



Report to Policy Committee

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Report of: Strategic Director of Adult Care and Wellbeing

Report to: Adult Health and Social Care Policy Committee

Date of Decision: 31st January 2024

Subject: Personalisation and Direct Payments Update

Has an Equality Impact Assessment (EIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
If YES, what EIA reference number has it been given? 2412				
Has appropriate consultation taken place?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Has a Climate Impact Assessment (CIA) been undertaken?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Does the report contain confidential or exempt information?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-				
<i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i>				

Purpose of Report:

The purpose of this report is to:

- Provide an update on progress against the Delivery Plan of the Personalisation and Direct Payments Strategy.
- Review the options appraisal for the future model of the Direct Payment Support Service and agree the proposed option.

Recommendations:

It is recommended that the Adult Health and Social Care Policy Committee: -

1. Note the continued progress of the Direct Payment Improvement programme and delivery against actions from the strategy delivery plan including the creation of a Personalisation Board to drive and govern future work.
2. Endorse the planned activity for the next 12 months.
3. Approve commissioning strategy Option 5: Provide a Direct Payment Support Service as an in-house service offer.

Background Papers:

Appendix 1 - Personalisation and Direct Payments Strategy Delivery Plan

Appendix 2 - Options Appraisal – Future Model of the Direct Payment Support Service

Appendix 3 - PA Workforce Summit Visualisation

Appendix 4 - EIA

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: <i>Laura Foster</i>
		Legal: Patrick Chisholm
		Equalities & Consultation: <i>Ed Sexton</i>
		Climate: <i>Catherine Buntin</i>
	<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	SLB member who approved submission:	<i>Alexis Chappell</i>
3	Committee Chair consulted:	<i>Angela Argenzio</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Committee by the SLB member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: Mary Gardner	Job Title: Strategic Commissioning Manager
	Date: 5 January 2024	

1. PROPOSAL

1.1 Currently 1936 Adults and 394 Children and Young People are in receipt of Direct Payments in Sheffield. This represents around one quarter of people receiving long term support from Adult Social Care.

1.2 Our Personalisation and Direct Payments Strategy was approved by Committee in December 2022. The strategy sets out the Council's ambition for personalisation and describes how we ensure people accessing social care achieve personalised support with good outcomes through support planning and personal budgets. By personal budgets we mean the money people need to meet their eligible care and support needs to self-direct their own support, which includes Direct Payments and Individual Service Funds (ISFs).

1.3 The Strategy was co-produced with people with lived experience, partners and stakeholders. It outlined 5 key priorities:

- Improve how personalisation is approached and delivered in Sheffield for people who use social care, and for social care staff and workforce that supports them.
- Work collaboratively with people who access social care, their representatives, staff and partners to deliver our strategy for personalisation together.
- Develop vibrant and diverse support options including a community of providers and a Personal Assistants workforce which offers personalised and responsive solutions for the people of Sheffield.
- Build a strong, sustainable infrastructure for people to access or buy the right support for them and develop other approaches that offer people the level of choice and control that suits them.
- Develop practice that promotes personalisation, which underpins the values and duties within the Care Act (2014) and provides ongoing support, advice and learning to champion and deliver personalisation.

1.4 Delivery Upon the Strategy

1.4.1 Appendix 1 highlights that significant progress has been made against the milestones and actions this year, with much of the focus on ensuring the essentials required to establish a stable sustainable and compliant platform for working.

1.4.2 Many of the developments have ensured that risks are addressed and that there are simplified systems along with clear, transparent guidance is in place to support staff. In response to feedback from people with lived experience, we have dedicated time to designing tools, factsheets and resources that provide consistent transparent information.

1.4.3 The Direct Payment Improvement programme had an Internal Audit assurance review during 2022/23. The outcome was positive as the findings had 'Moderate Assurance' meaning that there were sound

systems of internal control in place with some weaknesses present. These were already known about and were in the Delivery Plan.

