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4 August 2011

**Report to:**

Cabinet Member (Health and Community Services)

**Director Approving Submission of the report:**

Director of Community Services

**Ward(s) affected:**

All

**Title:** Changes to the Shared Lives Scheme

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**Is this a key decision?**

No

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**Executive Summary:**

The Shared Lives Scheme provides adults with social care needs the opportunity to live in the home of a paid carer as part of that Shared Lives Carers family. The scheme has previously been known as the Adult Placement Scheme and is sometimes referred to as 'Adult Fostering'.

In October 2010 the Care Quality Commission introduced a new definition of personal care. As a result, all Shared Lives placements must now be considered to be delivering personal care to the person who lives in the placement. This requires the Council to change the way placements are funded.

The changes required have been piloted by the Shared Lives Scheme and the benefits for all parties have been clearly evidenced and discussed with both the people living in Shared Lives Placements and the Shared Lives Carers.

These changes will bring an improved quality of life and significant financial benefit to people living in Shared Lives placements and make it less expensive for the Council, but will not affect the income of the paid Shared Lives Carers.

This report seeks to inform the Cabinet Member (Health and Community Services) of the changes needed to the funding of Shared Lives Scheme placements to ensure that the Council is compliant with its statutory and regulatory duties.

**Recommendations:**

The Cabinet Member (Health and Community Services) is asked to

1. Approve the change to funding for all Shared Lives placements commencing immediately and to be completed by 31 December 2011.

**List of Appendices included:**

Appendix 1 - Equalities Impact Assessment

**Other useful background papers:**

None

**Has it been or will it be considered by Scrutiny?**

No

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

No

## Report title: Changes to the Shared Lives Scheme

### 1. Context (or background)

- 1.1 The Shared Lives Scheme provides adults with social care needs the opportunity to live in the home of a paid carer as part of that Shared Lives Carers family. The scheme has previously been known as the Adult Placement Scheme and is sometimes referred to as 'Adult Fostering'.
- 1.2 Shared Lives Schemes have evolved over the last 20 years from being an unregulated activity, moving to registration as 'Small Care Homes' under the Registered Homes Amendment Act 1991 and evolving further into 'Care homes providing adult placement' under the Care Standards Act 2000. The current position under the 2004 Adult Placement Regulations requires Shared Lives Carers to belong to a Shared Lives Scheme, and that scheme to be registered with the Care Quality Commission.
- 1.3 This has created confusion in both the legal mechanism through which Shared Lives placements are funded by the Council and the way in which people living in a Shared Lives placement are charged, or pay a contribution, for the service they receive.
- 1.4 Under previous legislation and regulations, Shared Lives placements currently are treated as if they were a form of residential care. Placements are made under Section 21 of the National Assistance Act 1948. The placements are thus funded and people charged as below:
  - The Shared Lives Carer currently receives a net payment from the Council to cover all care, board and accommodation costs
  - If working, the person living in the placement is currently limited in the number of hours they are allowed to work
  - The person living in the placement is currently treated by both the Council and the Benefits Agency as though they live in Residential Care such that:
    - They cannot claim the Care Component of Disability Living Allowance (DLA)
    - All other income, apart from the personal allowance of £22.60, is treated as that person's contribution to the costs of the placement, except
    - Where the person is entitled to DLA mobility component they keep that money (Lower Rate, £19.55, higher rate £51.40. The higher rate is very rare for people living in Shared Lives Placements)
- 1.5 Currently, most people placed with a Shared Lives Carer, entitled to state benefits, have a weekly income of either £22.60 (personal allowance) or £42.15 (personal allowance and DLA Mobility) to cover all personal expenses (clothing, toiletries, travel costs and leisure activities).
- 1.6 Advice from the Department of Health in February 2010 states that Section 21 of the 1948 National Assistance Act cannot be used to place people in a Shared Lives placement setting where the person requires personal care together with accommodation. This is because section 26(1A) of the 1948 Act prevents local authorities making arrangements for the provision of accommodation together with personal care in any setting other than a registered care home.
- 1.7 In October 2010 the Care Quality Commission amended the definition of personal care such that it also covers the prompting and supervision of a person to do any personal care activities, where that person is unable to make a decision for themselves in relation to performing such an activity without such prompting and supervision.

