

HEALTH COMMITTEE

Tuesday 16 May 2006

Session 2

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HEALTH COMMITTEE 12th Meeting 2006, Session 2

CONVENER

*Roseanna Cunningham (Perth) (SNP)

DEPUTY CONVENER

*Janis Hughes (Glasgow Rutherglen) (Lab)

COMMITTEE MEMBERS

*Helen Eadie (Dunfermline East) (Lab)
*Kate Maclean (Dundee West) (Lab)
*Mr Duncan McNeil (Greenock and Inverclyde) (Lab)
*Mrs Nanette Milne (North East Scotland) (Con)
*Shona Robison (Dundee East) (SNP)
*Euan Robson (Roxburgh and Berwickshire) (LD)
*Dr Jean Turner (Strathkelvin and Bearsden) (Ind)

COMMITTEE SUBSTITUTES

Mr Kenneth Macintosh (Eastwood) (Lab)
Mr Stewart Maxwell (West of Scotland) (SNP)

*attended

THE FOLLOWING GAVE EVIDENCE:

John Alexander (Fife Council)
Etienne d'Aboville (Glasgow Centre for Inclusive Living)
Kate Higgins (Capability Scotland)
Lewis Macdonald (Deputy Minister for Health and Community Care)
Jean MacLellan (Scottish Executive Health Department)
Elsie Normington
Charlotte Pearson (University of Glasgow)
Sheila Riddell (University of Edinburgh)
Professor Nick Watson (University of Glasgow)

CLERKS TO THE COMMITTEE

Lynn Tullis
Simon Watkins

SENIOR ASSISTANT CLERK

Graeme Elliott

ASSISTANT CLERK

David Simpson

LOCATION

Committee Room 1

Scottish Parliament

Health Committee

Tuesday 16 May 2006

[THE CONVENER *opened the meeting at 14:00*]

Item in Private

The Convener (Roseanna Cunningham): I welcome everybody to this afternoon's meeting of the Health Committee. I had received apologies from Euan Robson, but I see that he is present. Are you leaving us at some point?

Euan Robson (Roxburgh and Berwickshire) (LD): No.

The Convener: Okay, so that was a red herring.

Euan Robson: I am sorry.

The Convener: No, that is all right.

Item 1 is to consider whether our discussion about what our draft care inquiry report will say about direct payments should be taken in private. Is it agreed that we discuss that in private?

Members indicated agreement.

Care Inquiry

14:01

The Convener: Agenda item 2 is evidence on direct payments. As members will be aware, we commissioned a piece of external research on the implementation of direct payments in Scotland. That research has now been completed and was made public on Thursday 11 May. The research was undertaken jointly by the University of Edinburgh and the University of Glasgow.

We will hear from three members of the research team. In the middle, from the University of Edinburgh, is Sheila Riddell. Should the stress in "Riddell" fall on the first or second syllable?

Sheila Riddell (University of Edinburgh): The second.

The Convener: Charlotte Pearson and Nick Watson are from the University of Glasgow.

The research team will begin with a brief presentation, which I understand will take about 15 minutes. I will then invite members to ask questions. I should warn the committee that this afternoon's meeting will be quite long, as we have scheduled until 3 o'clock for the first panel. I ask members to keep that rough timetable in their heads.

Sheila Riddell: Direct payments are a controversial area of social policy that has been promoted for a couple of reasons. First, the disability movement has strongly promoted direct payments as a way of giving disabled people autonomy and flexible, person-centred services. Secondly, they are seen as a way of modernising welfare in that they provide a mixed economy of welfare whereby public, private and voluntary sector organisations provide services that are purchased by community care users. There are some tensions between the two reasons that come out quite strongly in the research.

We used a range of research methods. We examined official statistics that are gathered by the Scottish Executive, we carried out a survey of local authorities and we looked at case studies, which involved talking to social workers, social work managers, disabled people, users and non-users of direct payments. We will give a brief flavour of the research.

Obviously, direct payments are for self-directed community care. They involve service users purchasing and managing for themselves some or all of the care that they have been assessed as needing. Direct payments put users of care in a completely different position. Users are no longer the passive recipients of services to whom things are done. Instead, they are in the driving seat.

Once their needs have been assessed, they decide which body or individual is best placed to deliver the service to them.

Enabling legislation for direct payments came into force in 1997 but many local authorities in Scotland did not start to move on the issue until the Community Care and Health (Scotland) Act 2002 was implemented in April 2003. The act made it mandatory for local authorities to make direct payments available. Before that, direct payments had been simply an option that local authorities could decide to take up. There has since been a big increase in the numbers of direct payment users in Scotland, with the total increasing from only 207 in 2001 to 1,438 in March 2005.

Direct payments originated in the independent living movement in the US. Physically disabled students wanted access to technology and so on so that they could lead the lives that they wanted to lead. Interestingly, in the younger age group—18 to 65-year-olds—physically disabled people are still by far the biggest users of direct payment services. We found that the money that has been dedicated to direct payments has greatly increased over the period.

We also found big differences in what local authorities in Scotland do, which is interesting. Fife Council had the largest number of direct payment users, but the City of Edinburgh Council dedicated by far the largest amount of money to direct payments; indeed, that money accounted for around a fifth of all the money that was paid out. There are also interesting contrasts within the United Kingdom. Scotland has only around half as many direct payment users as England per 10,000 population. It has lagged behind England, although there are, of course, big regional variations in England. That was one issue that we wanted to explore in the research.

Charlotte Pearson will now talk about findings in our case studies.

Charlotte Pearson (University of Glasgow):

We chose the three case studies to try to explore the different direct payments models that have been implemented over the past decade or so—certainly since the policy became mandatory.

Across the board, users welcomed the shift to direct payments. All the users to whom we spoke said that direct payments were a definite improvement and that the arrangements were much more flexible. The empowerment of people in their day-to-day lives, which underpins the policy, had been improved. However, several key themes were picked up in each area.

Users complained about the excessive bureaucracy that has been required since the move to direct payments, the increased paperwork

that is involved and local authorities' obsessions with monitoring. There were also inconsistencies in the knowledge that staff had about direct payments, even when people wanted to get access to and hear about policy. The system worked well when staff were well informed and clued up about policy, but there were also gaps in staff's knowledge, which had a clear impact on access.

Many users complained about the restricted sums that had been made available for direct payments. It was said that such sums did not facilitate independent living, but allowed the provision of only very restricted care.

That brings us to the ownership of direct payments. In our report, members will see the number of people in our focus groups in the first local authority area who were parents or people working on behalf of users. The way in which the policy was promoted in the area raised questions about who and what direct payments were for. There was a move away from the independent living values that have been critical to developing direct payments.

All users welcomed the roles of support organisations. Those organisations were user led in each area, which was important in facilitating the uptake of direct payments and good relationships between users and support organisations. Their role was critical.

I will briefly consider issues to do with direct payments that front-line staff raised. The importance of training came through strongly in their remarks, and many front-line staff in the three areas thought that training was inadequate. Some senior staff said that there had been training drives, but those drives had clearly not tackled all the needs of all staff. There were concerns about the policy impact on other services and about how other services would be reorganised over the longer term. The social work side also had concerns about increased workloads, paperwork and financial monitoring.

Rather than integrating the money for direct payments into mainstream community care services provision, one local authority set aside a separate budget for direct payments, but that was seen as problematic for many practitioners and users. Separated budgets often ran out and waiting lists would therefore be instigated. Mainstream access to the option of using direct payments for direct services was not being put in place.

As members will see from the report, a system of devolved care management was in place in one of our areas. That seemed to work well. In the Scottish model, using that form of care management is unusual.

In local authority 2, a local trade union branch showed a good deal of resistance. Labour issues arise for people who take on personal assistance roles, but it was felt that the union was not well informed about the independent living policy principles. The lines between the issues have been blurred.

In the area of local authority 1, consideration was being given to extending the support organisation's role to matters such as financial monitoring. That was another unusual feature in the pattern of local authorities.

The report shows that local authority 3 had more of a specialist direct payment team in place. It included people who used and had been involved in planning direct payments over a long time. Combining that with knowledge about independent living was seen to be particularly helpful.

In the area of local authority 3, the long-term link between the local centre for independent living and planners in the local authority was helpful in developing a productive relationship between users and practitioners.

Professor Nick Watson (University of Glasgow): I will bring together three or four main emerging themes from the research. Despite the recent increase in rates in Scotland, the uptake of payments here still does not match that in England. Some of the problems that we are seeing are driven in part by political ideology—by a resistance to direct payment that is driven in part by a desire to defend collective approaches to welfare provision and to protect public sector jobs.

As well as the geographical inequality of access that we talked about, there is inequality of access between different user groups. For example, the shift towards opening up direct payments to people with learning difficulties, people with mental health problems, older people and disabled children raises several questions, such as how support can be given to people with cognitive impairments and to people who have fluctuating conditions. Questions are also raised about the ability and expertise of centres for independent living or other user-led organisations and, more important, about the resources that those centres have to meet the increasing needs in supporting these new groups.

