for their children. One mother spoke of *her* needs and *her* package, and the language of care rather than personal assistance predominated. This raises questions about the ownership of direct payments and who has control of them.

## **Support organisation perspective**

The support organisation was contracted by the local authority to provide a variety of support and services relating to direct payments (these are detailed below). At the time of the interview (November 2005), the organisation supported approximately 40 direct payment users within the case study local authority. Thirty of these used the payroll service. The support organisation was originally required to tender for the contract and to meet various service level agreements. They then moved onto a three-year rolling contract.

### ***Services for users***

The organisation provided a wide range of services for those thinking of using a direct payment as well as those currently receiving one. These included information about direct payments for potential recipients and social workers; support prior to and at an assessment; help to set up a bank account; help with recruiting and interviewing personal assistants, including writing job descriptions and draft employment contracts; advice and support on how to be an employer and a solicitor's helpline in case of employment problems; a payroll service; assistance with monitoring paperwork; support in preparation and during a review. They did not provide an out of hours service, although users felt this was needed. The organisation actively promoted direct payments, giving talks at various local groups.

The support organisation acted as the main point of contact for information about and support in receiving a direct payment. Social workers, with the consent of service users, referred those who expressed an interest in direct payments to the organisation, and a home visit was then organised, often with the referring practitioner.

### ***Services for the local authority***

The organisation also provided an information service for local authority employees, accompanying social workers on visits to prospective direct payment users and attending local authority planning meetings. The organisation had been involved in practitioner training, running six sessions for social workers and care managers, refresher sessions and one specifically for the children and families team looking at the issues around providing a direct payment for a child. They also ran a feedback session for practitioners with a direct payments user and provided training for new staff.

The manager thought that practitioners were happy to seek advice from the organisation and to refer potential users to them. She did not think they felt that this compromised their professionalism; rather, they regarded the support organisation as the 'direct payments experts'. However, there had been some problems early on regarding support preparing for assessment. The organisation had advised the user to keep a diary of needs, which the practitioner had regarded as a 'wish list' which raised expectations.

### ***Make-up of the support organisation***

The organisation employed six people to work solely on direct payments and was described as being 'user-led'. Staff consisted of a full time manager and two full time field workers, one part time field worker and two part time administrative workers. The two full time field workers and one administrative worker were employed to work in the local authority. Staff had previously worked in voluntary organisations or disability groups. They generally did not have specialist knowledge of direct

payments, but instead had an understanding of disability issues, often gained from personal experience.

### ***Potential for expansion***

The support organisation understood that the aim of the local authority was to increase the number of direct payment users to more than 100 which would require an increase in funding to continue to meet their requirements. At the time of the interview, the manager was concerned that the organisation did not have the capacity to support such large numbers, but was confident that a request for extra funding would be agreed.

As noted earlier, the support organisation was in discussion with the local authority about plans to take over monitoring direct payments from April 2006. A part-time post (18 hours per week) was to be created specifically to assist with and advise on bookkeeping, to check bank statements and to prepare the user for monitoring. The aim was to reduce social workers' workload, and the increased involvement of the support organisation was regarded positively by social workers and service users. The manager did not see that this new role would compromise the independent stance of the support organisation.

The support organisation manager also believed that the growing demand for direct payments from mental health services users and parents of disabled children would also necessitate higher levels of support.

### ***Relationship with the local authority***

Generally, the relationship between the support organisation and the local authority appeared to work smoothly. Whilst the organisation had an awareness of disability issues and its board was made of disabled people, it did not have a campaigning role and was therefore not challenging local authority decisions. Although the organisation was not able to advocate for a user, they were sometimes able to negotiate informally with practitioners where there were disagreements.

In taking on a monitoring role, the organisation could potentially compromise its independent status and might be seen by users as an arm of the local authority. However, whilst the organisation maintained a very close relationship with the local authority, providing the majority of the information and support for delivering direct payments for both the practitioners and the users, its prime aim was to promote the rights of disabled people.

### **The trade union perspective**

A brief telephone discussion took place with the UNISON representative for the area. She stated that issues regarding direct payments had not been raised locally, although she was aware that direct payments were seen as being more controversial in other areas.

### **Local Authority 1: summary of key issues**

- Devolved care management and widespread use of spot contracting was felt to be helpful in allowing the local authority more flexibility in decision making over care packages and assessments for direct payments.
- Social workers and direct payment users relied heavily on the support organisation for information and advice.

- Social workers were generally not resentful of the lead role played by the support organisation.
- Direct payment users would have liked even more support than they were receiving.
- Social workers were concerned that financial management might be too arduous a task for service users, but, with the help of the support organisation, this did not appear to be the case.
- Social workers and users thought that the financial monitoring process was unsatisfactory.
- Social workers were unhappy about being requested to undertake financial monitoring and users were aware of this.
- The proposal for the support organisation to undertake financial monitoring was approved of by social workers and users, although some concerns were raised that there might be a conflict of interest for the support organisation.
- Social workers indicated that almost all users either received considerable support to manage the direct payment or had it managed for them.
- One social worker expressed concern that the disabled person might be isolated if their care was solely provided in the home.
- Family members managing direct payments on behalf of the disabled person tended to see it as 'their' package, raising questions about ownership and control. This clearly has broader implications for the independent living/social inclusion foundations of policy.
- Family members managing direct payments felt it gave them more autonomy in choosing personal assistants and controlling the quality of care.

## LOCAL AUTHORITY 2

### Characteristics of Local Authority 2

Local Authority 2 is an urban area with some affluent pockets but also some of the most socially disadvantaged neighbourhoods in Europe. As a result of the long-term decline of traditional industries, a very high proportion of the population is economically inactive. The council is Labour-led. Local Authority 2 was in the below-median group of local authorities, however there was a four-fold increase in users since 2001 and a significant growth in the value of payments over this time. Approximately half of the total number of service users had physical disabilities.

### Conduct of the case study

Interviews were conducted with the following individuals and groups in Autumn 2005 and Spring 2006.

| Focus group/ interview | Participants  |
|------------------------|---|
| Focus Group            | 6 Social workers/ care managers   |
| Telephone interview    | 1 Social Worker mental health team  |
| Telephone interview    | 1 Practice team leader Children and Families  |
| Interview              | 1 Direct Payment user   |
| Focus group            | 7 Direct Payment users  |
| Focus group            | 3 Non Direct Payment users  |
| Telephone interview    | Support Organisation Worker   |
| Telephone interview    | Area team manager and Community Care representative on the Direct Payments Strategy Group |
| Telephone interview    | 1 Principal Finance Officer   |
| Telephone interview    | Direct Payment Lead Officer   |
| Telephone interview    | Union representative  |

### The local authority perspective

#### *Main benefits and disadvantages of direct payments*

Direct payments had been implemented slowly in this authority, and numbers had only significantly increased in 2003 as a result of the 2002 Act. A separate ring-fenced budget has been set-up, and as yet direct payments were not being funded from the broader community care services budget. The main benefits of the policy identified for the user included:

Ownership of the solution to their difficulties as well as their problem...I think people can be more innovative if they have the money and then can secure the service themselves. (Team Leader, Local Authority 2)

There are some people who think 'Well, I may have a physical disability, but I'm independently-minded and I don't actually want a social worker, thank you very much'. ...And we wholeheartedly encourage that for the people who want that, and I think the direct payment is a perfect way of getting a service and getting their needs met, really, without having to have a social worker. (Team Leader, Local Authority 2)

Direct payments were also viewed as a means of enabling a more person-centred package, which was thought to be particularly helpful for older people or those with

mental health problems. However, senior managers conceded that the reactions of some practitioners in training sessions had not been quite so positive:

The whole idea of service users having control I think brought people out in a rash. (Team Leader, Local Authority 2)

However, it was hoped that attitudes would change over time as the ethos of the policy was accepted and practitioners also realised that they could intervene if things went wrong, as they could with the ILF.

On the face of it, social workers viewed direct payments positively; they could be 'wonderful' and practitioners agreed with the broad principle. There was recognition that direct payments offered flexibility and allowed people to have 'real choice around their care packages'. However there was also acknowledgement that for some the decision to use a direct payment was because of the inadequacies of directly provided services. One respondent commented, 'I feel that a lot of people do go for a direct payment because it is more flexible and it is the only option to inflexible traditional services' (Social Worker, Local Authority 2).

