

The ALLIANCE Response – The Future of the Independent Living Fund

Introduction

The Independent Living Fund (ILF) provides vital financial support to individuals requiring additional support to that given by Local Authorities. The ALLIANCE believes that whatever the future of the ILF, the resources put in its place must uphold the support to the individuals it once supported. We are concerned that the proposals within the consultation do not give enough consideration to the subsequent processes incurred if the ILF is disbanded. The additional layers of bureaucracy that will be added to local authority social services is in contrast to the Government's rhetoric of reducing 'red-tape'. We fear that this will result in fewer individuals receiving the support they require. Moreover, in the context of restricted budgets, the ALLIANCE are cautious that devolving the existing ILF budget could be absorbed by local authorities, unless it is ring-fenced for social care.

Key messages

1. The ALLIANCE believes that while the closure of the ILF is almost inevitable, the future of social care funding deserves further planning additional to this consultation. The Dilnot report (2011) had a key recommendation that "eligibility criteria for service entitlement should be set on a standardised national basis to improve consistency and fairness across England, and that there should be portability of assessments".¹ If this is applied across the UK, then the current proposals do not match up with this recommendation and would in fact lead to greater inconsistency than is currently ensured through the ILF. The ALLIANCE seeks clarity on how the government envisages a fair and equitable system for the distribution of social care funding across the UK in the absence of the ILF.
2. The Scottish context must be given greater consideration when devolving any funding from the existing ILF budget. In having a devolved social care system, the implications of the closure of the ILF could have many ramifications for Scotland. Dealing with the entire social care spend could mean that eligibility for social care is restricted as the Scottish budget for social care is adjusted to meet the additional cost of providing care to those previously supported by the ILF, especially in the light of such widespread variation between local authorities' uptake of ILF funding.

¹ Dilnot A, Fairer Care Funding, June 2011:
<https://www.wp.dh.gov.uk/carecommission/files/2011/07/Fairer-Care-Funding-Report.pdf>

3. The rising need for social care with an increasing population must be matched by a social care budget capable of meeting these extra costs. While the Scottish Government press ahead with plans to integrate health and social care systems in order to meet the demands of individuals' rising support needs, the funding from ILF will be vital to ensuring the needs of people requiring high levels of support continue to be provided for.
4. For those people who receive support from the ILF currently, there needs to be adequate provision in place to enable individuals to continue receiving the same level of support within the new system. Specifically, for those who receive a small portion of their budget from Local Authorities, there may need to be additional support for them to adjust to this change.
5. The consultation makes no reference to the valuable contribution that can be made by the third sector. Such organisations provide independent information, advocacy and support to people with long term conditions who require this to manage their support packages. The additional pressures that will be put on people during this period of transition will increase the demand on support organisations, such as Centres for Inclusive Living. Therefore against the backdrop of decreased funding to the third sector, the government should commit to allocating resources to the third sector. This will enable them to deliver an effective service to support people to access the funding to which they are entitled.

The Scottish Context

Latest figures from the ILF show that there are a total of 19,373 ILF users across the UK, of which 3,375 are in Scotland. This accounts for 17.4 per cent of total ILF users. Of the £82 million ILF budget for the whole of the UK, recipients in Scotland receive around £14 million, which equates to 17.5 per cent of the budget.

Key Themes

Streamlining funding

The decommissioning of the ILF must lead to money from the existing budget being devolved to Scotland, in order to level the shortfall in social care funding. There is a concern amongst users in Scotland that the closure of the ILF inadvertently indicates that there is a lack of commitment to fund the additional cost of individual care packages from 2015. It is feared that the government expects Local Authorities to cover the entirety of social care costs from their current budget.

Independent Living in Scotland reaffirm this concern stating that “By devolving resources to LA’s, it is unclear whether or not the money from the ILF; administered through its current, national eligibility criteria and assessment systems, previously used in such a preventative way and supporting independent living; will be subject to the higher threshold of life and limb provision. Thus, without the support of the ILF, many people who are disabled and or living with long term conditions may only receive this inadequate level of support, or even be taken into residential care; their enjoyment of independent living and human rights restricted”.

Devolving funding

The Barnett formula allocating the Westminster funding to Scotland is currently around ten per cent of the UK budget. If this is applied to the ILF budget upon its devolution to national administrations, this will not amount to the current proportion of funding allocated to users in Scotland of 17.4 per cent. This was a concern raised by Pam Duncan, Independent Living in Scotland, during her oral evidence to the joint committee on human rights in May 2011 in which she said that due to this discrepancy, “there will be a disproportionate impact in Scotland from closing the independent living fund”.² Clarification is required, as based on the current budget it appears that rather than receiving £14 million funding Scotland would receive £8 million, a shortfall of £6 million. Therefore, by attributing the amount of funding to the number of recipients, it can be estimated that approximately 1,200 people may be affected by the reduction of social care funding.