The influence of user organisations has been critical to the current development of direct payments throughout Scotland. Local authorities that have higher than average use of direct payments are more likely to have user-led organisations in their areas.

As Charlotte Pearson said, the most effective support organisations are user-led organisations that have long-term joint working relationships with local authorities that have been developed over a

considerable time. Where user-led organisations work closely with local authorities, they have an important role in supporting service users and service providers.

The future of direct payments in Scotland is unwritten and will depend largely on the future political composition of the Scottish Parliament. The Westminster Government has strongly promoted individualised budgets, particularly through "Improving the life chances of disabled people", which was published jointly by the Department for Work and Pensions and the Office of the Deputy Prime Minister. The language of that document is significantly different from that which care 21 has adopted.

In the documents that are coming from Westminster on direct payments, the language that is used is about independent living, whereas the language that care 21 uses tends to be more about providing care. There is a significant difference between the two. We also think that in the development of the policy, there has been a lack of cohesion between Government departments—within Scotland and between Holyrood and Westminster.

14:15

The Convener: Thank you. That raises a number of questions.

Helen Eadie (Dunfermline East) (Lab): Thank you for the presentation, which was helpful. On page 11 of your report, you mention a development fund.

The Convener: There are two documents, Helen: the main report, "The Implementation of Direct Payments for People who use Care Services: Report to the Scottish Parliament Health Committee", and the executive summary of the report.

Helen Eadie: I was referring to the executive summary.

The Convener: I ask members to be clear about which document they are referring to when they are asking questions.

Helen Eadie: On page 11 of the executive summary, you mention:

"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."

Will you say a bit more about that? I get the impression that you do not think that the role of the development organisation here, Direct Payments Scotland, matches the role of the development organisation in England.

Sheila Riddell: Direct Payments Scotland no longer exists. It existed for a set period of time.

Helen Eadie: Until 2005?

Sheila Riddell: Yes. Until then quite a lot more money had been invested in the development of support organisations in England, which were overseen by the National Centre for Independent Living. The Executive is going to put more funds into the development of direct payments in Scotland, but we have not seen the same promotion of direct payments here that we have seen south of the border. We recognise the positive aspects of direct payments, but we do not minimise the difficulties. It is clear that unless we invest in a lot of support, the policy will not work effectively. It will be interesting to see how the things that the Executive has put in place, which we noted in the summary, roll out and whether they will be sufficient in the longer term. I know that you will hear more evidence about that later this afternoon.

Helen Eadie: Given the size of the population in England and Wales, do you think that we have sufficient funding? The £9 million in England is for 50 million people.

Charlotte Pearson: The funding for support organisations was given more directly to local authorities in England and, relative to population, it represented about twice as much as the funding in Scotland. There has been a financial gap here.

Helen Eadie: Do you think that there is a strength in giving the money to supporting organisations in Scotland, which might or might not be a local authority, because local organisations can tailor their services to the needs of the community?

Charlotte Pearson: I suppose that the point is that there has not been targeted money in Scotland. The development fund in England targeted particular areas, through local authorities. The approach that was taken with Direct Payments Scotland was to use an information base, which was helpful but was not the same as giving moneys to local areas to facilitate organisational roles.

Helen Eadie: On page 2 of the executive summary, you state:

"Local authorities have not as yet shifted funds from traditional services into direct payments".

Does that statement apply to all local authorities, or just specific local authorities?

Charlotte Pearson: That applies to local authorities across the board.

Sheila Riddell: That is a general comment. Until now, there simply have not been enough direct payment users to make it necessary to shift those

funds. If the increase in direct payment users continues at the present rate, it is almost certain that local authorities will have to reconsider some of their services. Of course, that is not just because of direct payments. "The same as you? A review of services for people with learning disabilities" anticipated that a lot more services would be based in the community and that people with learning disabilities would have a lot more say in and control over what was provided, rather than going to standard day centres. Obviously, there will be some tensions when it comes to making decisions about what to invest in and what to pull money from.

Helen Eadie: Do you think that recipients of direct payments might be afraid of what might seem to them to be the onerous responsibilities of being an employer? I checked the website to find out what people are signing up to and committed to. When people know the detail of that, it could scare them off.

Charlotte Pearson: That relates to the points that we make about social work training roles. Where social workers have been involved in developing direct payments in their local area and are aware of the issues, they can ease the process for people, particularly if there is a support organisation in place that takes on some of the roles. If the policy is presented in a more negative way, the responsibilities can be seen as too onerous and people might think that they are too difficult to take on.

Janis Hughes (Glasgow Rutherglen) (Lab): Helen Eadie has asked my question, which was about carers acting as employers and the complications that can arise from that.

On page 12 of your executive summary, you state that, in one of the local authorities,

"At senior management ... level, there were serious doubts that service users had the financial competence to manage financial transactions".

You said that there is a role for support organisations, but are any local authorities employing people who provide support by taking people through the complexities of dealing with direct payments?

Sheila Riddell: We found that, by and large, such support is being done not by social workers but by support organisations. Some people need intensive support in order to make use of direct payments. People have to be willing and able to manage direct payments and there is a debate about how much they have to be able to do to make direct payments a possibility for them. However, the thinking is that even people with significant impairments can be supported to do that.

The key is to have the right support in place, which often means somebody going to the recipient's home, working with them, helping them to put systems in place and helping them with the paperwork. Local authority social workers often do not have time to do that and often do not want to do it.

Charlotte Pearson: The reason why the user-led role has been so welcomed in many areas is that peer-led support by people who use direct payments is seen as the best way to proceed. Such support enables people to move forward with direct payments.

Shona Robison (Dundee East) (SNP): I am interested in the comments on page 10 of your executive summary, which you outlined briefly in your introductory comments. I want to explore the lack of political will and the degree of paternalism that you seem to be describing. There is one comment that sums that up. On page 9, you state:

"Care managers felt that they had been disempowered by the policy, losing contact with the service user."

Direct payments are supposed to empower service users, so that is an interesting way for a manager to think of the scheme. I presume that such views will lead to some resistance in giving information to people or to information being presented in an off-putting way.

Further to that, is there a correlation between councils where managers have that attitude and areas where there is the most deprivation? That would be a double whammy, because in those local authority areas there would be, on the one hand, people who are perhaps less likely to challenge things and more accepting of services that are not as good as they should be, and, on the other, managers actively deterring people from going down the direct payments route. From two angles, there will be less chance of direct payments being taken up in such areas. Is there such a correlation, according to your research?

Professor Watson: I think that there is. The other thing to add in is the fact that the most deprived areas have greatest need, and it is there that social services departments are stretched to the greatest extent and might just be holding on. The idea of implementing direct payments is seen as something else that they have to do when they are already working all the hours they can to keep going, so people feel that they do not want to go down that road. You are right to observe that all those factors multiply together.

Sheila Riddell: Local authority 2 was an urban area with extremely high levels of deprivation, where there were concerns about making the budget go round to meet all the needs. Some social workers talked about their concerns that the money might come to be seen as essential to the

family and that it might be a case not of the disabled person being empowered but of the funds being misused in that poverty situation. Even though that is not a view that we would condone, it is clear that there were some genuine concerns about the quality of personal assistance that might be available. You will have noted from the report that one thing that kept on bubbling up was the whole issue of disclosure checks and of ensuring that the people who were doing those jobs were okay, were bona fide and were not going to abuse a person who could be a bit vulnerable. We do not want to dismiss those concerns, but it is evident that they were most apparent in a specific situation where the money was very tight, and there was resistance at lots of different levels.

The Convener: Using terminology such as disempowerment and referring to feelings of disempowerment on the part of the social care managers themselves might suggest that it is a much bigger cultural issue than simply a concern about the administrative problems that might or might not arise as a result of a perceived lack of resources. Those are specific issues and it is legitimate to raise them but, once we begin to consider people's concerns about their own disempowerment and other matters of that kind, we are approaching a much bigger culture issue. Do you have any inkling as to how that cultural issue had been addressed or could have been addressed? It is not entirely clear what level of management we are talking about.

The report states, in relation to local authority 2, that

"social workers had refused to process direct payment applications on the advice of their union."

Which union was that?

Sheila Riddell: I think that that was Unison, which has resisted direct payments quite strongly. There is a paper on its website that raises lots of queries about direct payments. I am not absolutely sure what its current position is, but it has tended to take the view that direct payments are a sort of privatisation of welfare and that disabled people might abuse their employees by asking them to do all sort of things that are not in their job description. There are lots of unresolved tensions hanging in the air.

The Convener: What about the bigger cultural issue.

Professor Watson: That is a massive issue. Social workers, who have traditionally been in charge, are being asked to give up and hand over control. There is an issue of paternalism, but local authority 3 takes a different position from local authority 2. Local authority 3 has a number of social workers who are committed to implementing direct payments and have overseen the process,

and that has made a big difference to the way in which that authority has handled the change.

The Convener: Did you get any inkling or impression of there having been any professional development or training in respect of the issues arising out of direct payments, either through the Association of Directors of Social Work or through any of the professional groupings that might be involved?