Some practitioners found that direct payments had a positive impact on their role, particularly when families who had previously unsuccessfully used directly provided services gained access to them. One spoke of two clients who had regularly taken their frustrations about the home care services out on her. They had been much happier since receiving a direct payment, and as a result her job had become easier.

However, social workers also had significant reservations about the implementation of direct payments and believed that there was a general lack of commitment within the local authority:

We're not naive, we realised that it would be based on budgets and stuff as well. And that's where the frustration is coming in. Because in some respects we feel that perhaps there just isn't the money in the system for it. And I would much rather they just said that. (Social Worker, Local Authority 2)

### ***Training***

Senior management felt that training was a key issue for successful implementation and believed that this had been made available to all staff. An information booklet for staff had been issued and briefings organised for specific groups, including finance officers and specialist advisers. There were plans to include training in direct payments as part of the induction programme delivered to all new social workers and care managers. A set of completed forms had recently been produced to act as templates for practitioners to follow. However, the Finance Officer was not sure that care managers fully understood how direct payments could be used, and suggested that more clarity was required about what the payment was for.

Training emerged as a major issue for social workers. The training one social worker had received was described as 'just a very light hearted, you know, sort of basic outline of what direct payments is. Who can apply for it, that kind of thing.' (Social Worker, Local Authority 2). Initially training was offered to senior social workers and others were given a 'briefing' rather than a full training course. One practitioner said she had received an application to process before she had received training. She asked if she could attend a training course but was told that this was only available to practice team leaders.



Indeed, the lack of training emerged as a source of frustration for several of the social work staff and, when combined with the extra paperwork involved, meant that processing a direct payment had a significant impact on their workload:

I know what it [a direct payment] means, but... I can't get any practical training in it which is very frustrating. (Social Worker, Local Authority 2)

Further, there was doubt about the accuracy of some of the information given to social workers, leading to a lack of confidence in this service. One social worker commented:

It's been patchy, it's been inconsistent, we've actually been given wrong advice. And it's really contributing more to muddying the waters for us and we're finding it really frustrating just now. (Social Worker, Local Authority 2)

Another respondent stated that the person who advised them about direct payments was not actually invited to attend the direct payment management meetings:

So she inadvertently has given us the wrong information, or not quite accurate information. So we've been following her advice and gone off at a tangent or not quite done things how we should have. And that's caused our applications to be rejected. (Social Worker, Local Authority 2)

There were some differences among social workers with regard to the level of interest in direct payments. For example, a senior social worker thought that a lack of interest was one of the reasons that there had not been a big demand to move away from traditional services. However, other practitioners thought that the interest amongst their clients was high, although there were some groups, such as older people, who were thought to be less keen.

There were also differing understandings of the way in which waiting lists were operating. Some social workers believed that there would be no funds available for direct payments until the new financial year, therefore they should stop processing applications, whereas an operations manager had been advised to continue processing applications as funds would be made available once the demand had been demonstrated. These comments did not correspond with the views of senior management who stated that all staff should have been offered training and have access to guidelines explaining the policy and the application process.

Training was recognised to be a big issue for service users, who received advice and information by word of mouth and from support organisations such as the local Centre for Independent Living and Age Concern. Some social workers thought that the information these organisations provided raised unrealistic expectations as people were not always offered the package they thought they were entitled to. It was also felt that the two organisations providing support and a payroll service were set up to help people with physical impairments and so might not be able to offer the same level of support to other groups such as older people and parents of disabled children.

### ***Accountability and monitoring***

Accountability was a particular concern for the finance officer and she was keen to establish a balance between financial accountability for public money and the flexibility required to make the most of the payment. It was important therefore that both users and practitioners were as clear as possible about what the money was

used for, since cases of financial misappropriation were often due to misunderstanding. Examples of misuse included the purchase of theatre tickets and lunches out. However even in these cases the boundaries were unclear and the authority would investigate the circumstances rather than immediately suspending the direct payment. They might also deduct money from future payments or set up more support from the support organisation.

Social workers also expressed concerns about accountability and monitoring of the use of direct payments:

I think one of the biggest difficulties occurs when carers really are quite desperate for the direct payment. Your assessment may be that there's an ulterior motive for it. I work in an area – a very poor area, there's very few owner occupiers. Poverty is rife. And there's quite a few cases where it's an income to the family and in those cases we will say no. (Care Manager, Local Authority 2)

A care manager from the children and families team also expressed some concern about families controlling their children's care. Although a care plan would be agreed at the outset, she was concerned that parents might arrange services in a way that suited them rather than the child. In such cases there were fears that the money might be misappropriated and the disabled person not receive the care they were assessed as needing. Whilst one practitioner thought that this type of situation was fairly rare, another thought that it was not uncommon for carers to misuse money or provide an inadequate service.

There were also concerns about assessing and monitoring ability to manage a payment, particularly with regard to those classed as 'vulnerable adults', a group which would include people with significant mental health difficulties. A senior manager expressed confidence in social workers' ability to judge whether a service user had the capacity to manage a direct payment:

In terms of a duty of care, I think our staff are quite clear that everyone can get a direct payment as long as there's a circle of support to help them with it, and I think we're doing that. (Team Leader, Local Authority 2)

Some social workers expressed frustration that they could not exert more control over who was employed and that police checks were not compulsory. A particular example was given of a social worker's dilemma when she realised that a disabled person had employed a person previously convicted of a sexual offence as a personal assistant. Personal assistants employed to work with children were required to have a Disclosure Scotland check and it was recommended for all others. This was paid from start-up costs. All employers were also required to take out liability insurance, also funded by the direct payment.

A strong view expressed by a number of social workers was that the process of obtaining a direct payment was far too complicated:

Why have they made it so complicated for the service user? Why have they made it so complicated for the qualified field worker, to help that service user to use it? Why the complications? Why have they made it so complex and inaccessible? (Social Worker, Local Authority 2)

### ***Relationship of direct payments to core services***

It was widely acknowledged by managers that the majority of the community care budget was tied up in directly provided services and that it had proved very difficult to release money for direct payments. This was complicated further by the use of a ring-fenced budget for direct payments. Over the longer term, it was hoped that people would move from an existing service to direct payments, thus freeing up funds. However, it was thought that the implementation of direct payments had actually caused more people to enter the service, thus creating even greater demand:

We have had lots of people who've stayed away from our door because they didn't want our services, but with the option of having a direct payment, want to [deal] with us, so it has generated demand for a direct payment service, but it hasn't freed up people moving across.  
(Team Leader, Local Authority 2)

The finance officer anticipated that direct payments would come to be accepted as another way of receiving a service, particularly in teams that already had a good commissioning system, such as learning difficulties. However, she was concerned that in other areas money would be taken away from services that benefited larger numbers of people as the unit cost of providing a direct payment was higher than the unit cost associated with providing a direct service, such as a day centre or home care. Although it was relatively straightforward to transfer a commissioned package to a direct payment, it would be much harder to reallocate money spent on council or building-based services. Realistically, if direct payments were to expand, she thought that new money would be required:

I think what the situation will be is that we will take the money from any, anything new that's coming in and anything that can be freely dismantled without an impact on other parts of the service. (Finance Officer, Local Authority 2)

There was concern amongst some practitioners that direct payment users should not be advantaged by their choice of receiving services in this way. An example given was of a person attending a day centre five days a week who decided to move to direct payments. The user would expect an equivalent number of hours but might instead only receive five hours a week, otherwise they would be receiving a better service:

You shouldn't be advantaged by getting a direct payment. To me that person's getting advantage over somebody else that goes to the day centre, because they're getting one to one. (Care Manager, Local Authority 2)

### ***Restrictions***

There were no financial restrictions placed on the size of the package, although packages over £100,000 per year required special approval from the senior management team. In addition, there were no restrictions on what the money could be used for, provided this had been written into the care plan. The contingency money could be used to meet unexpected costs, for example to pay for a personal assistant to accompany a user to funeral. Direct payments could not be used for long term residential or nursing care and could not be given to carers to purchase services for themselves. It was stated that these restrictions were in line with national policy.

The lack of available funds was acknowledged by managers to have been a major factor in the limited uptake of direct payments. The budgetary constraints and the perceived extra work associated with the policy led one respondent to comment:

Because of budget pressures, and the amount of work that you have to do to process the direct payment, I wonder if some people are avoiding fully promoting it. (Team Leader, Local Authority 2)

However, they hoped that this was not the case and had advised all care managers that they should continue putting in applications and that money would be made available as payments were approved.