1.4.4 A summary of our achievements against each of the Direct Payment Improvement Programme workstream areas, are highlighted below:

Workstream	Achievements in 2023
Workstream 1 (Policy)	<ul style="list-style-type: none"> • Strategy Launch Event - Following approval at Committee in December 2022, the strategy was formally launched at a public event in May 2023. • Top-ups and Reasonable Preference Guidance developed and published. • Policies for Personalisation and Positive Risk-Taking are drafted.
Workstream 2 (Processes)	<ul style="list-style-type: none"> • End-to-end journey process maps for all activity that interfaces with Direct Payments. • Five new guidance documents • Direct Payment Audits Review phase one, including introducing an initial 3-month check-in call, named officer, improved correspondence and process name change to 'Direct Payment monitoring'. • Initiated a Complex Direct Payment Forum. • Refreshed of Direct Payment Procedures.
Workstream 3 (Money Management)	<ul style="list-style-type: none"> • Embedded the standards and expectations of the Recognised Provider List of money management companies. • Revised Money Management Company quality assurance • Information about managing Personal Budgets
Workstream 4 (Direct Payment Support Service)	<ul style="list-style-type: none"> • Interim Direct Payment Support Service established. • Options Appraisal for future model – see section 1.7 for options appraisal details and decision-making request. • Roll out of refresher and full Direct Payment training for social care • Creative support planning training for Direct Payment Review and Transitions teams • New training resources for adding Direct Payments to the system
Workstream 5 (Market Shaping)	<ul style="list-style-type: none"> • Scoping of an Individual Service Fund (ISF) pilot, • Understanding of current market. • Improved the offer for Personal Assistants, including incentives and training opportunities. • Set up and launch of the Sheffield PA Register. • Conceived and organised a PA Workforce Summit for the region to explore what is needed to generate, promote and grow a PA workforce – see visualisation at Appendix 3. • Establishing the ISF pilot, including the creation of the procurement specification, identification of interested organisations and formulating budget and payment governance systems.

Workstream 6 (Direct Payment Reviews)	<ul style="list-style-type: none"> • Supported people to update their support arrangements post pandemic. Creating savings of circa £686k during 2023. • Completed reviews for all those who were caught in the migration of record management systems (CareFirst to Liquid Logic). • Devise support arrangements via Direct Payments for a group of adults to pool their budgets and generate greater personal outcomes. • Established a permanent review team as an ongoing invest to save.
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1.4.5 Since January 2023, there has been a decrease of 100 people; a result of advancements in Provider Frameworks and Direct Award offers meaning that more bespoke care arrangements are available through the Council. This broader personalised Council offer means that some people have had real choice and greater options than before and been able to move from Direct Payments.

1.4.6 Over the past 12 months, total spend on Direct Payments in Sheffield was £48.8m (£45.3m from Adults, £3.5m from Children & Young People). Since January 2023 there has been a reduction of just over £1.7m in spending, notwithstanding the annual percentage increase applied to Direct Payments in April 2023

1.4.7 Our key next steps and priorities for 2024 aligned to our workstreams are:

- Completion of personalisation and positive risk-taking policies.
- Develop a practice model that ensures the offer of how to receive a personal budget is at point of assessment and leads support planning with a view of implementation in 2025.
- Complete and embed remaining journey process maps.
- Complete Direct Payment Audit Review phase two.
- Create a range of options for managing personal budgets.
- Explore options such as Credit Unions
- Implement the future model for the Direct Payment Support Service
- Further develop the training offer across social care to continue to promote direct payments and personal budgets.
- Launch of the Individual Service Funds pilot
- Establish the Direct Payment Provider Forum
- Implement a Quality Assurance model for the market
- Prioritise and implement reviews for people who may prefer or require alternatives to Direct Payments.
- Explore creative and innovative uses of Direct Payments.
- Pilot a buddying scheme for workers in other social work teams

1.5 Moving forward oversight of the Direct Payment improvement work will be undertaken as part of a new Personalisation Board. The Board will not only oversee the further development of our offers around self-directed support like Direct Payments and Individual Service Funds (ISFs) it will also aim to

deliver quality of information and data monitoring to enable ongoing scrutiny.

- 1.6 The Board will also create new opportunities to develop our social work practice and grow personalised offers within all of the services across Adult Care and Wellbeing.