- 1.8 It is difficult to envisage a situation in which someone living in a Shared Lives Placement could ever not need both personal care (as newly defined) and accommodation, given that all people in a Shared Lives Placement have been assessed as meeting the Council's Eligibility Criteria.
- 1.9 Currently there are 41 Shared Lives Carers in Coventry who support 74 people. Of whom 69 are long term placements and 5 that are respite. There are 63 people funded by the Council, with most Shared Lives Carers receiving the higher rate of £342.95 per placement per week. Of the remaining 6 people, 3 people are self-funders and 3 are funded by other authorities.
- 1.10 All of the other Shared Lives Schemes in the West Midlands operate under licence arrangements as is proposed in this report (Walsall, Shropshire, Birmingham, Worcestershire, Sandwell, Telford, Dudley, Herefordshire and Staffordshire).

## **2. Options considered and recommended proposal**

- 2.1 It is proposed that Shared Lives Placements are funded in the same way as all other community care services such as home support. This has several implications as follows:
- The person living in the Shared Lives placement can claim Housing Benefit to cover their accommodation costs
  - The person can claim DLA Care Component (Low rate, £19.55, medium, £49.30, high £73.60)
  - The person receives all their benefits income directly (or through an appointee if appropriate) and then pays a contribution to the Council for the care and support element of the placement. This means they keep significantly more of their income than the residential care personal allowance of £22.60
  - The person is charged in accordance with the principles of Government Guidance on 'Fairer Charging' (Department of Health, 2003)
  - There is no limit to the number of hours the person is able to work
  - This will make it less expensive for the Council
- 2.2 The proposals are fully consistent with the aims of Coventry's personalisation agenda in supporting people to be as independent as possible in their own communities, with full choices about how they live their lives, being able to participate in the full range of work, education, training, social and leisure opportunities.

## **3. Results of consultation undertaken**

- 3.1 A pilot for the new funding model was undertaken to ensure that any potential risks or pitfalls were identified and addressed. There are 8 Shared Lives Carers, who support 12 individuals, participating in the pilot (19% of Shared Lives Carers).
- 3.2 In November 2010 a meeting was held to review the findings of this pilot. The findings were as follows:
- The response from people living in Shared Lives placements has been very positive
  - The 12 people on the pilot living in Shared Lives placements now have significantly more disposable income
  - The changeover went well for existing Shared Lives Carers and did not create any additional work
  - One person on the pilot has been able to work additional hours, meaning they are better off financially
  - Shared Lives Carers continue to receive the same payments overall

- Shared Lives Carers on the pilot have not needed to 'subsidise' the people they support, who previously could not always afford toiletries or clothing

3.3 During June 2011, further meetings with individuals and Shared Lives Carers on the pilot took place to confirm the results, and how the forthcoming changes will affect them. The feedback remains positive.

3.4 All people living in Shared Lives placements and Shared Lives Carers not on the pilot have been provided with newsletters detailing the proposed changes and were invited to a meeting in June 2011 to inform them of the outcome of the pilot and the Council's intentions to present a report to the Cabinet Member.

#### **4. Timetable for implementing this decision**

4.1 Subject to approval, all funding arrangements for Shared Lives Carers will be changed with a view to being completed by 31 December 2011.

#### **5. Comments from Director of Finance and Legal Services**

##### 5.1 Financial implications

With the extra resources available to individuals and the movement away from Shared Lives Placements being considered residential care, this generates a potential reduction in cost to the Council of between £350,000 and £450,000 per annum, dependent on the outcome of individual financial assessments and the total number of placements affected.

The Shared Lives Carer will receive the same level of payment, and the individual will receive more money in their pocket through access to benefits (and/or work), with the difference being met from increases in amounts of Disability Benefit and Housing Benefit available to individuals. Housing Benefit claims will need to be considered on an individual 'case by case' basis, and subject to the normal benefit regulations.

##### 5.2 Legal implications

Shared Lives Placements are made within Adult Placement (AP) Schemes that are regulated by the Adult Placement Regulations 2004 S.I. 2071/2004

Shared Lives is a service that is not easily delineated into residential or non-residential services. In relation to residential services, a duty to charge arises and residents are normally left with a personal expenses allowance (Section 22 (4) National Assistance Act 1948). Charging for non residential services is discretionary and opens the door to direct payments and choice of accommodation directions thereby giving a greater degree of control and choice to the individual over services provided. Whether a placement is defined as a residential or non-residential placement further has impacts on the rules around Ordinary Residence.

If a person is in need of care and attention which can only be met by the provision of Shared Lives accommodation the placement would fall under Section 21 National Assistance Act (1948) and categorised as residential. As outlined within the report it is unlikely for this to be the case due to the likely personal care element that would also be required. The Department of Health has stated its policy position that in most cases it is not necessary to use Section 21 to place people in Shared Lives schemes.