Sheila Riddell: All local authorities have done training on direct payments, but social workers in the different local authorities have widely differing views on how effective it has been. Very often, management will say that there has been plenty of training and that all that is needed is practice in putting direct payments into action, while social workers say, "Well, we're not doing it until we've had more training." That is evidently all part of the culture in local authorities. It is interesting that, in local authority 1, a rural area, the support organisation had been used a lot to train social workers and to get them to rethink their whole approach. That seems to have been working fairly well.

14:30

Helen Eadie: As far as I can see, your difficulty lies in maintaining standards of care. That will be a concern for social workers, and I invite you to comment on that. It is related to the point that we have just been discussing.

Professor Watson: The standard of care is controlled by the disabled direct payments user himself or herself. Through working with user-led organisations, they have the right to—

Helen Eadie: What about the regulatory bit? A disabled person would not necessarily know what the regulations say and what the standards are. Governments set standards, and we want them to be matched. How can we be sure that the person who is being cared for actually has those standards met?

Professor Watson: I am not sure that I understand exactly what you mean.

Sheila Riddell: I think that I understand the question. It is partly a matter of handing control over to the user. The social worker has the job of overseeing the whole thing. If there were serious doubts about the quality of care, the social worker could say that they did not think that a particular arrangement should proceed. It is not as tight an arrangement as providing the service directly. Having said that, a lot of local authority-provided services are not of the highest standard. We got the strong message from people who use direct payments that they generally feel that they get a

lot more of the sort of support that they need to live the lives they want to live.

The Convener: There must be real tension between the direct payments user who wants somebody to come in at 11.30 at night to help them go to bed and the social worker who thinks that they really should be going to bed a lot earlier for their own good. Ultimately, it is a matter of who decides. Surely the point about direct payments is that it is the user who decides, even if their decision is not always thought by managers to be the best one.

Professor Watson: Many people who receive directly provided services rather than direct payments might go to bed before 5 o'clock or 6 o'clock.

The Convener: Frequently, the complaint is that centrally provided services are inflexible. Someone could have folk coming round at 8 o'clock to put them into their pyjamas, although they might not want to go to bed until half past 11. Quite rightly, they take issue with that. Anyway, we had better not go down that route.

Dr Jean Turner (Strathkelvin and Bearsden) (Ind): When I read through the evidence it seemed to me that there was fear about many things. There was fear about there being enough money for local authorities—even the good ones—to cover direct payments. There was also fear on the part of staff about implementing the arrangements, because if they organised things for too many people there could be a danger of them losing control or even losing their jobs.

In light of your research, to what extent does that situation compare with the situation in England? We are a comparatively rural country; in the north it can be difficult to implement direct payments. There might not be people to provide all the services and to maintain people's level of independence. There are differences. In big conurbations such as greater Glasgow, or elsewhere in central Scotland, lots of people provide services. Perhaps there are not enough of them, but they exist. Up north, in the Highlands, it is very different.

Sheila Riddell: Section 3 of our report, on the findings of the local authority survey, covers an interesting point about direct payments: quite a lot of rural authorities are making considerable use of them. People might not be able to get services that are directly provided by local authorities if they are difficult to operate in outlying places. If an individual can get somebody to work with them, it can be a lot easier. There are economies for local authorities in using direct payments. The role of the worker or personal assistant is less clearly defined, and they do extra things around the house while they are there. Wherever they happen

to be working, they do more and they are more responsive to requests from the service user for things that they would like to be done. That can make for a much more efficient service.

Dr Turner: Did you make comparisons with the more rural areas of England, as opposed to the big cities?

Sheila Riddell: Obviously, as this was a piece of work for the Scottish Parliament we used largely Scottish data. We also did a much bigger study, funded by the Economic and Social Research Council, which made comparisons across the United Kingdom. We found that the use of direct payments in England is not universal; it is concentrated in areas such as Essex and Hampshire. However, they are used quite a lot in rural areas. The take-up has not necessarily happened in urban areas. Some urban areas have seen a high take-up, but others have resisted using direct payments, for reasons to do with wanting to keep hold of council-provided services.

Dr Turner: There is a worry about the autonomy of disabled people. When a disabled person gets a car to help with mobility, often it is used by their family, not them. Is the loss of autonomy a big problem with direct payments? How can we ensure that the disabled person is the beneficiary?

Professor Watson: I do not think that the problem is any bigger in relation to direct payments than it is in relation to any other benefit. There are similar complaints about other benefits, from mobility allowances to blue badges. However, with direct payments there is greater potential for the person concerned to be in control, and they are more likely to be able to speak to their social worker about things. The theory behind the system is that the problem that you are talking about is less likely to happen.

Mr Duncan McNeil (Greenock and Inverclyde) (Lab): I do not think that you gave us an answer there. There are concerns. The problems might go back to the cultural change that happened when benefits were shifted to elderly people to allow them to buy in services. Now, we have developed a culture in which pensioners save the money rather than buy in the services. As a consequence, their quality of life does not improve and, instead, they make sacrifices to store that money—

The Convener: Do you have evidence of that?

Mr McNeil: That might be the experience of some care workers and social workers. There is a debate around this issue and a concern that people's benefits go to members of their wider family. People can be placed in positions in which they can be exploited.

Sheila Riddell: Can I just say—

Mr McNeil: I want to make a couple of points. I have listened to your evidence. You have had a good go.

We all agree that Unison has taken a hard line and that that might be a bit of a problem. However, did you not make Unison's point when you said that you know that voluntary carers and family carers are exploited and are in a difficult situation? You suggested that someone who was employed would do more and be more available. What are the limits of that person's job? Should they be exploited in such a way? In the longer term, I do not think that that is good for the person or the carer, whether they are paid or unpaid.

Sheila Riddell: Normally, a person cannot employ a family member through a direct payment. There are strict rules about that. They can be employed in exceptional circumstances—

Mr McNeil: They do that in the Highlands.

Charlotte Pearson: That would be done under the exceptional circumstances provision. It is not done as a rule, however.

Sheila Riddell: Further, because attendance allowance is not monitored, people can put it into their bank account and save it. However, direct payments are tightly monitored. People have to produce receipts for what the money is spent on. Also, the assessment of the person's needs is tight. One complaint is that it is so tight that people get direct payments only if they are in fairly extreme circumstances, for example when they need support to provide basic personal care. They have to produce a receipt to show that they have paid the person to deliver the care that, often, they need to carry on living—

Mr McNeil: So the concerns are unfounded?

Professor Watson: You cannot say that you have received the care when you have actually paid for your family to go to Barbados for a week. That cannot be done.

Mr McNeil: Do not dismiss the problem. There is a problem in relation to pensioners who do not spend their allowances on services that were previously delivered centrally. Do not deny that.

Charlotte Pearson: There is a different form of assessment. Sheila Riddell's point is that, in the current climate, community care assessments are very tight. They are based largely around rigidly quantified personal care needs. If someone receives a direct payment and chooses not to use it in the way it is intended, they will not, for example, bathe for a week. Their basic needs will not be met. The potential to abuse direct payments can be overplayed.

Sheila Riddell: One issue that has not been sorted out well is the rules that apply to different

benefits. If a benefit comes from the Westminster Government through the social security budget, often it is not monitored tightly, if at all, whereas if it is from a local authority it is monitored extraordinarily tightly. One of the Westminster Government's proposals is that there should be much more commonality. The funds that come through different streams should be put into one individualised budget and people should have a lot more freedom to decide how to use those amalgamated funds. The rules should be greatly simplified. The bureaucracy around those issues is immense. We do not really know whether the Scottish Executive will go down that route, but the signs are that it is not keen on individualised budgets. It is an interesting question.

Mr McNeil: That is your view.

Sheila Riddell: That was one point made by Unison.

Mr McNeil: You made it.

Sheila Riddell: We were reporting the points that were made to us.

Mr McNeil: I thought that that was your opinion. You said that you would get more out of individualised budgets. That is without limit.

Sheila Riddell: It is not without limit.

Mr McNeil: Is that evidence or your opinion?

Sheila Riddell: In the report we reflect the opinions that were given to us by a range of actors. As researchers, we draw some final, overall conclusions. We distinguish between reporting people's views and drawing conclusions. It is clear that those views do exist. Some middle way has to be found that will work for everybody. We are not dismissing anybody's view; we are recognising that there are legitimate concerns that have to be addressed.

Shona Robison: On page 11 of the executive summary, you state:

"local authorities have not been expected to meet any targets in relation to direct payments implementation."

Were targets set in England? If so, how were they set? Was there a formula? Did it take account of the population make-up, deprivation factors and so on?

Sheila Riddell: My understanding is that local authorities were told that they had a target to increase from where they were. They were expected to double the number of direct payment users over a set period. Obviously, that would be a much harder task for authorities that were further ahead with the policy. For the ones that were at an early stage in developing the policy, it could be done fairly easily. If you have a small number of users it is not too hard to double it. The Scottish

Executive has decided until now that it does not want to give local authorities such targets. The result is that we have wide and variable uptake of direct payments in Scotland.