Ring-fencing funding

With the devolution of funding to national administrations, there should be a condition on the funding that it is ring-fenced for social care. Should the closure of the ILF lead to the devolution of funding to the Scottish Government, there is a concern that the funding would be absorbed into the entire budget and lead to a diminished care fund for those who would have previously received support from the ILF. With recipients of ILF funding per Local Authority ranging from two in Shetland to 751 in Glasgow, and the average being 105 recipients per 32 Local Authorities, it is difficult to see how funding will be distributed equitably across Scotland to ensure that current levels of support are upheld. A similar concern was raised in regards to the Aiming Higher for Disabled Children’s funding that was allocated to Scotland in 2007 amounting to £34 million. Being un-ring-fenced, the lot was divided between each Local Authority, making it extremely difficult to determine how the funding was used to achieve the overall aim of creating more short-break opportunities for disabled children and their families.

² Duncan P, Oral Evidence HC 1074-i-vi, Joint Committee of Human Rights May 2011: http://www.parliament.uk/documents/joint-committees/human-rights/Independent_Living_oral_evidence_HC1074_i_vi.pdf

Cuts to funding

Given the budget restraints that are currently burdening local authorities, it is a concern that any additional un-ring fenced money would be used to make up the decreased funding imposed by cuts. The philosophy in the consultation is that if all funding is allocated by the local authority then there is a simple streamlined process. However this will also mean that local authorities have total control of defining ones eligibility of care. Thus there is too much potential for local authorities to restrict the amount of funding they provide to individuals requiring social care.

Furthermore, there is a discrepancy in the consultation between the acknowledgements that the ILF is unsustainable and the suggestion that local authorities will be able to meet the cost of an increasing population dependant on social care funding. Whether it is distributed through the ILF or through local authorities, the amount stays the same and will have to be accounted for by national administrations. On the contrary the amount will inevitably be more than current projections because by devolving the budget, the administration of processing it will be multiplied in the short term. Therefore, there will have to be a bridging fund to meet the additional cost until local authorities can streamline resource allocation.

Person centred funding

At the heart of delivering a streamlined social care system is the experience of people with long term conditions. Within the agenda to streamline social care funding from local authorities there must be the acknowledgement that current users of the ILF may be apprehensive in changing their method of receiving support especially in an environment of uncertainty around local authorities' future provision. Therefore, assistance must be available for people with long term conditions to manage their changing support packages.

Absent in the consultation is the role of the third sector who could provide essential information and advocacy as well as direct support to people with long term conditions during the period of transition and beyond in dealing with local authorities. The ALLIANCE and its members have recently published their '12 Propositions for Social Care', which highlight the principles by which the Third Sector can influence the advancement of Social Care for the benefit of people with long term conditions.

Consultation Questions

Question 1

Do you agree with the Government's proposal that the care and support needs of current ILF users should be met within the mainstream care and support system, with funding devolved to local government in England and the devolved administrations in Scotland and Wales? This would mean the closure of the ILF in 2015.

While the ALLIANCE agrees that streamlining social care funding presents a welcomed development for individuals to receive more coordinated support, we are concerned that this will lead to fewer people receiving the financial support they require. This is because the ALLIANCE believes that if funding from the current ILF budget is distributed amongst local authorities and devolved administration, the funding will be consumed in the totality of the respective bodies' budget. Unless there is ring-fenced obligation to use the devolved budget for the social care functions as it is currently intended, we fear that local authorities will not preserve the level of funding required to support those individuals eligible for ILF.

As a country with only 17,000 people who are eligible for ILF funding, the ALLIANCE believes that it is more suitable for ILF funding to continue to be held at a national level. The unequal distribution of users throughout the 32 local authorities in Scotland would only lead to a very complicated system if the funding is distributed locally. Therefore we feel it would be simpler and more equal if the Scottish Government could hold the budget centrally and distribute it to individuals as required.

Question 2

What are the key challenges that ILF users would face in moving from joint ILF/Local Authority to sole Local Authority funding of their care and support needs? How can any impacts be mitigated?

The ALLIANCE is concerned that if local authorities are currently using the ILF to "top up" individual support packages, the closure of it could mean that individuals continue to receive a lower level of funding from local authorities if they are not reassessed accordingly. Without the reassurance that devolved ILF funding will be ring-fenced for social care, we believe that there will be too much scope for Local authorities to redirect funding to other issues according to local priorities. Further, even if funding is added to the social care budget, local authorities may re-evaluate how the funding is distributed depending on their eligibility criteria. At present, as local authorities have diminished budgets, eligibility criteria may be used to restrict the level of funding given to individuals without critical needs. It is a concern therefore that some individuals deemed eligible for ILF funding, may not be following a local authority assessment. Such reassessment, therefore, should consider the individuals needs in living an independent life to their maximum potential, irrespective of whether devolved funding is allocated accordingly.