Social workers, on the other hand, were very clear that lack of money and the resulting waiting lists were the biggest restriction on the development of direct payments. One practitioner commented:

I've been trying personally to support a couple of my workers to get a direct payment since April. One of the ladies was terminally ill. She's not going to make it before she gets this payment. And that doesn't feel good. (Social Worker, Local Authority 2)

People already receiving a directly provided service were viewed as less likely to be given a direct payment as their needs were seen to be already managed.

Social workers felt that they were working at odds with senior management, particularly when clients' assessments were not approved. For example, one social worker had assessed her client as needing thirty four hours of services but was only offered seven. This, she said, was 'budget led, whereas we were doing needs led' (Social Worker, Local Authority 2). Moreover, it was particularly disappointing for the practitioner involved because the home care service had already been found to be unsuitable for the client.

A social worker from the mental health team thought that the limited budget had led to much discussion in the team about potential uses of direct payments, as practitioners were aware that they could not access one straight away. He thought that there needed to be more discussion around its uses, for example, what it might be used for and when it might be a better option than directly provided services.

Children and families services were the only area that did not have a waiting list for direct payments although practitioners believed that their budget was close to the limit. Further pressure had arisen because the service was currently funding several direct payments of people in 'transition' who should have moved into adult services, but where there was no money for direct payments.

Although there was concern that those receiving direct payments should not receive a superior service, there was a general acknowledgment that the issue of using a direct payment for a task outside the assessment was a 'grey area'. As one of the respondents explained:

If their needs are being met and you're doing the review and the needs have been met, there's nothing you can do. (Care Manager, Local Authority 2)

Complications in managing separate bank accounts were also recognised as restricting uptake. Users had to run their payment from a separate bank account,

something that many were unhappy about (see direct payments users section). The Finance Officer said that it had originally been intended that the payment could be managed in the same account as ILF, but a separate account was necessary to monitor funds effectively. Service users also complained of difficulties in having to run several back accounts simultaneously.

### ***Beneficiaries of direct payments***

The ability of direct payments to provide person-centred care was seen as a benefit for those users whose needs were inadequately met by traditional services, as well as those wishing to live more independently. One example given was of an older woman with dementia and mental health problems who had been violent towards carers. The direct payment, managed with the help of her family, had enabled her to access other services and had meant she was able to live in her own home. In addition to large, complex packages, it was also recognized that direct payments could be used innovatively for smaller packages. Younger people with physical impairments were thought to be the group most likely to choose to use direct payments to enable independent living and, as they moved through the system, their higher expectations would impact on service provision. It was recognised that there was potential for greater use of direct payments by people with learning difficulties and mental health difficulties.

### ***Future plans and wider issues***

At the time of interviewing, the strategy group was looking at how to make the procedures associated with applying for and implementing a direct payment more streamlined and easier for practitioners. One of the early problems had been helping care managers to quantify need in terms of support hours required, rather than in terms of services required. It was felt that this difficulty had now been overcome and a direct payment was now seen as 'one more tool in [a care manager's] toolbox'.

Social workers were very clear that until the system became more user-friendly, there was little chance of greater uptake:

The paperwork is a nightmare. There's about six different sheets and ...it's so bureaucratic. It's a huge big bureaucratic exercise. Meanwhile, the real person sitting at home, wherever that might be, is in dire need of services. (Social Worker, Local Authority 2)

Another spoke of her frustration when an application for direct payments was 'flung back' four or five times.

Managers recognised that there had also been an impact on finance workers' workload. However, some of the additional work had been countered by the appointment of two extra finance workers. Attempts had been made to minimise the bureaucracy for both practitioners and service users. Once the payment was established they did not want to be overly intrusive and so monitored the payment every three months, with an annual audit.

One of the key challenges for the finance department was to move the people on the Independent Living Scheme<sup>1</sup> onto direct payments. However the finance officer anticipated that budgets could be transferred and so they would not be required to find further funding for this group. The transition of direct payment users from Children and Families to Adult services also posed funding problems as the two

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<sup>1</sup> This refers to the authority's 'third party' or indirect payment scheme which was in place prior to implementation of direct payments.

teams ran separate budgets. Yet despite budgetary constraints the local authority was committed to honouring these packages.

Whilst the response to the support organisation and the payroll services offered had generally been positive, the finance worker did not think they were adequately prepared when they first started. She also thought it would be better for service users if they had four or five payroll services in the local area to choose from, rather than two.

According to managers, one of the main aspects of practice identified as still requiring some work was the culture of social workers which was largely resistant to direct payments. It was hoped that, as existing staff were trained and new social workers came into the system, attitudes would change. It was also recognised that the expectations of some service users would need to change if the policy was to be successful. As one team leader commented:

I think it's a culture of dependence that we have created, we as a society, you know, that people are dependent on services, they've been made dependent on services, and so they become less able to problem-solve for themselves. (Team Leader, Local Authority 2)

It was hoped that this would change over time, particularly as young disabled people moved through the system:

I think, as young people with a disability, have better education and better life options, you know, horizons, who have a voice, then they're more ready to be independent and take the responsibilities along with, you know, the benefits. (Team Leader, Local Authority 2)

However it was thought to be harder for older people to take full responsibility for managing the payment as they were accustomed to receiving services. Thus, it was hoped that in the future much of the emphasis of community care would focus on empowering the service user and ensuring they had the confidence to live as independently as possible, although it was acknowledged that this would also require a shift in attitudes, both within the local authority and wider society.

## **Service users' perspectives**

### ***Initial awareness of direct payments***

Information about direct payments had been obtained through a variety of routes including the local CIL, the local hospital and a local advocacy group. One person had heard about direct payments from their social worker, although those who made initial enquiries prior to 2003 suggested that very little was known about direct payments and information was limited.

### ***Reason for using direct payments***

Although criticisms were raised in relation to the organisation and practicalities of receiving a direct payment, most participants highlighted the benefits compared with their previous support arrangements. Overall, the transition to a direct payment had allowed users greater control over their support services. As one user commented, 'I would not say things are perfect [but] it has empowered me significantly to take more control over the situation'. Another described direct payments in the following way:

This is a benefit that you get to make you independent and live the life that you want to live. And that's money towards people that help you to live that life that you want to lead. (Direct Payment User, Local Authority 2)

### ***Role of the support organisation***

The role of the CIL in offering support was strongly welcomed by all users. In particular, it was felt that the payroll scheme allowed users to gain the appropriate level of financial support in terms of managing the payment, whilst still allowing them to maximise their control. Other roles, such as help with recruitment and advertising, were also received positively by the participants. The support organisation seemed to be the main source of information, advice and support for those using direct payments, especially as there was a general feeling that social work practitioners did not know much about the policy.

### ***Training and information***

In terms of broader issues relating to payment use, users were critical of the lack of information from frontline staff in relation to what the payment could be used for.

We're all getting the different stories...you know nobody seems to be giving us the kind of right information. (Direct Payment User, Local Authority 2)

Other users were frustrated that their social worker or care manager was not able to answer their questions or give the information they needed. This could lead to a loss of confidence in social work services and a general feeling that practitioners do not consider direct payments to be a mainstream option.

There was also confusion about service users' contributions to their support. Several users did not seem to know why money was taken out or what basis was used for calculating the contribution. This led to dissatisfaction and uncertainty as to what money they actually had to pay for their support. Training provided for users by the support organisation was thought to be useful and gave users some confidence.

### ***Accountability and monitoring issues***

One of the main complaints about the direct payment scheme related to monitoring and accountability procedures. Users were critical of the lack of information from the Social Work Department and the need to present a high volume of paperwork to support payment use. According to one service user, 'If I'd to keep a copy of everything they'd sent, I would need a filing cabinet that went through my roof'.

Whilst it was accepted that a level of accountability was required, it was felt that procedures were unclear and intrusive. Indeed, another user said that she had been on the verge of giving up on the payment package because of the bureaucracy involved. However, some users did comment that the finance workers had been helpful.

Confusion around what the money could be used for, how much contingency a user should have and how the client contribution worked made managing the payment difficult for some users, particularly as they did not feel that they had the support of social work staff.