The public sector equality duty under Section 149 of the Equalities Act (2010) came into force on 5 April 2011. Decision makers must have ongoing due regard to avoid discrimination and advance opportunity for anyone with the relevant protected characteristics which are disabilities, age, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. "Due regard" requires more than just an awareness of the equality duty. It requires rigorous analysis by the public authority, beyond broad options.

## **6. Other implications**

Any other specific implications

### **6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

This change will ensure that Coventry's most vulnerable residents are protected, as their increased financial security will offer them improvements in their quality of life and increased choice and control over how they live their lives. The changes will also make it both easier and more rewarding for anyone living in a Shared Lives placement to take up paid work (if they are capable of doing so).

### **6.2 How is risk being managed?**

Officers from the Shared Lives Scheme have engaged with people living in Shared Lives Placements and Shared Lives Carers to discuss these changes. The majority of feedback has been positive and most people are already asking to move the new funding model.

There is a risk that some Shared Lives Carers may object to this change. Officers from the Shared Lives Scheme will continue to work with Shared Lives Carers to explain the changes and support them through the transition. There is also a risk of some Shared Lives Carers withdrawing from the market.

### **6.3 What is the impact on the organisation?**

None, apart from the financial benefit outlined above.

### **6.4 Equalities/EIA**

This is compatible with achieving social justice for the people living in Shared Lives placements because of the increased disposable income that they will have, and the positive impact on their lives. This has no negative impact on any individuals or groups.

The Council has conducted an equalities impact assessment in respect of these changes in line with the Equality Act 2010. Please see attached in Appendix 1.

### **6.5 Implications for (or impact on) the environment**

None identified

### **6.6 Implications for partner organisations?**

None identified.

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Andrew Reece, Head of Internally Provided Services**

**Directorate: Community Services**

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Enquiries should be directed to the above person.

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Director: Brian Walsh	Director of Community Services	Community Services	22.7.11	25.7.11
Members: Cllr Clifford	Cabinet Member (Health and Community Services)		22.7.11	25.7.11

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[www.coventry.gov.uk/meetings](http://www.coventry.gov.uk/meetings)





**Appendix 1**

**EQUALITY IMPACT ASSESSMENT (EIA)**

**Background/ Scope**

<b>Name of service</b>	<b>Shared Lives Scheme</b>
<b>Directorate</b>	<b>Community Services</b>
<b>Head of EIA Team</b>	<b>Andrew Reece</b> , Head of Internally Provided Services
<b>Other members of the EIA team</b>	<b>Gerda Dunn</b> , General Manager, Provider Services <b>Barry Hutchinson</b> , General Manager LD Services <b>Alun Mitchell</b> , Financial Assessments Team <b>Janice White</b> , Legal Advisor <b>Karen Berridge</b> , Shared Lives Scheme Manager (to 20.5.11) <b>April Dearden</b> , Shared Lives Scheme Manager (from 21.5.11)

1. Is this EIA being carried out on:

- An existing service
- A new service, or significantly changed service

2. Who are the stakeholders? Are there any other services, directorates, organisations or groups involved in the delivery of this service? Please list below.

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|--|
| <ul style="list-style-type: none"> <li>• 43 paid Shared Lives Carers</li> <li>• 70 people living in Shared Lives placements and their families</li> <li>• The Shared Lives team</li> <li>• The Community Learning Disability Team</li> <li>• Other SW teams who place people in Shared Lives Placements</li> </ul> |
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3. Briefly describe the purpose of this service.

<p>Shared Lives provides the opportunity for people who meet the Council's Social Care eligibility criteria to live as part of the family of a Shared Lives paid carer in ordinary houses and as part of the wider Coventry community.</p>
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4. Who does this service affect or benefit, and in what way? e.g., school children, all Coventry residents etc.

The service benefits disabled people with a level of need that makes them eligible for support from Adult Social Care

5. What do you know about any equality issues for this type of service both in Coventry and nationally?

Nationally, Shared Lives Schemes are seen as being well placed to make a significant contribution to improving the welfare and life chances of disabled people, by offering personalised and person centred support solutions that increase people's choice and control while reducing the use of institutional models of care and support.

In Coventry placements have been funded as though they are residential care placements. This means that the people living in those placements have very little disposable income. The required changes will also mean an increase in the person's disposable income.