Question 3

What impact would the closure of the ILF have on Local Authorities and the provision of care and support services more widely? How could any impacts be mitigated?

For local authorities to effectively and efficiently streamline funding and meet the additional needs of individuals who currently receive support from the ILF, the ALLIANCE believes that local authorities will require additional resources to handle the increased administrative demand. This, in turn, equates to increased spend on staff time to meet these demands. As yet, there has not been any indication that this will be included within the devolved budget. The ALLIANCE also believes that there will be a consequential impact upon local support services that will be in increasing demand of support and advocacy from individuals who require additional assistance to arrange their care package and appeal decisions made by local authorities if they are refused their current levels of support. We are concerned that there has not been enough consideration of the unforeseen consequences of streamlining funding to local authorities. Further to this there has been no assurance that funding devolved to local authorities will be ring-fenced for social care and therefore this could impact upon the capacity of support services to continue providing support to individuals if the current levels of funding are not sustained.

Rather than mitigating these impacts at the local level, the ALLIANCE believes that following the closure of the ILF, devolved funding to Scotland should be held at the national level, with a central administrative body established to distribute funding to individual and work closely with local authorities in the provision of meeting people's needs. Due to the size and population of Scotland, and the percentage of ILF users within it, we believe that a national system for distributing ILF funding would be more economical and provide greater consistency across the country, enabling individuals to receive an appropriate level of support. We further believe that distributing the funding across the 32 local authorities could risk minimising the potential impact of the devolved funding from Westminster and that it would have greater reach if there was a central body to make decisions on eligibility.

Question 4

What are the specific challenges in relation to Group 1 users? How can the Government ensure this group are able to access the full range of Local Authority care and support services for which they are eligible?

It is important that individuals who receive the totality of their support from the ILF are fully supported in the migration to local authority care and support services. The ALLIANCE believes that the process should begin by securing local authority funding and services to those individuals who have previously received their full support package from the ILF and that only until a full working support package is in place that their ILF is withdrawn. This should ensure that no individual is denied support due to lack of financial assistance. The risk that this could lead to a system of double funding could be mitigated if funding is frozen when the support package is fully functioning from the local authority during the period in which the subsistence ILF budget decreases, at which the point local authority funding is unfrozen.

Question 5

How can DWP, the ILF and Local Authorities best continue to work with ILF users between now and 2015? How can the ILF best work with individual Local Authorities if the decision to close the ILF is taken?

It is vital that ILF users are kept informed of the changes occurring and ensure that any individual affected by the changes to their funding packages are not negatively impacted. The ALLIANCE believes that the transition between ILF and local authority funding should be a phased approach to ensure that individuals are not denied funding to pay for their support while the changes are taking place. We believe that the ILF should remain contactable by individuals and local authorities to provide support and advice on accessing the right type of support until all members have successfully arranged a support package which meets their needs.

Applying this to a Scottish context however, the ALLIANCE support the view held by the Independent Living in Scotland Network that there should be a national delivery group in Scotland to oversee the transition into continuing distributing funding of the ILF at a national level. This group would consist of a small number of people claiming advice who could work with local authorities to address the needs of individuals who are eligible for greater levels of funding to meet their needs. The ALLIANCE believes that considering the size of population being supported by the ILF in Scotland, this would ensure a consistent approach across the 32 local authorities and enable individuals to receive the appropriate level of support.

Conclusions

The inevitability of the closure of the independent living fund means that there are many considerations for the future of social care in Scotland; potentially more than those covered in the consultation. While the ALLIANCE supports the principal of streamlining the funding of social care, for the benefit of people with long term conditions, we urge the Government to ensure that devolved funding equates to the current level of provision required by Scottish recipients, rather than the Barnett formula being applied. Furthermore, this funding should come with the condition to be allocated into the social care budget as there is a fear that this funding could be absorbed to cover other costs. Finally, the change from ILF to Local Authority funding must be accompanied by adequate support for individuals to manage their care effectively without disruption to their lives.

About the ALLIANCE

The ALLIANCE is the national third sector intermediary for a range of health and social care organisations. The ALLIANCE has 250 members including large, national support providers as well as small, local volunteer-led groups. Many NHS Boards and Community Health and Care Partnerships are associate members.

The ALLIANCE's vision is for a Scotland where people of all ages who are disabled or living with long term conditions, and unpaid carers, have a strong voice and enjoy their right to live well, as equal and active citizens, free from discrimination, with support and services that put them at the centre.

The ALLIANCE would be very happy to discuss any of these issues further or to provide detailed briefings. For more information please contact Colin Young, Senior Policy and Outcomes Officer (Self-directed Support), the ALLIANCE on 0141 404 0231 or colin.young@alliance-scotland.org.uk.