Shona Robison: So although there are wide variations between local authorities in England, even the ones that have the lowest level of uptake are still at a higher level than the average for local authorities in Scotland.

Sheila Riddell: Yes. There is probably an even wider spread in England than in Scotland because some local authorities—I mentioned Essex and Hampshire—have a long history of using direct payments. They are streets ahead of everybody else, having geared their delivery of community care through direct payments. However, some authorities, often in the north-east of England, have not developed direct payments much.

Mrs Nanette Milne (North East Scotland) (Con): You mentioned that there is a lot of bureaucracy around direct payments. How significant is that in deterring people from applying? Is it a similar deterrent throughout local authorities in Scotland? Is it the same in England?

14:45

Sheila Riddell: It can act as a deterrent for the service user, but it can also act as a deterrent for social workers. For example, in local authority 2 the social workers complained bitterly about the workload that fell on them because they were expected to do so much intensive monitoring. In contrast, local authority 1 made a policy decision that it would not impose such rigorous monitoring. Its approach was to let the support organisation give a huge amount of help to the service user, but the support organisation also did a lot of monitoring on behalf of the local authority, so that took the workload off the social workers. Those conditions allow direct payments to flourish, whereas if a big bureaucratic burden is put on both the user and the social worker you can pretty much guarantee that the system will not work.

Mrs Milne: On equality of access, moves are being made to extend access to direct payments to older people, disabled children and so on. You state on page 11 of the executive summary that questions arise about the support that will have to be provided. Can you expand on the extra problems that you foresee if direct payments are extended to other groups?

Professor Watson: The demands are different. New demands are being placed on the service-user groups to meet new needs. The service-user groups are adapting, changing, taking on new roles and learning new things. For example, when parents of disabled children take on the role of managing direct payments, the demands are

different from those for adults who manage their own direct payments. Similarly, in the case of people with mental health problems who have to buy in the support, one day they might need a lot of support and the next day they might not need any. It is difficult to meet such fluctuating needs.

The issue with older people is that their needs can increase rapidly. Community care assessments are quite slow and they take a while to implement. Flexibility might have to be built into the system as new demands are placed on services. When it originally started out, the American Berkeley model was mainly for young physically disabled people, whose needs were pretty static. Now, situations are being dealt with where new needs emerge, needs vary by day, needs increase and so on. That places new demands on the system and we must address new issues.

Sheila Riddell: The older direct payments users whom we spoke to often had relatives managing their payments for them. It is likely that as people become older and more frail it will be really difficult for them to manage payments without support, although a younger disabled person could probably do it relatively easily.

There is an issue about the support organisations that were originally set up to support younger physically disabled people and that therefore have that *raison d'être*. There is debate about whether we need new support organisations that have a focus on, for example, the types of support that older people need. The Scottish Executive has provided some money to examine and develop the support that older people will need in the future, as they are potentially the biggest user group.

The Convener: That has exhausted our questions. I thank you for your research and for your presentation this afternoon. I invite the second panel of witnesses to move into place.

The Deputy Convener (Janis Hughes): I welcome our next panel of witnesses: John Alexander, senior manager for adult services, Fife Council; Etienne d'Aboville, chief executive, Glasgow Centre for Inclusive Living; Elsie Normington, formerly of Direct Payments Scotland and a parent carer; and Kate Higgins, head of campaigns and communications, Capability Scotland. I believe that each of you wants to make a short introductory statement. It would be helpful if you would also comment on the research evidence that we discussed earlier and tell us whether it corresponds with your personal experience in the organisations that you represent.

John Alexander (Fife Council): As senior manager for adult services, I have overall responsibility for the direct payments scheme in

Fife. The research that the committee commissioned is extremely helpful and enlightening. A number of the emerging themes, in particular those that Nick Watson set out earlier, struck a chord with our analysis of how things are working in Fife.

Although I would be the last person to play down our successes and achievements in Fife, we still have a number of issues to address if we are to further develop the direct payments scheme. During this calendar year, we will undertake an internal review in which we will take stock of how far we have come, look at some of the future challenges and consider what we need to do to gear ourselves up to maintain the progress that we have made thus far.

Elsie Normington: Good afternoon, everyone. I worked for Direct Payments Scotland for about two and a half years, up to the end of the project. As you heard, I am also a parent carer. We have a young adult of 21 who has a severe learning disability and complex uncontrolled epilepsy. For the past five years we have used direct payments very successfully. They have absolutely transformed our lives and that of our son by bringing a huge measure of normalisation into our lifestyle—something that we previously imagined was impossible. In the normal run of things, my son would have gone to the local day centre five days a week. The fact that we have direct payments means that we can create an innovative programme that is tailored to his needs. He is happy and we are happy. When the system works well, it is a fabulous system.

I welcome the research that we heard about earlier. The findings concur with my experience at Direct Payments Scotland. I covered seven local authority areas in the north of Scotland and the islands. Having the resources to put into support organisations is absolutely crucial to the success of the direct payments scheme. During my time in post, I gave around 135 presentations to more than 1,600 people. Often, I found that people with disabilities and parent carers were reticent about discussing their needs. What they really wanted to know was, who was going to help them? That is the bottom line for them. They need that high level of support to get going.

Kate Higgins (Capability Scotland): As the committee knows, I am head of campaigns and communications for Capability Scotland. Along with the Glasgow Centre for Inclusive Living, we made a submission to the committee, although ours is not as substantial as the GCIL submission.

Taking all the research and evidence that the committee has heard, we see that it highlights—on different levels—the similar challenges that arise from and the frustrations with the way in which direct payments have developed in Scotland.

As an organisation that provides support and care for people with complex support needs, we are concerned that their support needs in accessing direct payments are being air-brushed out of the picture. In 2003, when the legislation was widened to include other groups, we were concerned not that that should not have happened, but that it was moving too fast, given that implementation had not yet happened and that people had not yet been empowered as expected. Although we have moved away from the original cohort of younger physically disabled people towards other groups, there is still a substantial group of people with complex support needs—especially those with communication impairments—whose needs are not being met. It is not clear that they are in the picture to have their support needs met to enable them to access direct payments, and we are concerned that they should be brought back into the picture.

We support the findings of the research and welcome it as a timely piece of work that, sadly, presents in microcosm the cultural shift that has yet to happen within the whole community care system in Scotland—not just in terms of direct payments, but in the way in which disabled people and their family members are viewed as consumers of services.

Etienne d'Aboville (Glasgow Centre for Inclusive Living): Our organisation is run by and for disabled people, and we provide a variety of housing, employment and inclusive-living services. We support mostly people in Glasgow, but we also hold the contract to support people who use direct payments in adjacent local authority areas.

We, too, welcome the research, and there is little in the findings with which we disagree. Our concerns relate to the need to simplify financial monitoring systems and to reconfigure budgets at local authority level so that local authorities do not have finite direct payment budgets, which tend to get exhausted. We also feel that there is a real need for local authorities actively to promote direct payments to raise their profile. That does not seem to have happened to any great extent. That would include raising the profile of the role of personal assistants as a means of meeting the support needs of many older and disabled people.

Rather than focus on the problems, I will bring the discussion back to the benefits of direct payments. It is easy to talk about the difficulties, as we want to improve the current system, but I underscore the tremendous value of direct payments to people. We work with many people for whom direct payments have been a fantastic source of support. They transform people's lives and enable them to live in ways that they could not have done if they used the generally more inflexible direct support system.

Most people in this room take for granted the ability to go out and meet friends, pursue voluntary activities, engage in education and employment or just act spontaneously—meeting a friend for lunch, for example. However, only with a really flexible support system do such things become possible for some people. Over the past few years we have, quite rightly, been trying to get people out of institutions because we think that, in doing so, we deinstitutionalise them. However, unless those people have flexible support systems in their own homes—unless they have the mobility and flexibility to act spontaneously and to do the kind of things that we have been talking about—they can be just as institutionalised. Direct payments have been a massive boost in enabling people to become deinstitutionalised.

The Convener: Okay. I will kick off the questioning. This is quite a superficial question, but I am interested in hearing your answers. What has been the single biggest obstacle to the uptake of direct payments, and what single thing could make a difference to that? You probably have long lists, but what pops into your head?

15:00

Etienne d'Aboville: This is probably predictable, but I have to say funding. The problems of resistance and antipathy towards direct payments within professional circles and local authorities are generally understandable in light of the fact that most of those people are struggling to meet demands with which they cannot cope with finite resources.

A major issue above and beyond direct payments relates to that. The policy documents—such as the social work review documents and “Delivering for Health”—contain plenty of good rhetoric about flexibility, choice, control and independent living, but the reality is that, in some local authority areas, people are increasingly being charged for community care services and the criteria for accessing those services are becoming increasingly difficult to fulfil. Therefore, the services are becoming priority 1 services, which means that a person has to be almost at risk of going into residential care or must have a life-threatening need that must be addressed to qualify for community care services at all, regardless of whether they are provided through direct payment or other means. That disguises a massive amount of unmet need, which must be acknowledged. Therefore, I urge a fundamental review of social care funding and the actual level of unmet need in Scotland. If we really explored that, the limiting levels of support with which some disabled and older people have to make do would come as quite a shock.

