

4th February 2013**Agenda Item: 10****REPORT OF THE SERVICE DIRECTOR, PERSONAL CARE AND SUPPORT
(YOUNGER ADULTS)****TRANSFER OF THE INDEPENDENT LIVING FUND TO LOCAL
AUTHORITIES****Purpose of the Report**

1. To provide Members with information about the transfer of the Independent Living Fund to local authorities from 1st April 2015.

Information and Advice

2. The Independent Living Fund (ILF) was established in 1988, originally intended to run for 5 years, to enable disabled people to choose to live in their communities rather than in residential care. The fund provides discretionary cash payments directly to disabled people so they can purchase care from an agency or pay the wages of a privately employed Personal Assistant (PA).
3. When the original Fund closed in 1993, two new Funds were created. The Extension Fund was created to administer the payments of people who applied between 1988 and March 1993 and who continued to receive awards under the old rules. The new 1993 Fund was created with slightly different rules - mainly, the condition that Social Services should provide a weekly financial contribution - to take on new applications.
4. By 2006, there were over 18,000 people using the ILF across the country and the two Funds were united as of 1st October 2007. The ILF continues to fund its existing users, but closed to new applications in 2010.
5. Nottinghamshire County Council has encouraged disabled people to apply for funding through the ILF over the course of the last 20 years and, as a county, has a high number of ILF recipients. There are currently 208 people in receipt of ILF within Nottinghamshire, 39 of whom have no existing local authority funding and 8 people are not known to the local authority.
6. The total value of all ILF payments to individuals within the County is £3.6 million per annum.

7. In October 2012, the Government completed a consultation on the future of the ILF which proposed to close the fund in 2015 and devolve the current funding to local authorities.
8. The consultation¹ received around 2000 responses nationally including a response from Nottinghamshire County Council. The outcome of the consultation is that the government will transfer funding to local authorities in April 2015 based on the pattern of expenditure in 2014/15.
9. The Council is working closely with the ILF to ensure a smooth transition for service users and to ensure all service users in receipt of ILF payments receive a full review of the care requirements before the transfer date.
10. The ILF will commence a communication programme with recipients next month to ensure appropriate engagement with current recipients.
11. From April 2013, the ILF will undertake joint reviews of all recipients with the County Council to enable a smooth transfer of responsibility in 2015.
12. It is anticipated that the transfer of funding will take place from April 2015, and be based upon the actual payments to recipients in the financial year 2014/15.
13. The financial implications of the transfer are that there will be no further availability of the fund past 2015 and therefore in future years, costs which would have been met by the ILF will need to be met by the authority. Based on the number of people accessing the fund previously (circa 15 people per year) at an average payment of £328 per week, this would equate to a budget pressure of around £ 256,000 per annum
14. However, the fund was closed to new applicants in December 2010, therefore no new applications have been accepted over the last two years during which time the authority has picked up this pressure through existing budget setting processes. This will need to be considered in the authorities medium term financial planning processes.
15. In addition, there is a risk that some recipients may have their payments stopped or reduced prior to the transfer date as their payments are reviewed by the ILF officers. Should this happen the local authority would be required to meet any Fair Access to Care services eligible needs that may be identified. However, this risk is no different to the current situation as all ILF recipients have their payments reviewed every two years currently.
16. The expectation is that the funding will be fixed at the point of transfer to the authority, however, thereafter the funding is likely to become part of the authorities' base budget allocation and will therefore be subject to any variation in the County Council's overall allocation.

Reason/s for Recommendations

17. This report provides information for Members and asks that Members note the transfer of funding responsibility as determined through national government consultation.

¹ [Consultation on the future of the Independent Living Fund](#) – December 2012

Statutory and Policy Implications

18. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) It is recommended that the Committee notes the content of the report.

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Constitutional Comments

19. Because the report is for noting only, no constitutional comments are required.

Financial Comments (KAS 23/01/2013)

20. The financial implications are set out in paragraph 13 of the report.

Background Papers

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972:

- a. Consultation on the future of the Independent Living Fund – December 2012.

Electoral Division(s) and Member(s) Affected

All.

ASCH94