1.7 Future Model of Direct Payment Support Service – Decision Required

- 1.7.1 In October 2021, the Executive Member for Health and Social Care approved the tender of a Direct Payment Support Service for 2-years. At the agreement of the interim arrangement a request was made by members that a full options appraisal was undertaken to inform the longer-term solution for the provision of Direct Payment Support Service.

- 1.7.2 Direct Payment Support Services are a provision within the Care Act 2014: Direct Payment Regulations. It states that all local authorities provide support for people taking Direct Payments to advise and assist them to understand and fulfil their responsibilities around overseeing and arranging the support, organising the budget, and with managing all aspects of their recruitment and employment of Personal Assistants.

- 1.7.3 A detailed Options Appraisal has been completed for each option suggested (Appendix 2). In summary, 5 options were explored 3 of these being ruled out as not viable options in the current market landscape in Sheffield. These were:

Option	Outcome	Core Reason
Option 1: Do Nothing	Rejected	Not legally compliant
Option 3: Build a consortium of community and user led organisations who work collectively to provide a Direct Payment Support Service	Rejected	Local user-led organisation indicate they are not interested in developing this model and others are not currently ready to deliver.
Option 4: Include provision within individual Direct Payment budgets that enables people to arrange and purchase their own Direct Payment support from an open market of providers	Rejected	Challenging to forecast volume of support required and the Council would have limited control over provider pricing strategies and costs.

- 1.7.4 The remaining 2 options were similar in meeting the requirements. The benefits and drawbacks for each were considered closely.

- 1.7.5 The preferred option is Option 5: Provide the Direct Payment Support Service as an in-house service offer. The key assets of this option are:

- This option meets all our requirements with other Councils working in this way.

- Feedback and ideas from people who have used the service and social care colleagues are largely in favour of this option.
- Peer-support, coaching and mentoring from people with lived experience will continue through partnership with Disability Sheffield – addressing concerns from some people wanting to ensure peer advice exists with impartiality.
- The service to be hosted separately to social care teams e.g. in Commissioning & Partnerships to provide clear distinction from assessment and care management.
- Development and implementation of option will be co-designed with people with lived experience.
- In-house service likely to be more efficient and effective, resulting in a better experience for people with Direct Payments.
- TUPE would apply, therefore the existing workers with expertise, knowledge and skills would move with the transfer.
- Joint service for Adults and Children – costs proportioned. Support provided to health funded individuals to be recharged to the ICB.

1.7.6 The table below outlines the challenges identified within option 2 and how option 5 mitigates these.

Option 2	Option 5
All providers offer other services outside of Direct Payment Support i.e. managed accounts, payroll. This has caused confusion about who and what the DPSS offers, who is able to access it and costs. Despite the Service specification requiring the provider not to use private branding this still caused significant issues and confusion.	The Council has its own branding, the Direct Payment Support Service will not be confused with other organisations and services.
Challenges were raised that there is a risk that the third-party provider has an advantage over other providers in the market to promote their own other services. The Council must ensure an equal and fair market.	The in-house service has no other competitive service offers. Staff will be able to discuss the other services from all provider perspectives.
Third party provider does not have access to internal Council systems which slows access to information required to support people. People have to repeat their story several times.	In-house option has access to information immediately and could offer a timely seamless service.
Cost of procurement and inflationary pressures means there is a risk that this option is more costly.	Initial costings suggest that this option is viable within the existing financial envelope (£170,000 per annum) and maximises existing resources.

1.7.7 The Council will continue to work collaboratively with people with lived experience, their families and carers, partners and stakeholders to develop and mobilise the future model of the Direct Payment Support Service.