The Convener: That is a good point at which to move on to Kate Higgins.

Kate Higgins: Having read the research and heard the previous panel's evidence, my opinion is that the biggest obstacle is people forgetting that direct payments are not an end in themselves but a means to an end—that echoes the point that Etienne d'Aboville made in his opening remarks. Everyone has become caught up in the bureaucracy that needs to go with the transfer of funds. However, no one wants direct payments to become a bureaucrat or an expert financial manager; they want them so that they are able to individualise a package of support and care that best meets their needs.

We need to go back to basics. The idea that, if we empower disabled people, we will disempower local authorities and their staff is not necessarily true. The direct payment system empowers everybody because it frees people up to make more individual choices. If social workers thought about the point of direct payments, they would realise that if we took some of the bureaucracy out of the system, they would free them up to do more of what they want to do.

Going back to basics and understanding that there is a point to direct payments would break down one of the biggest barriers.

Elsie Normington: Social workers need to be highly motivated and well informed and to work together in partnership with people with disabilities or their parent carers. They are in the job to work together to assess need and provide a service, so they need to be fully informed. In all the areas in which I have worked, I have seen highly motivated social workers who have had huge success with direct payments and others who have never quite got started. Social workers are not in the job for the kudos or status; they are in it to serve the people who need care. It is crucial that they understand that direct payments are not a big threat but simply another way for people to receive a service. My experience of direct payments is that social workers have been motivated to find out how best they can serve us, which has produced wonderful results.

John Alexander: With your permission, convener, I will recast the question slightly.

The Convener: That is what politicians are always accused of doing.

John Alexander: Rather than consider the single biggest problem, I will talk about the four factors that, in Fife Council's experience, have facilitated and made a success of the scheme. I guess that, if those four factors are not present, their absence would be the main difficulty in getting the scheme off the ground.

First, there must be ownership and endorsement of the scheme at political and senior management levels in the local authority, so that people say, "This is the right thing to do and we will do it." That message needs to be clearly heard.

Secondly, there must be access to mainstream budgets. Etienne d'Aboville commented on finite budgets and, for the first three years of the scheme's operation in Fife, we had a finite direct payments budget, which of course was quickly exhausted because there was much more need than we could meet. We learned from our experience and moved to a system of access to mainstream budgets. That system brings challenges of its own, but it is a key factor, without which there would be a problem.

Thirdly, a solid support service must be in place from day one, not just to help potential beneficiaries of the scheme but to do work with mainstream social work staff, to help to address the issues that Elsie Normington described.

Fourthly, there must be a mechanism for keeping in touch with what the scheme's users think of it, so that we can tweak the scheme and make it work better as it evolves. We must learn from the experiences of people who receive direct payments.

If those four factors are not in place, we are on a hiding to nothing in trying to get direct payments off the ground.

Euan Robson: Kate Higgins said that complex needs are "air-brushed out of the picture". That was an interesting choice of words, which suggests that the system is weighted in a way that is particularly unhelpful to people with complex needs. We could draw two or three conclusions from what she said. Will she talk more about the obstacles that people with complex needs must overcome to access direct payments?

Kate Higgins: I will explain what I meant. If we consider how direct payments have developed in Scotland and the research evidence, we find that take-up among younger people who have physical disabilities is not high, although that is the group of people that most uses the scheme. As we all know, disabled people are not a homogeneous group but have a wide range of impairments and support needs.

The initial scheme should have been expanded to ensure that people with complex needs, who might have multiple disabilities, could be supported in taking on and managing direct payments. However, the implementation in 2003 of provisions in the Community Care and Health (Scotland) Act 2002 created a sea change in which new groups of people came on board. That was right; the direct payments scheme should apply to everyone who wants to use it. Now that

Direct Payments Scotland has been wound up, the Executive is channelling money into existing support organisations—that is positive and necessary work—and into the identification of groups in which take-up of direct payments is low. The Executive is funding a consortium that works with people with mental health issues and families with disabled children. However, people with complex support needs seem to have been forgotten, despite the fact that take-up in that group is still low.

Many assumptions are made about people's capacity to be in charge of their finances and to make decisions about their care packages, particularly if people have communication impairments, which can be confused with a learning disability. I know a few individuals who might be regarded as having complex needs who have fought to receive direct payments and to be given control of their packages of care, but they are the exception and not the rule. People with complex needs should be regarded as having the same right to direct payments as everyone else has. We should ensure that we make available the support and resources—which might be substantial—that would facilitate the take-up of direct payments by such people.

Euan Robson: Do you advise us to ask the Executive to develop support and advice services for people with complex needs, to enable those people to articulate their interest in receiving direct payments and to say how they want to use the payments? Is there an absence of support and help, rather than a systemic problem?

Kate Higgins: The issue is twofold: there is a lack of support and advice; and there is the paternalism that research has shown to be extensive and endemic in local authorities—assumptions are often made about the ability of people with complex support needs to manage their affairs, and those assumptions can be erroneous. We need to tackle both problems.

Janis Hughes: Capability Scotland's written evidence on direct payments says:

"It is generally felt that the bureaucracy of direct payments is time consuming, somewhat intrusive and overly complicated."

In the previous evidence session, we discussed the need for local authorities to ensure that a certain level of care is provided. How can we strike a balance so that bureaucracy is not a barrier to people applying for direct payments? Some people give up because the bureaucracy is too much for them, but the local authority has to provide a level of care.

Kate Higgins: The key aspect is support. We must ensure that people have the right training and support, so that they feel empowered to

manage the system efficiently and effectively, but we must get away from thinking that ensuring quality of care is the same as creating a bureaucracy that measures, monitors and counts receipts. The two are not equivalent. The latter applies to financial monitoring—that is, to local authorities feeling that they have to know where every penny and pound have been spent. I know of people who have had things sent back to them and who—because they had made a simple mistake or a genuine error—have been asked to redeem £1.60 or £3.50 from a month's expenditure because it was not actually spent on care. We have to stop equating the quality of care with the financial monitoring.

The research shows that local authorities and social workers regard the system as bureaucratic and burdensome, as do the individuals who receive the direct payments. That should tell us that there is a problem. There must be a better way of monitoring the money while still being happy that an acceptable standard of care is being provided.

People have to be allowed to manage a certain level of risk. For example, if I choose to go with a cheaper child care provider, as long as that provider meets the basic registration and inspection standards, that should be my choice and my risk. Disabled people have to be allowed to make the same choices and to accept the same risks. As long as minimum standards are being met, derivative and prescriptive decisions about people's care packages should not be made. It seems that such decisions are made just now—which takes me back to the fact that we must remember what direct payments are for. By making direct payments, we want to empower people to make choices about the care that they receive, but that idea is being lost because social workers in local authority social work departments often seem to be able to direct the decisions on the care that is received. That seems to me to be completely missing the point.

Dr Turner: I want to ask about older people. Etienne d'Aboville's submission says:

"Older people, in particular, are not being offered Direct Payments, despite this being mandatory."

We have to overcome the negative attitudes that obviously exist. I would love older people to be in more control of what they do, but I can see the difficulties. Some older people are really employers in a small business, but how can they be flexible in having staff? Difficulties arise when one of their employees takes sick—if they have the flu or a bad cold and cannot turn up to put the older person to bed when they would like to be put to bed. How can older people overcome the type of practical difficulty that goes along with

organising your own little business and looking after yourself?

15:15

Etienne d'Aboville: That question raises several issues. The issues for older people are not fundamentally different from the issues for anyone who needs a little extra support with putting together and managing a care package. When we help people to set up a package, we first consider closely what type of arrangements they want to buy with their direct payments. Not everybody wishes to employ a person directly as a personal assistant although, when that can be done successfully, that arrangement probably gives people the most flexibility, choice and control.

Other options exist that can give people some of the benefits of that kind of arrangement but a little bit less of the hassle, but they need to be explored more than they have been. We need to stimulate a market of providers that can provide individuals with workers, take the hassle out of managing and take on the employment responsibilities but still give individuals who use the service much greater control than they would have with most home care services, for instance. Those options do not seem to exist at present. We may need to leave time for demand to rise before people are able to choose that as an option that they can buy in with their direct payments.

When people use PAs, we consider with them what support networks they have to supplement the direct payment service. We run an emergency back-up service, which involves a pool of personal assistants who can come in at short notice. However, that arrangement is unusual. In general, individuals need help to assess the other support mechanisms that they have, such as family members who might be able to lend a hand in an emergency. The bottom line is that people need to be able to make an informed choice about the level of risk that they are willing to accept.

Dr Turner: The back-up service that you mention sounds good, but you say that it is unusual.

Etienne d'Aboville: Yes. To be honest, it has been difficult to operate the service, because of the difficulties that were mentioned earlier in finding people to work as PAs.

Dr Turner: The biggest flaw in such great ideas is often the need for more funding. At least with a local authority service, if a carer cannot come to help somebody to the toilet before they go to bed, the person can telephone and will usually get a replacement carer, although they might come a bit later. However, a person who runs their own service and does not have anybody living with them can have difficulties.

