

## NORTH LANARKSHIRE COUNCIL

## REPORT

TO: Social Work Committee	Subject: <b>Community Care (Direct Payments) Act 1996 - Pilot Project in Coatbridge - Update Report</b>
FROM: Jim Dickie Director of Social Work	
DATE OF COMMITTEE: 24 November 1998	
REPORT AUTHOR: J Nisbet	
REF: direct payments2	

**1 PURPOSE OF REPORT**

- 1.1 This report is to update Committee on the progress made so far in establishing the Direct Payments Pilot Project and to seek approval to authorise payments to a voluntary sector organisation

**2 BACKGROUND**

- 2.1 Local Authorities were given the discretionary power to establish Direct Payment Schemes in their areas by the enactment of the Community Care (Direct Payments) Act 1996, which came into effect on the 1st April 1997. The Act empowers local authorities to make direct cash payments, instead of assessed local authority social work services, to disabled people under the age of 65 years. These payments are used by the person to directly employ people to provide the support they require, or to buy their assessed services from independent sector providers.
- 2.2 At its meeting on the 18th February, 1998 the Operations and Services Sub Committee authorised the Department to establish a Direct Payments Pilot Project in the Coatbridge area at a full year cost of £60,000.
- 2.3 The Department has since consulted with potential users of the Project. This established that although the potential users were very enthusiastic about the Pilot they felt that they would need assistance in relation to the employer role and would need help with payroll and other mechanisms.
- 2.4 Guidance issued by the Social Work Services Group of the Scottish Office indicated that the Social Work Department could only offer additional monies to enable people who were in receipt of Direct Payments to access employment advice and support rather than providing that advice and support directly.

### **3 CURRENT SITUATION**

- 3.1 Discussions have taken place with Monklands Association of Voluntary Services (MAVS) who are willing and able to provide and manage an audited payroll system and an employment support and advice service to the users of the Direct Payments Pilot Project. They would also provide training for the users.
- 3.2 The cost of this service for the six months of the pilot would be £2,985 of which £1,173 would be necessary start up costs.
- 3.3 Approval is sought to pay MAVS the initial start up costs at the beginning of the Project with other costs being paid monthly in arrears.
- 3.4 Approval is also required to make monthly payment in advance to MAVS in respect of wages to be paid to the Direct Payments users employees with any subsequent corrections made at the end of the financial year.

### **4 FINANCIAL IMPLICATIONS**

- 4.1 The total administration cost of the Pilot Project will be £2,985 which will be met from the monies previously agreed in the Committee Report of the 18th February.

### **5 CONCLUSIONS**

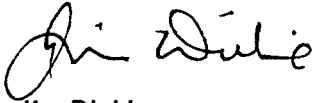
- 5.1 This will be one of only four Direct Payments Pilot Projects operational in Scotland in this financial year and should assist in clarifying structures needed for the successful implementation of Direct Payments. A further report will be submitted to Committee at the end of the six month Pilot.

### **6 RECOMMENDATIONS**

- 6.1 Committee is asked to:
- i) approve the appointment of MAVS as agents for the Pilot Project
  - ii) approve the start up and other costs of £2,985 for this Pilot Project
  - iii) approve the monthly payments in advance in respect of wages to MAVS
  - iv) request the Director of Social Work to report to a future committee on the outcome of the Pilot Project.

**7 BACKGROUND PAPERS**

- 7.1 Committee Report on the 18 February 1998 outlining the Community Care (Direct Payments) Act 1996.



**Jim Dickie**  
**Director of Social Work**  
**17 November 1998**

*For further information on this report please contact . Jim Nisbet Principal Officer ( Community Care ) (TEL: 01698 332031)*