2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 Recognising the activities delivered during 2023 and endorsing the future actions in the Delivery Plan ensures that the Personalisation & Direct Payments Strategy continues to commit to enabling people to direct their own support, led by what is important and matters to them. People with lived experience play an active role in designing the support and services we offer.
- 2.2 The strategy delivers a diverse, creative and responsive marketplace shaped and developed to offer real choice and control for people. Personalised approaches offering more innovative solutions enables people to meet their needs and achieve their outcomes more effectively.
- 2.3 The strategy and delivery plan contributes towards Commitments 4 & 6 of the Living the life you want to live, Sheffield's Adult Health and Social Care Strategy 2022-2030, which are:
- *Commitment 4 - Make sure support is led by 'what matters to you', with helpful information and easier to understand steps.*
 - *Commitment 6 - Make sure there is a good choice of affordable care and support available, with a focus on people's experiences and improving quality.*
- 2.4 In October 2021, SACHMA produced a report entitled, 'A Review of Home Care – The African Caribbean Perspective'. The report makes several recommendations to the Council based on the findings and participant suggestions of what good care looks like.
- 2.5 Recommendation 14 specifically focused on the development of Individual Service Funds (ISFs). The Personalisation and Direct Payments Strategy makes the commitment to develop ISFs in Sheffield and work is well underway to deliver these.
- 2.6 The proposal to opt for Option 5: Provide the Direct Payment Support Service as an in-house service offer enables us to progress the long-term solution for supporting people to take Direct Payments and have confidence and ability to manage their own support. They will have timely interventions to assist with recruitment and will have a service that wraps around them offering initial support and advice, back-up support when it is needed and review and monitoring assistance.

3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 The Personalisation and Direct Payments Strategy has been fully co-produced. The commitment to coproduction started from the initial development of the Direct Payment Improvement Programme. With people with lived experience, staff, partner organisations and other stakeholders all being involved in the decision-making, governance and programme activities.

3.2 People who take Direct Payments, their families, staff, and partners have been involved in the decisions around the future of the Direct Payment Support Service. Questionnaires were circulated and focus groups encouraged feedback. The design of the preferred option has centred around this.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality Implications

4.1.1 The proposal is fully consistent with the Council's obligations under the Equality Act 2010 and the Public Sector Equality Duty. It is considered that measures to improve and develop personalised approaches in Sheffield will better support people with social care needs to exercise choice and control, and the quality and range of services available.

4.1.2 Implications are considered in Equality Impact Assessment 2412 (Appendix 4). In Equality Act terms, the proposal will have a significant direct, positive impact for people with the protected characteristic of disability – i.e. most beneficiaries. Indirectly, there is also likely to be positive impacts in terms of race, (a higher proportion of adult social care customers from BAME communities choose a Direct Payment); and sex (there is a higher prevalence of women within the PA workforce). The EIA also identifies potential positive impacts relating to Age, Carers, Religion and Sexual Orientation.

4.1.3 It is also recognised that often Direct Payments were the only option for some people where our council-arranged Frameworks were not always able to offer culturally appropriate support.

4.2 Financial and Commercial Implications

4.2.1 For 23/24, the available budget for the Direct Payment Support Service is £170,000. The current contract arrangement ends in September 2024, meaning there will be a part-year cost in 24/25.

4.2.2 Any costs associated with the set-up and running of the service internally will need to be met within the available budget or addressed as part of future year's business planning.

4.2.3 Initial costings indicate that staffing costs and expenses will be covered by the available budget, however further work is needed to validate these assumptions.

4.2.4 There is the risk that reprocurring a new contract would be more costly due to inflationary pressures.

4.2.5 This paper proposes investigating a shared approach to funding the service in the future, pending further discussion.

4.3 Legal Implications

- 4.3.1 Under the Care Act 2014, the Local Authority has a duty to promote the wellbeing of individuals when undertaking its care and support functions. If the person has eligible support needs, then S18 looks to meet those needs including a discretion under S8 to meet needs by making Direct Payments to ensure its legal obligations are met.
- 4.3.2 Care Act Statutory Guidance states 4.8 - Since 2007 when personalisation became a mainstream policy, commissioning has also covered activity to ensure that sufficient and appropriate services are available to meet the needs of growing numbers of people with personal budgets and direct payments.
- 4.3.3 Where a previously externally commissioned service is brought in-house the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended) will generally apply and where they do set processes and procedures will need to be followed.
- 4.3.4 The proper assessment of whether TUPE will apply requires employee information that the Council does not have access to at this stage. However, it is likely that insourcing will require transfer of some personal data and personnel and the Council must comply with the Data Protection Act 2018 and, where applicable, Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) (as amended).
- 4.3.5 If TUPE does apply, the Council will need to undertake proper consultations on the transfer with affected staff and their representatives. The Council must also undertake all statutory checks required after receiving staff and ensuring full compliance with pension legislation.
- 4.3.6 In advance of insourcing, the Council must clearly define the scope of the insourced service, role within the organisation and where possible determine how it will fit with existing services.
- 4.3.7 If after insourcing staff other changes become necessary then in addition to compliance with TUPE, the council must also adhere to Employment Legislation and HR policies that govern consultation, organisational change and obligations under the Equality Act 2010.