Shona Robison: I seek clarification from Kate Higgins of how much direction social work managers can give to service users. She said that directions can be given on the type of care that service users can get under direct payments, but I thought that that was up to the service user. Kate Higgins's written evidence gives an example in which a service user was told by her local authority to pay staff £13 per hour, yet the local authority did not pay its care staff at that rate. Can users be directed in that way or did the council step beyond its authority in that case? How are service users informed of their rights? Can they say, "Thanks for the advice, but I'm not going to follow it," to ensure that they are not pushed in a certain direction? If local authorities make the decisions about the type of care package and the payment for it, the payments are direct in name only, rather than in reality.

Kate Higgins: Another example from our research concerns something that a social work manager said. A person was told that, because swimming does not come under a care-at-home package but under another care package, and the person had a care-at-home package, they could not use their money to go swimming. That is nonsense.

One of our campaigners phoned in last week in a state of high dudgeon because he had brought in holiday cover from a care agency who told him that health and safety rules meant that the agency staff were not allowed to cook meat of any sort for him and if he wanted it, he would have to do it himself. Of course, he could not do it himself; that was the whole point of having the carers there. Therefore, between the rules, imagined rules and people making up their own rules, in some cases choice is being eroded.

That comes back to some of the issues that came out in the research about a lack of information and agencies and staff not knowing how it is all supposed to work. There is a culture of fear in which people apply what they think are the standards. That puts a greater onus on the person who is using the service to be empowered and informed about what is within their rights and what they can ask for. In that, they rely very much on the support organisations, but they are not universal; they exist primarily in areas that have a fairly good track record of promoting direct payments. There is almost a vicious circle because the below-median local authorities are less likely to have support organisations, so individuals are more likely to remain ill-informed about their rights with regard to direct payments, and social work staff are also probably missing out on training, helpful advice and guidance.

Shona Robison: Have some of those questions come up in Fife? Have there been

misunderstandings and too much direction? How has the council dealt with that? Has it just used clear directions?

John Alexander: One of the things that stood the scheme in Fife in good stead was the support service that we established from day one. The rules of the scheme were set out very clearly.

There seems to me to be a contradiction in asking to what extent the local authority is entitled to impose conditions or to stipulate how direct payments are used. If we are trying to create a system that maximises choice and control by giving payments to people, then we come in and say, "You mustn't do this, this and this", any advantages and benefits are very quickly eroded. I—and my predecessors in Fife—have taken a very clear view that the locus of the local authority is in assessing and determining the needs that have to be met. If direct payments are decided upon as the way forward, the person receiving them should decide how their needs are then met.

There are really only two issues that might create difficulty for the local authority and they both concern the public interest. First, will the money be used for the purpose for which it has been paid? That comes back to the question of how far we should monitor the use of the money. In Fife, we have a good balance. We use a reasonably light touch. The second issue is whether the safety of a vulnerable individual will be put at risk by the way in which they use the payment. For example, if they are going to employ someone, can we be sure that that person is a fit person?

Beyond those two public interest issues, I would argue—and this is certainly the view that Fife Council has taken—that it is not for the local authority to be too intrusive or to intervene too much in how direct payments are used. That approach has worked reasonably well to date and, in reviewing the scheme, we would want to keep it working that well into the future.

Kate Maclean (Dundee West) (Lab): On the same point, you said that the local authority determines what a person's needs are and then the person decides how those needs will be met. What is the process for deciding on someone's needs? I would have thought that the person themselves would know what they need as well as, if not better than, the local authority, so I am a bit confused. You seem to be saying one thing, but Kate Higgins is saying something different, so I assume that the situation varies quite dramatically around the country. I am just concerned that I am still not clear about how the system works.

John Alexander: In straightforward terms, under the 2002 act, the local authority has the legal responsibility for assessing need and

determining what must be done in response to that need. However, neither the local authority nor its staff dictate how the assessment is conducted and how the resulting care plan comes into being. That requires a consultation process that usually involves the social worker or other local authority staff; health staff; the individual himself or herself; and, critically, any family or carers who have an interest. Occasionally, staff from provider agencies who might be involved in the care of the individual will also take part in the consultation.

Therefore, through the social work service, the local authority is responsible for the outcome, but it does not direct, in a top-down way, the process that leads to that, which is a collaborative one. The local authority has the legislative responsibility and finds itself in a particular legal position, but getting to that position involves collaborating with a number of people. The next stage is to say that the appropriate way in which to assist the individual to have their needs met is to make a direct payment available. At that point, the onus is very much on the individual to do what he or she thinks is best to meet their needs. Beyond that, the local authority must monitor that that happens. We need to ensure, in the public interest, that the funds are used for the purpose for which they have been provided, but the detail of that is entirely a matter for the individual to determine.

Kate Maclean: So it is an outcome-led process and the outcomes are monitored.

John Alexander: It is intended to be a light touch. We ask whether we are meeting the ends that we intended to meet. We do not get into much detail about the processes in-between. That is how we have implemented the scheme in Fife. Clearly, it might be different in other local authorities. I suppose one issue about all the pieces of legislation is that they are applied nationally, but it is left to individual local authorities to implement the provisions within their own remits and political mandates.

An interesting question is whether the Executive could consider taking a more centralised approach and giving more centralised guidance on direct payments to iron out inconsistencies in the scheme's implementation across Scotland.

Kate Maclean: Kate Higgins might want to say more because she said that the scheme operated differently.

Kate Higgins: There is no doubt that there are good local authorities, such as Fife Council and the City of Edinburgh Council, which have grasped the nettle and worked with support organisations and user-led groups to develop a meaningful and thoughtful direct payment scheme that is designed to empower people who want to take up direct payments. However, the point that is borne out by

the research findings is that there is no standard across Scotland. There has not even been any monitoring of how local authorities have implemented the direct payment scheme. There are vast differences in individuals' experiences, depending on where they live.

All the examples that I have given the committee and all the case studies in our written submission come from the below-median local authorities. That is not coincidental but part of the issue. The question is how we get a standard level of information across Scotland about the scheme's implementation for each individual who wants to find out about and take up direct payments, while ensuring that local flexibility continues. Clearly, rural local authorities, which might have been expected to have the least to do with the scheme, regard direct payments as a solution to their lack of economies of scale and their disparate populations. We must continue to allow the flexibility for schemes to develop to meet local needs. However, there is definitely a need to raise the standard across the board.

15:30

Etienne d'Aboville: In our experience, the differences in how assessments are conducted within authorities can be as big as the differences between authorities. Individual experiences depend on the particular care manager involved.

My view on assessments is that it is helpful to unpick where people's interests lie. In principle, community care assessments are supposed to be needs led but, in practice, it is most often the case that they are driven by available resources and services. Our approach is whenever possible to work with somebody prior to assessment to help them to consider their needs. We ask people to keep a diary for a couple of weeks to discover the kind of things with which they might need and hope to get assistance. That kind of pre-assessment advocacy is helpful in getting a good package that meets a person's needs. It works well.

We take more of a brokerage approach that recognises that the individual's interest is not the same as that of the local authority, which is to spread a finite budget equitably across a range of people. The individual's interest is in getting the best package of support. We might as well recognise that and take a mildly adversarial approach in helping the individual to get a good deal and a good package of support. That is a healthy process. It is very different from how some support organisations that operate more as an arm of the social work department than take a predominantly advocacy role operate.

Kate Maclean: Someone might be assessed as needing seven baths a week and three meals delivered a day when what they really want is five baths a week, two trips to the library and a dinner party on Friday night. I heard what you said about safety and so on, but when people are offered direct payments, they should be asked how they would like to spend the money to meet their needs and support their lifestyle. Obviously, they will not receive an infinite amount.

We have heard evidence that clients are told, "We will assess you, this will be brought to your house and somebody will come to get you up and tuck you in," so there is no element of choice. That seems to be the case in even the best local authorities, but perhaps I am wrong. It would be useful to hear about Elsie Normington's experience.

The Convener: I remind people that we have a time limit and that the minister will give evidence next. Unless we can have a brief response to Kate Maclean, we will have to move on to Nanette Milne.

Elsie Normington: I feel that people with learning difficulties are still hugely marginalised by the direct payments agenda. Such people need a high level of support to manage their package and if they do not have a competent relative or friend to help, they do not have much of a chance. In the spirit of "The Same as You?" we need to look at person-centred planning and try to maximise people's lives by moving out into the community. We need to remember the learning difficulties debate when we talk about direct payments.

Mrs Milne: Etienne d'Aboville spoke about direct payments being used to purchase aids and adaptations. The guidance on that from one local authority appears to vary from the Scottish Executive's guidance. Is that a widespread problem or is it limited to one local authority?

Etienne d'Aboville: My understanding is that such guidance is not terribly well developed throughout Scotland or, probably, south of the border. If it is possible to buy aids and equipment with the payments in the main authority area with which we work, it is a very well-kept secret.