### ***Employment issues: recruitment***

Overall, those who had chosen their own staff felt that this allowed them more control than employment through an agency. Training to become a personal assistant employer offered by the CIL was found to be helpful, particularly in terms of setting

out job roles and taking on the related responsibilities. Half the group believed that the rate of pay was too low to attract appropriate staff. One user in particular suggested that he had lost good workers because of the absence of an annual rise, which in turn, had narrowed the gap between personal assistance pay and the minimum wage.

One user was angry that agencies were paid considerably more for providing workers than they were given to pay a personal assistant. Another commented that care work should be regarded as a profession but that it was hard to expect professional care if the wages were so low.

### ***Restrictions and negative features of direct payments***

Service users were angered by the time delay between applying for and receiving the direct payment. Waiting periods, they reported, were between two and six years and during this time they became increasingly aware of the inadequacies of home care services. A further source of frustration was the non-transferability of direct payments package from one local authority to another, so if the service user moved the assessment process had to begin all over again.

There was a general feeling that users did not have the support of their social worker or care manager, leading to the conclusion that 'the social work department wants direct payments to fail' and 'they're not wanting direct payments'. Social services were seen as obstructive towards direct payments, undermining the independence of users as they made the payments hard to manage. It was thought that this, combined with the waiting lists, would discourage many service users from exploring direct payments and might even cause those already using them to return to using directly provided services. However, once a direct payment was obtained, it could be used relatively freely.

## **Support Organisation**

The support organisation was the local CIL, which had been in existence since 1996. It initially supported 100 indirect payment users, but the scheme had remained frozen since 1996, apart from a small-scale pilot project of 15 direct payment users which began in 2000. No new direct payments were then issued until 2004. Once the mandatory legislation came into force in 2003, the local authority realised it needed to expand the role of the support organisation, but negotiations were long-drawn out and it took twelve months before a contract was put in place. Disagreements arose with regard to the role of the support organisation, which had a commitment to the wider community development of disability services and campaigning roles, whilst the local authority had a rather more limited and mechanistic role in mind. This clearly contrasts with the support organisation in Local Authority 1, which had a much more focused remit on delivering an efficient financial management support system to assist both the local authority and disabled people.

### ***Role and remit of the support organisation***

The support organisation's constitution stated that at least three quarters of the board members must be disabled people. It was therefore defined as being 'user-led'. Most advisers were disabled people as the organisation felt it was better to employ people with relevant life experience and this was reflected in the recruitment scoring process. The organisation recently established a stake-holders' group which met quarterly to discuss issues around direct payments. It was agreed that a representative from the local authority would attend every other meeting.



At the time of the interview, the support organisation employed 34 staff, with two part-time and one full time worker employed to support direct payment users. The organisation worked with 140 people either using direct payments or actively pursuing them, helping them throughout the process of applying for a direct payment, setting it up, recruiting personal assistants and managing the payment on an ongoing basis. An adviser would meet with someone interested in using a direct payment prior to the community care assessment to discuss what was entailed in using a direct payment. The adviser encouraged the person to compile a diary of daily needs which had to be met to enable independent living. From this, the required hours of support were identified and costed. This was submitted to social work prior to the formal assessment. People were not automatically provided with a copy of their social work assessment and compiling a diary of needs helped users to feel in control and involved in the process. The adviser also offered to support the person at the assessment.

Once it had been agreed that the individual should receive a direct payment, the organisation helped with all aspects of recruitment and management, and ran a backup service of personal assistants which could be drawn upon by users if personal assistants were ill or on holiday. Advisers were able to visit people in their homes or in the centre and could also take telephone calls.

Currently, potential and existing direct payment users referred themselves to the support organisation, hearing about it from their social worker, by word of mouth or via other organisations. However, as there was no system of automatic referral, others did not come into contact with the service until they had been receiving a payment for some time. It was felt that those interested in direct payments should automatically be referred to the support organisation (unless they opted out), so that an adviser could establish contact with them from the start of the process.

A direct payments adviser from the CIL helped clients with the monitoring of paperwork, which had to be completed every quarter. However there was some conflict with the Social Work Department about how much support clients should be given, as there was concern that advisers were actually completing the forms instead of the users themselves. The respondent believed that service users needed different levels of support, and it was important to respond to this if direct payments were to be inclusive. For example some users had literacy problems or were physically unable to complete the forms and thus needed considerable assistance, although the user still had to take financial responsibility. Although the forms were straightforward, users tended to have problems with the accompanying information; for example they were required to provide cheque stubs as proof of payment, a breakdown of the hours worked and demonstrate what they have been used for. There were also sometimes issues with regard to distinguishing what had been paid for by the ILF and by the direct payment.

Recently, the organisation had been looking at ways of enabling people with learning difficulties to set up circles of support to help them manage a direct payment. So far, they had assisted with one direct payment application. The organisation identified an appropriate service provider who in turn helped the person to identify people who could form the circle. Staff at the CIL felt that it was better to use a service that had experience of setting up circles and providing training than attempting to undertake this themselves. Once the circle of support was established, the user would be helped to recruit PAs and provide any relevant training.

There were occasional conflicts of interest for the support organisation, for example, when it became clear that a direct payment user was not managing the payment

effectively, the CIL might refuse additional support, but would not inform the care manager directly. Opinions were not expressed about what the payment was used for, as policing funds was not the organisation's responsibility.

### ***Services to the local authority***

Support to social work staff was not routinely offered as part of the contract arrangement. The organisation did, however, work closely with care managers once the direct payment was in place and would, for example, support a user to report problems to their care manager. The new contract with the local authority prevented the support organisation from advocating for the user, as support must relate solely to getting or using direct payments. However individuals were helped to access the complaints procedures and were supported to find an advocate.

The respondent felt that the organisation had a good relationship with the lead person for direct payments in the local authority, with whom they had regular meetings, but thought that there was tension higher up in the authority. There seemed to be particular resistance from the finance department and from budget holders who were reluctant to make money available for direct payments if it meant shifting funds from existing services. Resistance was also attributed to a potential loss of power for the local authority as care managers would have less power to commission services and service users would have more control. The support organisation would like to be more involved in the planning process but this seemed unlikely to happen, although they were consulted before plans were finalised.

### ***Potential for expansion***

There was an agreement with the local authority that funds would be released as soon as there were enough clients to require another adviser. Advisers had a maximum caseload of 35 clients, ten of whom might require a high level of support. There had, however, been a problem with under-staffing and people had to wait up to six months to see an adviser. As a result of these delays, a perception had developed among service users that support was not available and this might have suppressed demand. The organisation was also considering setting up a register of people able and willing to undertake casual personal assistance work. This proposal had been put to the board and local university students were going to undertake a feasibility study.

### ***Trade Union Perspective***

A representative of UNISON working in social services explained that the union saw direct payments as a move to outsource services and the policy was therefore opposed by union members. The use of private, not-for-profit and voluntary bodies to provide services was a form of privatisation and would inevitably lead to job losses for existing council workers. According to the representative, problems had already arisen with the introduction of Attendance Allowance, since instead of employing home helps, recipients had paid people cash-in-hand to provide the service. This had left the union feeling 'hostile' to any suggestion that service users might be given money to purchase their own services, since it was likely that personal assistants would have worse terms and conditions than directly-employed council workers. The main opposition to direct payments, he believed, was from social workers who did not feel equipped to cope with implementing the policy, and for whom direct payments would involve an increased workload.