4.4 Climate Implications

- 4.4.1 The Personalisation and Direct Payments Strategy contributes towards the Adult Social Care Strategy which references a focus on Climate Change – both in terms of an ambition to contribute to net zero as well as adapt to climate change.
- 4.4.2 Although the Personalisation and Direct Payments Strategy will not have direct climate implications, we have used the Climate Impact Assessment Team's guidance to ensure we consider relevant climate factors and how

the strategy and delivery plan may indirectly contribute towards reducing our climate impact.

- 4.4.3 Priority 3 within the Strategy is to *develop a vibrant and diverse community of providers and support options which offer personalised and responsive solutions for the people of Sheffield*. By creating a vibrant marketplace which reflects local need and demand and provides real options for people to be supported in the way they choose, there is potential to encourage and shape the development of service provision which is conscious of and aiming to reduce its climate impact. There are also opportunities within Priority 4 of the strategy to consider climate impacts when developing new quality assurance systems when building a directory of the local market offers for people to choose and direct their own support.
- 4.4.4 *Buildings and Infrastructure* - the flexibility and high level of choice and control that is intrinsic to direct payments and personalised approaches means that people can be supported/receive care and support how and where they choose e.g. in their home, close to home and/or in existing community buildings and facilities which helps to reduce the likelihood of additional climate impact. By giving people the choice to be supported at home or supporting them to access existing community provision reduces the need to build and develop new provision.
- 4.4.5 *Transport* – personalised approaches can support people to access public transport and increase use of active forms of travel in line with their personal outcomes and how they wish to be supported.
- 4.4.6 Energy – improving awareness and understanding around the use and access of assistive technologies and tech-enabled care can help to improve energy efficiency and decrease energy demand as additional benefits to improving or maintaining independence.
- 4.4.7 *Economy* – market shaping for a creative, diverse and responsive marketplace for people who use Direct Payments, Individual Service Funds and other personalised approaches encourages the development of small, highly specialised, local services and businesses which may reduce climate impact including reduced travel, smaller infrastructures, efficient operations.
- 4.4.8 *Resource use* – people directing their own support are able to choose and purchase local services and businesses and can be supported to access existing community provision and facilities which is likely to reduce climate impact.
- 4.4.9 *Influence* – there is opportunity when developing the information, advice and guidance offer to people using Direct Payments and other personalised approaches to support understanding and raise awareness of the climate impact of provision and resources they purchase and/or access which may help inform their choice and decision making.

4.4.10 *Adaptation* – people who have Direct Payments are encouraged to consider their personal contingency plans in order to respond and adapt effectively in the event of extreme weather.

4.5 Other Implications

4.5.1 There are no other implications.

5. ALTERNATIVE OPTIONS CONSIDERED

5.1 Options considered for the delivery of the Direct Payments Support Service are as set out in the Options Appraisal. No other options have been considered as the strategy, delivery plan and offer of personalised support and Direct Payments are statutory duties within The Care Act 2014, Care and Support (Direct Payments) Regulations 2014, Care and Support Statutory Guidance issued with the Care Act 2014, Children and Families Act 2014.

6. REASONS FOR RECOMMENDATIONS

6.1 Our focus is to offer people of Sheffield a good life with choices as outlined in our Strategy Living the Life you Want to Live. As a Council it is imperative that we fulfil our statutory duties. The Direct Payments and Personalisation Strategy approved in 2022 commits us to delivery.