The Convener: I thank all the witnesses for attending. Before we hear from the minister, I suspend the meeting for five minutes.

15:34

Meeting suspended.

15:42

On resuming—

The Convener: I bring the meeting to order. I welcome the Deputy Minister for Health and Community Care, Lewis Macdonald, and his officials, Jean MacLellan and Sarah Stewart.

I remind members that we are taking evidence from the minister specifically on direct payments, so I will not allow people to stray off on to wider issues on which we questioned the minister at a previous committee meeting. We need to keep our questions to the issue of direct payments. After the minister has made a brief opening statement—he will no doubt have seen the research—we will go straight to questions.

The Deputy Minister for Health and Community Care (Lewis Macdonald): Our starting point is that direct payments are not an end in themselves but a means to an end. We recognise that they are an important aspect of a modern, person-centred care system. As a form of self-directed care, direct payments can increase choice and flexibility and provide users with greater control over the care that they receive. They can allow people to live more independently and to receive support in the way that suits them best.

As the committee will know, local authorities have been able to offer direct payments since 1997. The Community Care and Health (Scotland) Act 2002 has required Scottish local authorities to offer them since June 2003. Between the first and second year of payments under that act, the number of people in receipt of direct payments increased from just over 900 in 2003-04 to more than 1,400 in 2004-05. When the final figures for the 2005-06 financial year are available, we expect that they will show the trend continuing in that general direction.

Eligibility has also changed over time. Direct payments for disabled people, which were available at first to those between the ages of 18 and 64, were extended to older people from July 2000, to 16 and 17-year-olds from December 2001 and to under-16s from July 2003. Therefore, the age profile of those who receive direct payments has changed. Older people now account for a greater proportion of the total, with an increase from 7 per cent in 2001 to almost a third by 2005. There has also been some progress in the numbers of disabled children receiving direct payments as a consequence of becoming eligible in 2003.

15:45

That said, as the evidence that the committee has received has suggested, the pace of the introduction of direct payments has been variable.

Some authorities, such as Fife, have run with the agenda by ring fencing part of their overall budget to develop direct payments. Indeed, Fife's payments amount to nearly 15 per cent of Scotland's total. However, it is worth pointing out that every council in Scotland makes direct payments to some people.

As for our work on supporting and encouraging uptake, in 2004 we set up the direct payments for older people working group, which, in 2004-05, sought ways of overcoming barriers to uptake for older people. The group included or sought to involve service users, local support organisations, local authorities, professional bodies and research interests. As a result of its work, we will soon publish updated guidance reflecting best practice that can be rolled out at local level.

We have sought to apply the same model to some of the other groups that have become eligible for direct payments. A working group on the uptake of direct payments for disabled children will meet tomorrow for the first time, and we have also established a working group to consider the relatively low uptake by mental health service users. Of course, we will base our guidance and interventions on the best available evidence.

A crucial element for success is good local user support. Between 2001 and March 2006, we funded a national project called Direct Payments Scotland, in which development officers worked to build up local support networks in different parts of Scotland. By the time that the project had ended, 23 local support organisations had been established covering the majority of local authority areas across Scotland. In this financial year and the next, we will provide funding to extend local support and infrastructure, covering information and training needs, and developments such as the introduction of dedicated lead officers in local authorities. To that end, £1.8 million has been allocated for direct payments development in 2006-07, and £2 million annually thereafter.

In addition, through payments under section 10 of the Social Work (Scotland) Act 1968, we support organisations such as the Scottish Personal Assistant Employers Network and a partnership of the three main centres for inclusive living, which provide training, advice and support to the wider support network.

The document "Changing Lives: Report of the 21st Century Social Work Review" acknowledges the benefits of direct payments, and discusses the wider challenges in delivering personalised care services that will engage people as active participants.

We realise that improving the personalisation of care services will continue to be a challenge. After all, people want to access the most suitable and

responsive models of care that give them choice. The direct payments model is clearly important in that respect. Indeed, such payments are fundamental in taking forward personalised care and promoting choice and flexibility, and very much form part of our plans for future development.

The Convener: Thank you, minister. You mentioned a couple of on-going working groups. I do not know whether your list was supposed to be exhaustive, but it would help if you could give us information about the different working groups; what they cover; when they were set up; and what their purpose is.

Lewis Macdonald: I am very happy to provide those details. As I said in my opening remarks, the direct payments for older people working group has completed its work and has reported to us, and we will soon provide guidance on the back of that work. The working group on mental health service users has begun its work and the group on disabled children is just about to do so.

The Convener: That is useful. Will you provide timescales for that work?

Lewis Macdonald: Yes.

The Convener: Such information is obviously useful to the committee.

Helen Eadie: The committee might also be interested in seeing the report by the older people working group. Can we get a copy?

Jean MacLellan (Scottish Executive Health Department): There is no group report but there are minutes of all of the meetings. Those meetings led to the production of guidance that could be used by people directly, which is in draft form. That was the output, rather than a report of the deliberations.

Helen Eadie: Earlier, I asked a question about the summary report. It highlighted the fact that, in Scotland, there is no equivalent to the development fund that existed in England, which was made up of £9 million of Department of Health money. Perhaps the latter part of your statement related to that, minister, but it would be useful if you could talk further about it.

If you were taking a bird's-eye view of Scotland, what would be your view of where the biggest gaps are in relation to the delivery of this service?

Lewis Macdonald: Broadly speaking, the funding that we are providing in the course of the next couple of financial years is designed to carry out that same role of enabling the development of local support organisations that the funding that was available in England was designed to do. That will be done through the local authorities, which will play an active role in delivery.

You asked me to take an overview and, as you come from Fife, you will know that some areas are forging ahead in terms of the provision that they are making—

Helen Eadie: I did not want to mention Fife because I get told off for promoting Fife too much in this committee.

Lewis Macdonald: I suspect that I am allowed to do so. What Fife is doing is a good model of how local authorities can enable services to be provided. Of course, a range of issues need to be resolved in relation to how the same level of engagement with direct claims can be achieved elsewhere. Again, that is an area that we expect our working groups to respond to.

We are aware of a geographic divergence; we are also aware that there are issues around the various levels of uptake among the eligible groups. The convener asked us to specify which groups we are concerned about in that regard. In establishing the working groups, we have sought to involve users and others with expertise and to identify the particular eligible groups that are not taking up direct claims as much as others are.

Shona Robison: Fife Council identified political will as the key building block in this area. What are you going to do to exercise some leverage in relation to the local authorities that seem to lack the political will to drive direct payments forward or are, perhaps, resistant to making direct payments as accessible to service users as they should be? If you will not set targets, what other mechanisms are there?

The research pointed out that in England, Wales and Northern Ireland, carers are eligible to receive direct payments to meet their needs. Is that being considered by the Executive?

Lewis Macdonald: That is not being considered by the Executive at this stage. We are concerned to increase the uptake among those who are currently eligible. There are always judgments to be made in these matters and we want to address that question first, before we consider carers, which we might do in due course.

On leverage, as I mentioned, we have in place guidance that we are updating. Further, as of this financial year, every local authority will be receiving funding in this regard. That will not be ring-fenced funding but it will be grant-aided expenditure and we will make it clear to local authorities that the funding carries with it an expectation that they will develop the expertise and support mechanisms that are necessary to ensure that the uptake of direct payments is encouraged. The majority of local authorities have such support networks in place but we want them to be in place more widely. We will engage with

councils to ensure that they are working towards that end.

Euan Robson: We had some interesting evidence earlier about difficulties in obtaining direct payments for those with complex needs. It struck a chord for me because of some local experience. There are two parts to the difficulty: the lack of assistance in articulating the case; and, more worrying, the lack of a helpful response through the system. In other words, the system in effect saying, "We can't possibly identify payments for people with complex needs because we have no way of knowing whether those complex needs are being addressed." As part of the development of direct payments, is the Executive considering ensuring that particular groups are not excluded? One of those groups would be those with complex needs.

Lewis Macdonald: We do not believe that people should be excluded simply because they have a variety of needs, for which they require support. Through the development of a network of local support organisations, we are aiming to encourage those organisations to give advice, as appropriate, to a service user or to a local authority, in order to ensure that those needs are being met. The policy is intended to be inclusive. Of course, it will not be what everybody chooses, but if they wish to make that choice they should be able to do so.

Mrs Milne: One of our earlier witnesses said in their written evidence that Glasgow City Council's guidance states that one cannot use direct payments for purchasing aids and adaptations, yet Executive guidance says that one can. Will you clarify that? Is that a common situation throughout the country?

Lewis Macdonald: I will turn to Jean MacLellan on that. My understanding is that the Executive guidance allows that to happen. That of course is the guidance that local authorities should follow.

Jean MacLellan: The minister's statement is correct.

Mrs Milne: I just wondered whether other local authorities were not adhering to Executive guidance.

Lewis Macdonald: That is not something that has been drawn to our attention.

The Convener: We have had evidence this afternoon that there is a huge disparity between local authorities on the practices that are in place with respect to direct payments and the degree of control that is exerted over what is allowed. There may be an issue in there about differential application of guidance, which of course we have discovered in other areas as well.