## **Summary of key issues: Local Authority 2**

- The local authority had a relatively low use of direct payments and there was disagreement between managers and social work staff with regard to the extent to which the policy was actively being promoted.
- Senior managers felt that new funds were needed from the Scottish Executive if the use of direct payments was to grow. They believed that direct payments were likely to generate increased demand for council services. Demand for existing services was unlikely to decrease and these might become unsustainable given finite funds.
- The financial organisation of direct payments through a separate cash-limited budget appeared to limit the opportunities to promote direct payments as a mainstream policy option alongside other community care services.
- Practitioners were aware of budgetary constraints and found that requests for direct payments were 'knocked back' or else took a long time to be agreed.
- There appeared to be mixed messages from senior staff and practitioners over the availability of training and information materials. All staff had access to a training manual and case study examples and it was emphasised by senior staff that training had been made available to all practice team leader. However, the practitioners interviewed maintained that they had not received adequate training in how to process a direct payment. They also felt the information they received from personal assistance advisers was partial, unclear and inaccurate.
- Practitioners believed that the paperwork involved in putting a direct payment in place was unduly cumbersome and contributed to their workload.
- Care managers felt that they had been disempowered by the policy, losing contact with the service user.
- Service users also felt that the paperwork was excessive.
- There appeared to be some degree of hostility towards direct payments by the trade union representing public sector workers. They were seen as a form of 'creeping privatisation'.
- A key concern for both practitioners and the union representative was whether service users were able to act as responsible employers.
- Practitioners and the union representative were concerned about accountability for public money; the risk of abuse of 'vulnerable adults'; the employment of unsuitable personal assistants who might harm other household members; the delivery of substandard care; the practitioner's loss of control; liability should something go wrong; service users' ability to manage funds competently; unfair treatment of personal assistants.
- Senior managers believed the direct payments budget would increase as demand grew. However, practitioners were reticent about future applicants because of a perception that funds were not available. Service users were aware of a lack of enthusiasm for direct payments and generally believed the council did not want to make a success of the initiative.

- The support organisation had a more arms length relationship with the local authority than the equivalent group in Local Authority 1. It was engaged in a range of policy and practice interventions to promote inclusive living and believed they had a broader campaigning rather than service delivery remit.
- The support organisation believed that the largest barrier to the expansion of direct payments was the reluctance of budget holders to shift funds from established services.

## **Local Authority 3**

### **Characteristics of Local Authority 3**

Local Authority 3 covers an urban area, encompassing both wealthy sections and pockets of high deprivation, with an overall high rate of employment. At the time of interviewing, the council was under Labour control. The authority was in the top half of councils when considering the number of direct payment users per 10,000 of population and the total number of users was also one of the highest in Scotland. The numbers of direct payment users and value of payments had increased considerably over the last four years, the majority of payments being made to people with physical impairments. The second largest group, significantly smaller than the first, was people with learning difficulties with a very small proportion of direct payments users falling within the 'other' category (this includes mental health service users, older people and families with a disabled child or children).

### **Conduct of the case study**

Interviews and focus groups were conducted with the groups and individuals listed below in the Spring 2006. Two researchers attended the focus groups.

|                     |                                     |
|---------------------|-------------------------------------|
| Telephone interview | Senior social service manager       |
| Focus group         | Three social work practitioners     |
| Telephone interview | One social worker                   |
| Focus group         | Five direct payment users           |
| Telephone interview | Three direct payment users          |
| Telephone interview | Two non-direct payment users        |
| Telephone interview | Support organisation representative |

### ***Views of direct payments within the local authority***

#### ***Benefits and disadvantages of direct payments***

A senior manager saw the main benefits of the policy as being the choice and control direct payments offered the client. The social work department had been working with indirect and direct payments for some time and was able to recognise the advantages of running a mixed economy of care. Practitioners appreciated the fact that the policy gave them more choices to offer to clients, although some had struggled with the concept and felt it placed too much responsibility on the client. The monitoring paperwork involved was felt to be particularly onerous and confusing, however the policy gave practitioners and clients opportunities they would not otherwise have had, thus outweighing some of the disadvantages. A small number of practitioners had thought that the policy might be a threat to their jobs but the respondent was not aware of any union opposition.

The main barriers were perceived as being both practitioners' and clients' lack of knowledge about direct payments. Although the support organisation publicised the policy, a senior manager felt that the local authority could also be more pro-active in providing advice and information to potential direct payment users. Releasing funds for direct payments was also difficult, particularly if resources were tied up in a building based service. Finally, direct payments, and expensive care packages in general, had to be approved centrally, adding another layer of bureaucracy.

Social workers confirmed the manager's view that, despite difficulties associated with financial monitoring, direct payments were becoming increasingly understood and accepted by staff, and were no longer seen as a 'weird gray area':

It was designed in a pretty complicated kind of way and it drew workers into the areas of maths and finance and money calculations that they would find either uncomfortable or even alien. You know culturally alien because they came into social work for reasons far removed from you know budgetary calculations. So that element might deter workers. (Social Worker, Local Authority 3)

According to this social worker, the main reason for the acceptance of direct payments was that 'the positives in the person's life were so self-evident'.

### ***Training and information***

The senior managers recognized the importance of on-going training for social workers, but it was also noted that staff needed to work regularly with direct payments to develop confidence in promoting and processing packages. It was hoped that a rolling training programme delivered by specialists would be provided in the future for all staff. Social workers concurred with the view that expertise in direct payments should not lie within a small team of specialists, but should be more widely dispersed.

According to the manager, potential service users should be told about direct payments by social workers, however, there was concern that only some practitioners were offering them. She thought this might be attributable to a lack of confidence, as it could be difficult for staff to explain the policy and process to service users, particularly if they were themselves uncertain. Independent support and advice was therefore particularly important to ensure that all service users were receiving consistent information.

Social workers confirmed that direct payments were only offered to some clients, and it was suggested that community care assessment forms should include a box for a social worker to tick to indicate that a direct payment had indeed been discussed. Social workers were fearful of promoting direct payments too enthusiastically because of the possibility of unmanageable demand.

### ***Accountability and monitoring***

Financial monitoring was carried out by a dedicated team in the authority, with quarterly returns sent back to the relevant practice team administrators. Social workers recognized that a major issue for many clients arose in dealing with the large amounts of paperwork. It was important for the service user to receive help in establishing a workable home administrative system. This, of course, was more easily managed by some people than others:

A lot of paperwork is involved for clients that have a direct payment and employ a PA or an agency... keeping bank statements, keeping invoices, keeping payroll summary. It's a lot of paper and it's so easy to lose half of it... It's important to work with the client in building the system in the home ...to make sense of all the bits of paper that come in... I think that's really quite important...it totally depends on the client, some people are just going to be spot on and not going to have a problem with it, whereas others may need a little bit more support in setting up a system. (Social Worker, Local Authority 3)

Social workers felt that initially there had been considerable anxiety in identifying who was able to manage a direct payment, but guidance from the Scottish Executive had been helpful in establishing that the key criterion was an individual's ability to manage with support. It was important that people with learning difficulties and mental health difficulties were given enough support to enable them to be included in direct payments, and a broad view of capacity was taken:

It's about capacity to express your own preferences and choices and wishes in life. Not about managing a bank account. (Social Worker, Local Authority 3)

### ***Relationship of direct payments to core services***

The budget for direct payments was not ring fenced and commissioned services were spot purchased on a case-by-case basis, although there were some block contracts. The local authority had, for some time, encouraged staff to look at community-based solutions, rather than building-based services. There were, however, concerns about the destabilisation of services, such as day centres, which needed a minimum level of funding to retain viability.

According to the senior manager, there was a general waiting list for services, rather than a specific waiting list for direct payments. Due to restricted resources, services were targeted at those with the highest support needs, regardless of whether a person had requested a direct payment or a directly provided service. Direct payments had a considerable impact on financial resources, however, since some council-run services were running at less than full capacity, leading to the loss of economies of scale. A social worker pointed out that this could lead to better provision for traditional services such as day centres, since they were less crowded.

### ***Restrictions***

The respondent identified several issues that might deter people from taking on a direct payment. These included a lack of confidence, particularly if the person was used to being 'done to' rather than having control over their own life. The idea of being an employer and the responsibility this involved was also thought to be something that might put people off. She also thought it might be difficult for some people to envisage being an assertive employer, whilst employing some one to undertake personal care, which might involve a degree of vulnerability

Some social workers felt that firm boundaries were drawn around what a permitted activity was compared with what would be funded within a traditional package:

If it's in lieu of care at home... and they're looking for support to go swimming, it's going nowhere because swimming isn't part of a care at home service. But if a direct payment's in lieu of day caring, or in lieu of respite, then those sort of activities are part of that. (Social Worker, Local Authority 3)

### ***Beneficiaries of direct payments***

The senior manager emphasised that ability to manage a direct payment was assessed on an individual basis. However, there were few direct payment users with mental health difficulties and the number of people with learning difficulties using direct payments was increasing from a low base. It was noted by a social worker that sometimes a direct payment might help more than one person in a household. An example, was given of a household including an older person living with her disabled son, both of whom received support from the son's personal assistant.

