

Distribution Sub-Group (2019) Paper 23 – Welsh Independent Living Grant Additional Funding Transfer

This discussion paper has been written by officials of the Welsh Government. Ministers have not had an opportunity to comment on the contents. Exemplifications of changes are provided simply to inform discussion by DSG members. They are not Welsh Government proposals or statements of Government policy for or against changes.

Welsh Independent Living Grant Additional Funding Transfer

Summary

1. This paper looks at the potential transfer into the settlement of additional funding for former recipients of the Welsh Independent Living Grant (WILG). The original £27 million a year funding for these transferred into the settlement in 2018-19.

Views sought

2. DSG members are asked to consider the distribution of the additional WILG funding on transfer into the settlement, in principal, from 2020-21 onwards and to make a recommendation on a way forward, in the event that this funding is transferred in.

Recent related papers

- *Distribution sub-group (2017) Paper 3: Welsh Independent Living Grant transfer*
- *Distribution sub-group (2018) Paper 18: WILG distribution*
- *Distribution Sub-Group (2018) Paper 21: Phasing of WILG Distribution*
- *Distribution Sub-Group (2019) Paper 11: WILG Phasing Distribution*

Background

3. The Independent Living Fund (ILF) was closed by the UK Government in 2015 with responsibility for meeting the support needs of those disabled people in Wales who received payments transferring to the Welsh Government. To ensure the immediate continuity of support the WILG was introduced through local authorities as an interim measure to maintain payments to people in Wales at the same level as they received from the ILF. This was whilst the long term arrangements for support were considered.
4. Following detailed consideration Welsh Ministers subsequently decided that support should be provided through local authority social services so that all disabled people in Wales, both those who had received payments from the ILF and those who had not, were supported to live independently at home in a consistent manner. As a result a two year transition period to make this change was introduced from 2017, with this closing in March 2019.

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Transition Period and Independent Care Assessments

5. During the transition former ILF recipients received a care assessment from their local authority, agreed a future care plan and then transferred from receiving WILG payments to receiving their care and support from their authority, often through direct payments. As at the end of March 2019 the vast majority (1,154) had been through this process and were receiving their care and support from their authority. A minority (around 300) at that time were in the process of agreeing their future support with their authority and for this to be put in place. The funding for this care and support, £27 million p.a., was transferred into the settlement in 2018-19 for authorities to meet these costs.
6. DSG agreed a phased distribution of this funding in the settlement, over 4 years, with the funding being completely on formula by 2022-23.
7. During a review of this process authorities reported the majority of WILG recipients were now receiving either a similar package of care and support as they had previously, or an increased package of care. However in around 15 per cent of cases people had experienced a reduction in support. While in many cases these reductions had been agreed by all parties, some people remained very unhappy with their situation. Consequently, Welsh Ministers decided to offer these individuals an independent care assessment so as to provide a second opinion on their care needs. To date around 50 people have taken up this offer.
8. Welsh Government has let a contract for these independent care assessments and has agreed to fund the cost of these and any recurrent cost of additional care and support for people these result in. Assessments are taking place from September and should all be completed by November.

Analysis and Costs

9. It is not known at present how many of the independent assessments being carried out will result in an increase in care and support and if so, the additional recurrent cost to authorities of providing this. This cost is unlikely to be known until November at the earliest. However, with 50 people being assessed and with say, up to £500 per week at most potential additional support per person, this would result in a possible recurrent cost of £1.3 million p.a. This cost could, depending on the outcome of the assessments, be slightly higher or lower but is a reasonable estimate for planning purposes. It should be noted that not all authorities have clients who have sought an independent care assessment. Only 14 authorities have and so this potential cost will be unevenly split across authorities, with some authorities having no independent assessments being undertaken and some up to nine assessments.
10. The intention is, for 2019-20, a simple grant scheme will be put in place for authorities to claim the actual additional funding accruing from this exercise in-year, with funding for 2020-21 onwards being transferred into the settlement.

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11. Given the late stage at which the distribution of funding will become known, if this transfer is to materialise for 2020-21, it will need to happen between the provisional and final settlements.

Conclusion

12. DSG members are asked to consider the distribution of the potential transfer of the additional WILG funding into the settlement from 2020-21 onwards and to make a recommendation on a way forward. This is on the basis that:

- total funding will be somewhere around an estimated £1.3 million p.a., albeit this amount is subject to change;
- the client group involved is predominantly younger adults with a learning disability;
- this potential cost will not impact on all authorities but only up to 14. Even then it will impact on those 14 to varying degrees depending upon the number of clients who have sought an independent care assessment and the outcome of those.
- The transfer will happen between the provisional and final settlement, so anything other than a flat cash transfer could result in large fluctuations between settlements and could result in a significant impact on funding floor.

**Local Government Finance and Workforce Partnerships
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