Lewis Macdonald: It is useful to be aware that that information has come to the committee. When we issue updated guidance, I will bear that in mind in order to ensure that the intention of the guidance is clear.

Mr McNeil: We have heard evidence today that, despite the Executive's warm words, too little money is being put into supporting the initiative, too few of the people who could benefit do, and that the Executive has failed to address bureaucracy and vested interests, which block successful implementation of the policy. What is your response to that?

Lewis Macdonald: As I mentioned, the number of people receiving direct payments is increasing, as is the funding. We are making efforts to ensure that the guidance is clear and up to date and that it addresses the particular needs that people may have. All those actions together provide a strong response. That is not to say, by any means, that we do not recognise the strength of some of the issues that have been raised, particularly the fact that there are significant numbers of eligible people who have not taken up the opportunity to claim direct payments and who may wish to do so. There are parts of the country where the level of uptake has been significantly lower than elsewhere. We are very aware of those concerns and keen to address them, but the rising graph of uptake and funding speaks for our view that this is the correct direction in which to travel.

Mr McNeil: Do you believe that there is enough money in the system to address those problems? What have you done to deal with the bureaucracy that people face? What about the accusation that the trade unions have a vested interest in blocking this? What have you done about all that?

16:00

Lewis Macdonald: As I mentioned earlier, we have, in the first instance, provided support and guidance to local authorities and local support organisations through a national organisation. The aim was to enable them to get their act together and ensure that people have access to direct payments and to support.

Duncan McNeil mentioned the suggestion that there is resistance from the trade union side. In fact, my officials have met with Unison, for example. There is broad support for the principle of direct payments. Naturally, people in any workplace are concerned to ensure that their interests are taken into account. We do not believe that there is any fundamental difference of opinion, so to speak, between the policy on support for direct payments and those who work in the care services.

Mr McNeil: Have you seen the Unison website? The union is using it to advise its members not to engage in the process.

Lewis Macdonald: I have not looked at it.

Mr McNeil: Will you give us an assurance that you will do so and that you will go back to Unison on the matter? You say that your understanding is that there is broad agreement here, but I am making these points because I feel that it has to relax the message. Unison has to be assured that there is no threat that prevents us from proceeding down this route. It seems that the situation is not as you have presented, minister. The Unison website states clearly that its members should not engage.

Lewis Macdonald: If that is indeed the case, we will want to talk to them about it.

The Convener: For purposes of clarification, the relevant sentence in the executive summary says:

"For a period of time, social workers had refused to process direct payment applications on the advice of their union."

The situation may have been resolved.

Mr McNeil: I am pleased to hear that, convener. I may have misheard the evidence, but I am sure that I heard that the message is on the website.

The Convener: I think that the witness directed us to an issue on the website. The actual refusal to process applications may have been resolved, however.

Mr McNeil: I stand corrected, convener.

The Convener: I have asked the clerking team to get the information on the Unison position and circulate it to us.

Lewis Macdonald: Sadly, it is not unknown for websites to become out of date. I have given the committee an undertaking that we will check the website to see whether it reflects the union's current position.

The Convener: A more general issue that arises from the evidence that we heard this afternoon is the pre-existing culture in the care provision sector. Care managers have said directly that they feel disempowered by the apparent transfer of power. Obviously, the issue is more about culture and less about bureaucracy—although that may be an issue, as resources may also be. Care managers seem to perceive that direct payments pose a challenge to their professional position. Should the issue be dealt with at local authority level or do you want to address it at national level?

Lewis Macdonald: Primarily, the local authorities should take the lead on workplace culture. On the national position, the intention

behind the work that we did with the local authorities and through Direct Payments Scotland was to encourage that kind of focus. For example, during the period when Direct Payments Scotland was underway as an organisation, one of the things that was helpful to our officials in looking at the position locally was that the staff in Direct Payments Scotland were engaging at the local level and reporting back to the centre on the level of support or otherwise that they found.

We are now at the point where it is appropriate for much of the support to be directed through local authorities and through the work that is being done at the local level. At the same time, we also have to recognise that there is a role at national level in areas such as training and awareness building. As I described, we seek to continue to support that work through section 10 payments to some of the network organisations.

The issue is not one that is either simply local or simply national. However, as the culture moves on, the lead should increasingly be taken at the local level.

The Convener: I want to ask a question that does not arise directly from the research but from evidence that the committee heard some time ago from a young woman who receives a considerable direct payment package. Committee members might remember Pam Duncan, who is currently working part time and receiving a direct payment package. She had a lot to say about her difficulties. The minute her earnings passed a certain level, everything that she earned above that level was taken off in order to repay the package. She felt that her life was capped: there was no point in her working more than part time because she would not get to keep the extra money, and she would never be able to go on holiday because the income that she was allowed to retain would never be enough for a holiday. She could never see her life growing. Her direct payment package was of such a size that everything would go towards it. She would be highly unlikely ever to earn enough so that she would begin to receive more money.

How do you react to that situation? It seems to me that the system was drawn up on the assumption that people receiving direct payments would never earn enough money to have an effect. But some people do, and it does have an effect.

Lewis Macdonald: It is difficult to envisage a situation in which there would be no thresholds and the level of income could continue to rise without having any impact on the direct payments received. That point will not necessarily be welcome, but I think that people will understand the need to have a balance between the individual's needs and wishes on the one hand,

and prudence in the use of public funds on the other.

We were aware of inconsistency between different areas, so I was pleased at the beginning of this year when the Convention of Scottish Local Authorities issued guidance to its member councils in order to encourage them to be consistent in matters of charging and clawback.

I would be happy to consider any individual case that the committee felt raised particularly startling issues. A number of people who receive direct payments have been able to continue working, and we would want to enable that—with, as I say, some test of reasonableness. I am sure that the committee knows the thresholds that currently apply.

The Convener: The immediate cut-off is a problem. Perhaps the individual could retain some of the money that is earned above the threshold, so that they get some benefit from an increase in salary, even if they cannot retain it all. At the moment, an individual has no incentive to earn a salary that goes above the threshold, because they will lose everything above the threshold.

Lewis Macdonald: I appreciate the difficulty; it arises in a number of different types of payment from public sector sources. We do not want to create disincentives, but we must have balance and prudence. I will certainly be interested in the committee's views—

The Convener: I am not hearing anything to give me hope that things might change.

Lewis Macdonald: You are not hearing a firm commitment but, as I say, I will certainly be interested in what the committee has to say on the matter.

Dr Turner: Money and people are obviously essential in running the service. In evidence, we heard of the fear that there might not be enough money if demand for direct payments increased. We also heard of the fears that social workers and others would be overworked and unable to cope. Would you consider increasing the number of social workers? Or will you say to local authorities that, if more people took up direct payments, you would definitely provide more funding?

Lewis Macdonald: I do not see direct payments, per se, as a trigger for an increased number of social work staff. I recognise that the demands that will be made on staff will change, but I do not see an increased staffing level as an inevitable knock-on effect. There may well be some additional costs. Direct payments were originally envisaged as cost neutral, in the sense that they were the provision of the cash rather than the service, with no difference in the cost to the public authorities. However, the additional

funding that we have provided from this year onwards recognises that the process of transition will itself carry some costs, and we have met those as far as we can judge them at this stage.

It is important to reiterate that we are only at the beginning of direct payments as a way of allowing people to procure their own services and care. We expect the number of people who take up such payments to increase, as it has over the past couple of years, and that will have implications. The funding that we will provide over the next couple of years is broadly in line with what COSLA said that it thought would be necessary for local authorities. I expect that, during the next spending review, COSLA will reassess the expenditure and costs over those couple of years and decide whether it wants to suggest a higher figure, and we will give that serious consideration.

Dr Turner: Given the fact that there are differences in packages and the cost of packages, and accepting the fact that there does not seem to be much knowledge of how to apply for direct payments, once people understand how to apply for them and the uptake increases, some of the packages might become quite expensive. Fife Council seems to have a lot of packages at a lower cost, whereas City of Edinburgh Council seems to have a lot of packages at a higher cost. That might have implications for the total budget of a local authority, regarding its provision of other services. If you noticed a great increase in the take-up of direct payments, would you be prepared to increase authorities' direct payment budgets?

Lewis Macdonald: I do not want to hypothesise that, if the number of people receiving direct payments went up by X we would increase local authorities' funding by Y. We regard it as an area that will grow and in which some transitional costs will have to be met in order to establish the expertise and support networks and to make the services available. In the long term, it ought not to be dramatically different in cost simply because the broad picture is that we are enabling people to design their own care in place of some of the care that is currently designed and provided directly by local authorities. I would not want to hypothesise what an increase in uptake might mean in terms of increased budgets; however, when we come to the next spending review, we will consider the prospect, during that spending review period, of the number of direct payments recipients increasing significantly, and we will reflect that in the funding that is made available.

The Convener: There are no more questions. I thank the minister and his officials for attending the meeting. That ends the public business of the committee.

16:13

Meeting continued in private until 16:43.

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