### ***Recruitment and employment issues***

Recruitment of personal assistants had been a problem when the local authority only offered a flat funding rate. However there were now three levels of funding and the amount paid to the client was decided on the basis of the job specification. The local authority had a very low unemployment rate so it was particularly difficult to recruit if the employer was not able to offer a competitive wage. The senior manager said that it has been difficult for some practitioners to reconcile their duty of care with handing over responsibility for hiring personal assistants to service users. The local authority had not made Disclosure Scotland checks compulsory. It was felt that this was an issue for employers to decide upon themselves, and was part of the responsibility of managing the payment. Further, the support organisation provided advice and training on how to be a good employer so direct payments users should be able to make an informed decision. It was also up to the individual, in conjunction with the support organisation, to identify training or health and safety issues applicable to their personal assistants. Any training or risk assessment would be paid for by the local authority from the start-up money or the contingency fund. Users were recommended to take out insurance which could also be paid for from the contingency money. However it was acknowledged that allowing service users to take on these responsibilities and make decisions made some practitioners nervous.

The senior manager was aware that clients were often concerned about arranging cover when personal assistants were unavailable for work and although the support organisation had a bank of emergency workers, it was felt that this was a secure option. She felt that this could be overcome if, when the package was set up, practitioners helped to factor in contingency plans, for example allowing for agency care if required.

### ***Future plans and other issues including impact on workload***

The local authority did not have a target for the number of direct payments users but this might be considered in the future. The senior manager thought that the Scottish tradition of using institutions meant that the local authority had a lower starting point in terms of personalised budgets. However she was wary about using targets to increase numbers as clients might have genuine reasons for choosing to receive provided services and should not be pushed to use a direct payment.

Social workers anticipated that direct payments would increasingly become a mainstream option. However an individual social worker was unlikely to have many direct payment service users. As a result, when a direct payment had to be processed a social worker felt like a 'rabbit in the headlights'. Pressures to process cases quickly meant that direct payments might be discouraged, since they took longer to set up. However, the future lay in providing flexible and individualized services:

We're moving away from this entire box thinking of you know 'you have a learning disability, you go to a day centre'... that's no longer there... We're breaking that down and it's so, so nice to not only see that shift in practitioners, perhaps, but to also visibly see that shift in clients. (Social Worker, Local Authority 3)

### ***Service users' perspectives***

#### ***Initial awareness of direct payments***

Users had heard about direct payments from a variety of sources including an advocacy organisation, Direct Payments Scotland, the local press and from other



carers. Three respondents had used indirect payments for many years before moving onto direct payments when they became available. One had been part of a pioneering 'neighbour' scheme and not only received a payment for herself but also managed one for another resident. Two people who did not receive a direct payment but hoped to do so in the future were also interviewed.

### ***Reasons for using direct payments***

Two parents arranged direct payments for their adult children because they were dissatisfied with the package of services, including respite and residential care, available directly from the local authority. Others had decided to use direct payments because of the control the policy offered. For example, one user, who had previously used an indirect payment scheme, was enabled to move out of a residential home and into her own flat. In another case, a mother used direct payments to live independently and facilitate her parenting role. Personal assistants were employed to meet the woman's personal care requirements and undertake childcare related tasks. Direct payments enabled her to access education, employment and maintain her role as carer for her child. Initially it had been difficult for some people to distinguish between the personal assistant's role and that of a babysitter but she was adamant that she remain in control and the direct payment had given her 'the option to work, to study and to be a mum: it's been great'.

Users cited independence, flexibility, choice and freedom as reasons for using a direct payment. On a practical level it allowed them to have control over who worked for them and to achieve continuity of worker. Several had previously used agency or local authority services, which one respondent described as 'crap'. Even for those who had not had negative experiences with provided services it was thought that employing personal assistants resulted in a better service.

Two people interviewed did not receive direct payments but were at varying stages of applying for them. One respondent, speaking on behalf of her son, said that he had been looking into using a direct payment as his parents currently provided all his care. However, they felt that they were getting too old to continue to do this. Further, the son wanted to use the payment to facilitate some social activities. The other respondent who was not yet a direct payment user was keen to pursue this option because she found the workers provided by the local authority to be lazy and incompetent. She reported that their work was inconsistent and sloppy and that she would rather struggle to do things herself than ask one of them to do it. Employing someone herself would not only allow her flexibility over the tasks they undertook, but empower her to demand a better service.

### ***Managing the payment***

Several users said that the responsibilities associated with financial management and becoming an employer had been daunting at first. One user, who had employed personal assistants for many years, said that she would happily have avoided the responsibility of being an employer but that the benefits far outweighed the negative aspects.

However, both respondents who managed payments for their children had concerns about what the payment could be used for. One had used the payment for travel during the first year but was then told that she should not have been doing this and that it was to be used only for care. The other parent felt that she had still not received adequate clarification of what respite her son could purchase. Such problems left both parents feeling anxious about using the payment and unsupported by their social workers. One attributed the lack of clear information to social work's

reluctance to give up control. She felt that she was otherwise able to manage the payment on her own and if she was told clearly how the money could be used she would not need less input from social work and the support organisation.

Those who had been using direct payments for some time generally seemed happy with the financial management and were satisfied with the level of support they received, particularly from the support organisation. Several used the support organisation's payroll service, which they reported made life easier. One commented:

The payroll service is excellent. It's quite daunting, it can be, tax and national insurance and stuff. The staff [at the support organisation] deal with all that and also employment law, like impending changes in corporate law or statutory obligations, they keep you informed or all that. (Direct Payment User, Local Authority 3)

However, one user managed her payment with help from her husband which she thought put stress on him. As he was also unwell, they employed an additional person through the direct payment to do the quarterly monitoring returns.

### ***Role of the support organisation***

There was general approval of the support organisation and the majority of users used their payroll service. This was an important part of what made the payment manageable and several respondents stated that were this not available they would have to pay someone else for the support. As mentioned above, several users relied on the information provided by the support organisation when managing the payment and one respondent commented that the staff had 'gone beyond' what could be expected of them to assist her. They had also helped a respondent to complete her monitoring forms and acted as an advocate during a recent assessment despite this being outwith their remit. The support and assistance they offered for the recruitment of personal assistants was also highly valued. Users could use the support organisation as the return address for job applications and a worker could sit in on interviews. The organisation could also help draw up employment contracts, although one respondent said that she waited a considerable time to see someone for this service.

One respondent noted that even though social work practitioners now knew about the policy, they often did not have expert knowledge or the time to spend with interested clients, and the support organization could do more to actively promote the policy. Peer support was particularly valued:

I go to a peer support group every month, it's just a group of employers and we just talk about some of the issues. Because it's a one to one working relationship [when employing personal assistants] you can feel quite isolated at times like you're doing it all yourself. So it's good just to get together and hear how other people have handled certain situations and also the training [provided by the support organisation] as well is a good way to meet other employers and to look at the issues. (Direct Payment User, Local Authority 3)

One respondent noted, however, that whilst it was valuable to have these services available, she often did not have the energy to take part in a peer support group after meeting her basic daily needs.

### ***Training and information for service users***

Views about information and training varied between those whose payments were well or recently-established. Those who had used a direct payment for some time, and particularly those who had previously used indirect payments, had fewer training requirements and were familiar with procedures. It should be noted, though, that they still valued the ongoing input from the support organisation and felt that it was important that it was available to provide information and advice.

However, those who had only started to use a direct payment in recent years seemed less happy with the information and even those who had used a direct payment for some years encountered unhelpful social workers. There was a feeling that it was 'lucky' if a person had a social worker who was well-informed and supportive:

I mean we were lucky we had a really good social worker at the time [she started using a direct payment] and she did a lot of it for us and she was really knowledgeable on the direct payments. I've since had really bad experiences with social workers that just don't have a clue; I know more than they do! (Direct Payment User, Local Authority 3)

The attitudes of practitioners seemed to be almost as important as the knowledge they possessed. One respondent reported feeling humiliated and worthless when a practitioner recorded her as 'not working' when she spent all her time looking after her son. Another respondent said that she had 'sacked' her social worker after being given the wrong information about what the payment could be used for. She also felt unsupported by the social work department as her daughter's assessed hours had fallen from twenty four hour care to ten hours a day after they decided that she would continue to live at home rather than enter a residential unit. She thought that this was taking advantage of the family and it made it difficult for her to have any independence. However she was much happier with her daughter's new social worker and also had contact with a practitioner from the direct payments team who had been 'a marvellous help'.

