

To: HOUSING AND SOCIAL WORK SERVICES COMMITTEE		Subject: THE IMPACT OF RECENT INDEPENDENT LIVING FUND CHANGES
From: HEAD OF SOCIAL WORK DEVELOPMENT		
Date: 5 AUGUST 2010	Ref: DM/AB	

1. Purpose of Report

This report informs Committee of recent changes made by the Independent Living Fund and the impact on social work budgets.

2. Background

- 2.1 The Independent Living Fund was set up in 1988 and is an Executive Non-Departmental Public Body of the Department for Work and Pensions (DWP). It provides cash payments directly to people with disabilities so they can purchase support from an agency or employ a Personal Assistant. It has a total budget of £350m and is an important element in enabling people with disabilities to live in their own homes and communities.
- 2.2 For the first five years of the scheme, people could apply directly, the rules were then changed in that social work had to provide services to the value of £200 per week before an application would be considered. In recent years the Fund's Trustees have tightened eligibility criteria by reducing the upper age limit to 65 years and increasing the required local authority contribution to £320 per week.
- 2.3 Further changes came into effect on 1 May 2010 when the local authority contribution was increased from £320 to £340 per week. More fundamentally the Trust advised that only people in paid employment of at least 16 hours per week would be eligible to apply. This effectively closes the Fund as virtually nobody falls into both categories i.e. they are employed for 16+ hours per week and also receive services to the value of £340 per week from the local authority. It was also announced that the Fund will not accept any new applications or make any further awards for the remainder of the year 2010-11.

3. Financial Implications

- 3.1 17% of the Fund is allocated to people in Scotland. Because of its commitment to supporting people with disabilities in their own homes, North Lanarkshire is a high user of the Fund and has 373 people receiving the award, generating a total of £6.1m at an average of over £16k per person.
- 3.2 The impact of the new changes is damaging for social work budgets in North Lanarkshire. Whilst current recipients are not affected, most new eligible applicants will no longer be so. The impact is particularly damaging for school leavers with significant support needs, the extent of whose disabilities are such that there is a statutory obligation on the Council to meet their needs. The Council would usually expect to be able to access the Fund for around twenty people per year, up to ten of whom are young people with disabilities, attracting up to £475 per week for each individual to match the value of support funded by the social work service.

- 3.3 CoSLA has made representations to the DWP on the impact of the decision, which was taken without consultation, and is a serious blow to achieving the aspirations of the Scottish Government's national Independent Living policy and the Council's capacity to provide adequate support to people with disabilities.

4. Recommendations

Committee is asked to:

- (i) note the detrimental impact on social work budgets arising as a consequence of the decision of the Independent Living Fund; and
- (ii) support CoSLA in its representations to the DWP on this issue.



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