One respondent was involved in a reassessment at the time of the interview. Due to her impairment she had not been able to communicate very well with a social worker and she felt that the practitioner did not have sufficient experience or training to assess her requirements adequately. The social worker concluded that the respondent did not need the extra support she requested leaving her in crisis and, at times, contemplating suicide.

Several more recent recipients of a direct payments said that they had been given an information manual. However, this was not thought to be particularly helpful since people wanted information specific to their situation, including very detailed advice about how funds could be used.

### ***Accountability and monitoring issues***

Several respondents did not find the monitoring requirements too arduous, particularly because they used the payroll service offered by the support organisation. However, this was not the case for everybody. One required extra support, but had a friend who was prepared to help. Several thought the monitoring forms were not accessible and one felt that the paperwork involved was 'ridiculous'. She stated:

I find it a really daunting task, it's not really accessible because you have to fill in the forms and photocopy stuff, a lot of employers just don't have access to photocopiers. I just think they [social work] don't appreciate how difficult the paperwork is getting. (Direct Payment User, Local Authority 3)

Several respondents said that their impairments made it difficult for them to complete the forms, and there were difficulties when needs increased over a period of time. Finally, difficulties arose in spending funds within a specified time period to avoid 'claw-back', with a lack of clarity about how large the contingency fund could be.

This made it difficult for those with fluctuating conditions or support needs. For example, one direct payment user wanted to accumulate some hours to be used during the school holidays when she was more likely to require increased support for herself and her daughter. Sometimes, conflicting pieces of advice were given about the amount of flexibility which was allowed.

### ***Employment issues: recruitment***

Experiences of recruitment were mixed. One respondent said recruitment could be 'hell' whilst another said she had previously had problems retaining staff although this had been resolved when her daughter had been granted a higher payment rate. Others had employed the same personal assistant for some time and one still employed someone she had originally paid with an indirect payment.

Respondents commented on the importance of recruiting suitable people. One said:

I try to get the message out right away in the advert that I'm not looking for a carer, I'm looking for a personal assistant that can assist me to live independently in my own home. (Direct Payment User, Local Authority 3)

Respondents also spoke of the tensions that could exist when employees worked so closely with their employer. One stated that at times it was difficult for people to understand that they were being employed as a personal assistant and not a carer. In the case of one respondent, this distinction had been blurred by a social worker who had contacted the personal assistant directly, angering her employer:

They should not have intruded, interviewed your PA, you employ her... you know that should not have been done. (Direct Payment User, Local Authority 3)

Participants stated that both employer and employee had to invest considerable energy in making a successful relationship, something which was difficult with a short-term personal assistant:

I think it is still quite a daunting thing to do. When somebody new starts it's really draining because you have this total stranger in you life that's totally open to everything about you and you don't really know them. (Direct Payment User, Local Authority 3)

There were also concerns about personal assistants' long term prospects, pension entitlements and opportunities for trade union membership.

There was considerable confusion around the carrying out of police checks. The checks take several weeks to be carried out and thus employers might have to use

the personal assistant before the results of the check are available. Those who had recently recruited personal assistants generally chose to have police checks. One participant stated that she thought it was good employment practice, since it not only helped to establish a professional working relationship, but also created a paper-trail should problems arise later on. However, there was resistance to making police checks compulsory as it was not felt that disabled people should automatically be assumed to be vulnerable.

Other concerns included accessing support should a personal assistant call in sick. Users had overcome this in several ways. One had a list of people she could call if such a situation arose. Another used part of her direct payment to employ agency staff and because of this relationship was able to ask them for staff if her personal assistant was unable to work.

### ***Restrictions and negative features of direct payments***

As noted above, challenges included the responsibility of taking on the role of employer, managing the relationship with the personal assistant, the desire for flexibility in using the payment, issues around fluctuating needs and concerns about the getting sufficient social work support. Users agreed that the negative aspects of managing and using a direct payment were outweighed by the independence, flexibility, choice and control the policy offered when it worked well.

### **Support organisation perspective**

The organisation received its core funding from one local authority and funding for specific services from three other local authorities. The organisation was contracted to provide a variety of services for the local authority and these are detailed below. At the time of the research, about 190 people from the four local authorities used the payroll service whilst support was given to additional clients in the process of setting up direct payments.

### ***Role and remit of the support organisation***

The remit of the support organisation was 'to support independence, inclusion, integration for disabled people. To support people to express their needs and have those needs met'. The organisation provided an independent living service including support for people using ILF, community care services and direct payments. Until recently, a peer counselling service was offered. The organisation operated as an information service and training for direct payment users and their personal assistants.

At the time of the interview, the organisation was hoping to develop its training remit, especially disability equality training (DET), as a means of generating income and to ensure that this training was available from a disability-led organisation. Training had been delivered to both the case study authority and neighbouring local authorities. As already mentioned, there were ongoing negotiations to provide training for social workers.

### ***Make up of the support organisation***

The organisation employed approximately twenty staff members who were divided into several teams: training, independent living, disability information service and payroll. The respondent acknowledged that the organisation employed a lot of part time staff:

...because we're a disability organisation, it actually means that because of the charging systems of community care, a lot of people can't afford to work full time... It actually has a major impact on us. (Support Organisation Representative, Local Authority 3)

The organisation was able to offer home visits and meet individuals in other venues, but there was no out of hours service. The respondent commented that running an out of hours service or bank of relief workers was very time-consuming, however there were advantages in having a bank of staff who were already trained and police checked, and who had an understanding of the social model of disability and the purpose of direct payments.

It was felt that the support organisation was working at full capacity to provide the current level of support. They would like to expand into supporting those using Access to Work, whereby individuals can use funding to employ assistants within their working environment in addition to their home environment. It was also noted that as groups eligible for direct payments grows, there will be further opportunities for expansion, for example, training might be offered to organisations working with elderly or young people. In addition, the organisation was looking at ways to better serve the needs of black and ethnic minority direct payments users.

### ***Relationship with the local authority***

The organisation served four local authorities and the relationship with each was different according to funding and the services provided. Core funding from the case study area paid for a range of services including information, training and payroll. Efforts were being made to increase the financial commitment of each local authority, so that a longer term planning horizon was possible. Overall, the relationship between the support organization and the local authority was extremely productive.

### **Local Authority 3: summary of key issues**

- Local Authority 3 had a relatively high use of direct payments and was a pioneer of personalised services in Scotland.
- The relationship between the local authority and the support organisation had developed over a number of years and was mutually supportive.
- There was considerable expertise in the local authority in relation to direct payments, but a comprehensive training programme had yet to be extended to all social work staff. As a result, some social workers lacked confidence in helping service users access direct payments.
- There were anxieties about the future impact of direct payments on existing services such as day centres.
- Social workers expressed anxiety about how they could ensure high quality care when responsibility for managing provision was handed over to the service user.
- There was general confusion about the status of disclosure checks on personal assistants and different views regarding whether these should be mandatory.

- Direct payment users reported mixed experience of social workers in terms of their knowledge and understanding of direct payments.
- Service users valued flexibility which direct payments offered, but felt that local authority systems were sometimes too controlling and limited potential creativity in the use of funds.
- Some social workers were concerned that direct payment users might receive an enhanced service, such as access to social activities, which traditional care packages would not allow.

## **SECTION 5: SUMMARY AND CONCLUSIONS**

### **Summary of findings**

Direct payments are for self-directed community care and involve service users purchasing and managing for themselves some or all of the care they have been assessed as needing. They are intended to increase the flexibility, choice and control disabled people have over the care they receive and have been strongly promoted by disabled people as a means of achieving independent living. Direct payments are also seen as a central part of the modernisation of welfare agenda, since they specify that the services purchased should be user-focused and personalised. They are also in line with earlier community care policy of developing a 'mixed economy of care'.

Since 1997, when the Community Care (Direct Payments) Act came into force in Scotland, England and Wales, local authorities have been permitted to make direct payments to 18 – 65 year olds. There has been a gradual extension over time to older people, 16 and 17 year olds and parents of disabled children. The Community Care and Health (Scotland) Act 2002, implemented from April 2003, made it mandatory for all community care service users to be offered a direct payment in place of a council-supplied service. Unlike England, Wales and Northern Ireland, carers in Scotland are not eligible to receive direct payments to meet their own needs.

Early evaluations of direct payments in practice indicated that they might be more cost effective for the local authority. Concerns have been raised in the literature about the ability of some groups of disabled people, such as older people, to embrace the concept of becoming a purchaser rather than a passive consumer of services. Concerns have also been raised that personal assistants might have worse terms and conditions of employment than council workers or agency staff.

Findings from the local authority survey indicated that just under half of local authorities had a designated post with responsibility for direct payments. Local authorities with below median use were less likely to have such a post. Local authorities making greater use of direct payments identified a greater range of supporting factors, whereas those with below median use focused on hindering factors. There was general agreement that advantages for the service user included greater choice and flexibility, whereas disadvantages included difficulties with being an employer and managing the payment effectively. From the point of view of the local authority, direct payments resulted in fewer complaints and greater user involvement, but disadvantages were greater resource input particularly in the early stages, cost constraints and complex administrative arrangements. All local authorities anticipated big increases in the user of direct payments over the next five years.

Local authority case studies provided input into the micro-politics influencing use of direct payments at the local level. Local Authority 1, covering a rural area, was developing a positive relationship between social work staff and the support organisation, which was taking over a major role in terms of the training of social work staff and financial monitoring. Although the local authority had below median use of direct payments, significant growth was predicted for the foreseeable future, particularly for disabled children and older people. Local Authority 2, covering an urban area with high levels of disadvantage, had relatively low use of direct payments. Whilst senior management wanted to expand the use of direct payments and social workers supported the broad principles of flexibility and choice, there



appeared to be some resistance on the ground, with union anxieties about council job cuts and increased workloads. There were also concerns about the misappropriation of funds, with fears that the needs of the disabled person might be overlooked. The support organisation had experienced difficulties in negotiating a productive working relationship with the local authority. Local Authority 3 had made the greatest progress in the development of direct payments, having a long-standing commitment to the delivery of personalised services and a long-established working relationship with the support organisation. All three local authorities agreed on some of the upsides of direct payments (in general much more effective services) and the downsides (high levels of bureaucracy associated with accountability, user difficulties with financial management and adopting the role of the employer, and issues around the local authority's duty of care).

## **Emerging themes**

### ***The status of direct payments in Scotland***

It is evident from the review of policy and statistics that direct payments was 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, with modern technology being 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 equalize 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***

LA 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 (see above). 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 lose 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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## APPENDIX: DIRECT PAYMENTS IN SCOTLAND SURVEY



### Direct Payments in Scotland Survey

*A team from the Universities of Edinburgh and Glasgow have been commissioned by the Scottish Parliament to investigate the use of direct payments in Scotland. In this brief survey, we would like to find out about a bit more about the management of direct*

#### Local Authority Organisation

1. Name of local authority?
2. What is your job title?
3. Is this a designated post for direct payments?  
Yes ☐  
No ☐

#### Financial arrangements within local authority

4. Is there a generic budget for direct payment use?  
Yes ☐  
No ☐
5. Does the local authority devolve budgets to care managers for individual spot purchasing?  
Yes ☐  
No ☐

#### Support organisation and user involvement

6. Do you fund a support organisation?  
Yes ☐  
No ☐
7. If so, what is the size of their annual grant:  

|                     |                          |
|---------------------|--------------------------|
| Less than £100,000  | <input type="checkbox"/> |
| £100,000 - £150,000 | <input type="checkbox"/> |
| More than £150,000  | <input type="checkbox"/> |
8. Is the support organisation 'user led'?  
Yes ☐  
No ☐

9. What length of contract does the support organisation have?

|                   |                      |
|-------------------|----------------------|
| Less than 2 years | <input type="text"/> |
| 2 -3 years        | <input type="text"/> |
| More than 3 years | <input type="text"/> |

10. How important is user involvement in the development of direct payments?

|                |                      |
|----------------|----------------------|
| Very important | <input type="text"/> |
| Important      | <input type="text"/> |
| Not important  | <input type="text"/> |

11. What do you see as the advantages of user involvement? Please state below:

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12. What do you see as the disadvantages of user involvement? Please state below:

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### Factors facilitating development of direct payments

13. Please indicate which of the following factors have **positively aided** the implementation of direct payments within the local authority. Please indicate if this has been a critical factor, an important factor or a helpful factor. Add any other factors n

| Factor   | Tick if irrelevant to LA | If <b>relevant</b> , please tick to indicate level of significance |           |         |
|--|--------------------------|--|-----------|---------|
|  |                          | Critical   | Important | Helpful |
| Leadership within local authority                                      |                          |  |           |         |
| Local political support for direct payments                            |                          |  |           |         |
| National support for direct payments                                   |                          |  |           |         |
| Effective direct payments support scheme                               |                          |  |           |         |
| Training and support for front line staff                              |                          |  |           |         |
| Demand from service users and carers for direct payments               |                          |  |           |         |
| Accessible information on direct payments for service users and carers |                          |  |           |         |
| Strong local voluntary sector  |                          |  |           |         |
| Availability of people to work as personal assistants                  |                          |  |           |         |
| National legislation, policy and guidance                              |                          |  |           |         |
| Positive attitude to direct payments amongst staff                     |                          |  |           |         |
| Ring fenced budget for direct payments                                 |                          |  |           |         |
| Central government performance monitoring                              |                          |  |           |         |
| Flexibility of commissioning strategy                                  |                          |  |           |         |
| Inspection and regulation of Local Authority services                  |                          |  |           |         |

Other factor(s):

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## Factors inhibiting development of direct payments

14. Please indicate which of the following factors have **hindered** the implementation of direct payments within the Local Authority. Of those selected, please indicate if this factor has been a critical hindered factor, an important hindered factor or an u

| Factor   | Tick if irrelevant to LA | If <b>relevant</b> , please tick to indicate level of significance |           |           |
|--|--------------------------|--|-----------|-----------|
|  |                          | Critical   | Important | Unhelpful |
| Insufficient leadership within local authority                                 |                          |  |           |           |
| Lack of local political support for direct payments                            |                          |  |           |           |
| Lack of national support for direct payments                                   |                          |  |           |           |
| Underdeveloped direct payments support scheme                                  |                          |  |           |           |
| Inadequate training and support for front line staff                           |                          |  |           |           |
| Concern about managing direct payments among service users and carers          |                          |  |           |           |
| Lack of accessible information on direct payments for service users and carers |                          |  |           |           |
| Weak local voluntary sector  |                          |  |           |           |
| National legislation, policy and guidance                                      |                          |  |           |           |
| Difficulties with the availability of people to work as personal assistants    |                          |  |           |           |
| Resistance to direct payments amongst staff                                    |                          |  |           |           |
| Lack of ring fenced budget for direct payments                                 |                          |  |           |           |
| Competing priorities for policy implementation                                 |                          |  |           |           |
| Incongruence of direct payments policy with other LA duties                    |                          |  |           |           |
| Inflexibility of commissioning strategy  |                          |  |           |           |

Other factor(s):

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**Advantages and disadvantages of direct payments**

15. What do you see as the advantages of direct payments for the individual service user?

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16. What do you see as the disadvantages of direct payments for the individual service user?

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17. What do you see as the advantages of direct payments for the local authority?

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18. What do you see as the disadvantages of direct payments for the local authority?

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### Future development

19. Over the next five years, do you think overall the use of direct payments in your local authority will:

|               |                      |
|---------------|----------------------|
| Increase      | <input type="text"/> |
| Stay the same | <input type="text"/> |
| Decrease      | <input type="text"/> |

20. Over the next five years, please indicate any anticipated differences in uptake for different user groups:

| Level of use                      | Increase | Stay the same | Decrease |
|-----------------------------------|----------|---------------|----------|
| Adults with physical/sensory      |          |               |          |
| Adults with learning difficulties |          |               |          |
| Adults with mental health         |          |               |          |
| Older people                      |          |               |          |
| Children                          |          |               |          |

Thank you for your help in completing this questionnaire.

Please return it in the supplied freepost envelope to CREID, The University of Edinburgh, Simon Laurie House, St John St, Edinburgh, EH8 8AQ or email it to [Linda.Ahlgren@education.ed.ac.uk](mailto:Linda.Ahlgren@education.ed.ac.uk)