The majority of the Shared Lives paid carers are women. This is not exclusive to Shared Lives, and reflects the makeup of the national social care workforce.

The number of paid carers in Shared Lives from black or minority ethnic backgrounds is lower than the population profile of Coventry would suggest it should be.

The number of people from black or minority ethnic backgrounds living in Shared Lives Placements is lower than the population profile of people using adult social care services in Coventry would suggest it should be.

## Consultation

**This section on consultation should be completed if this EIA relates to a new or significantly changed service- please see the guidance note on how to carry out consultation**

6. Please state who you have consulted with about this service, how you have consulted, whether consultation responses have been received, plus any other relevant information.

Initial consultation with people who use the Shared Lives service and the paid carers who provide that service identified that people using the service have very little disposable income. It also identified that a changed funding model was expected to offer people an increase in disposable income. The proposed change was piloted. People who use the service and all the paid carers were invited to initial and final pilot outcome meetings. This

enabled all parties to discuss the impact of the proposed changes in funding, and for the Council to take the views of all parties into account in developing and implementing the change proposals.

The Shared Lives Carers and individuals who took part in the pilot had a 1:1 meeting with staff from the Shared Lives Scheme to ensure their views were understood and influenced on going planning.

7. Please summarise the outcome of the consultation exercise.

At consultation meetings there was support for the changes that had been piloted and the plan to roll out the changes to all Shared Lives placements. Evidence was presented to the meetings that the change in funding arrangement delivered an increase to a person's disposable income of around 100% but had no impact on the income of the paid carers.

## Data collection

8. What is your data telling you about your service with regard to equalities?

Please consider issues relating to race, gender (including transgender), disability, sexual orientation, age, religion or belief, poverty, looked after children, and any other issues that you consider to be relevant- inequality is disadvantage in all forms.

The significant finding of the pilot is that the current funding model is disadvantaging disabled people as they have a very low disposable income. Under the current model Shared Lives carers often have to subsidise the basic living costs of the people they support.

The proposed funding model will mean that the people living in Shared Lives placements will have a typical increase in their disposable income (after accommodation, board and utilities costs) of around 100%.

In a separate examination of our data we identified 3 issues.

The majority of the paid carers are women. This is not exclusive to Shared Lives, and reflects the makeup of the national social care workforce.

The number of paid carers from black or minority ethnic backgrounds is lower than the population profile of Coventry would suggest it would be.

The number of people from black or minority ethnic backgrounds living in Shared Lives Placements is lower than the population profile of people using adult social care services in Coventry would suggest it should be.

9. Is there any way in which you think you need to improve your monitoring systems, so that you can collect better equalities data for this service?

Please refer to the Council's Equality Monitoring Guidance for further information (available on the intranet or from your Directorate Equality Officer)

No. The Shared Lives Scheme has a robust data collection and monitoring system

### Assessment

10. How does this service positively promote equality?

The service supports disabled people to live independently in the community. The proposed model will ensure that they have increased disposable income.

11. How does this service contribute towards improving relationships between different communities?

This could not be established.

12. Are there any areas of low or high take-up by different groups of people?

Yes  No

If yes, please give details.

The majority of the paid carers are women. This is not exclusive to Shared Lives, and reflects the makeup of the national social care workforce.

The number of paid carers from black or minority ethnic backgrounds is lower than the population profile of Coventry would suggest it would be.

The number of people from black or minority ethnic backgrounds living in Shared Lives placements is lower than population profile of people using adult social care services in Coventry would suggest it should be.

13. Does analysis by ward or area show that there are different parts of the city that are particularly disadvantaged or excluded?

Yes  No

If yes, please give details.

14. Are there any barriers to equal access?

Yes  No

If yes, please give details.

People who live in a Shared Lives placement live as if part of the family of the paid carer. From benchmarking with other schemes it can be shown that the lack of paid carers from a black or minority ethnic background is directly linked to the lack of people from black or minority ethnic backgrounds choosing to live in Shared Lives placement

15. Are there any barriers to equality of outcomes for different service users?

Yes  No

If yes, please give details.

The lack of paid carers from black or minority ethnic backgrounds reduces the likelihood of people from black or minority ethnic backgrounds choosing to live in a Share Lives placement.

16. Has there been any improvement?

The pilot evidences that improvements can be made to the economic equality of disabled people, and that these improvements can be made available to more disabled people by ensuring all Shared Lives placements are moved to this proposed funding model.

## Summary

17. Please indicate which of the following best describes the outcome of your EIA. You may tick both the first two boxes if both are applicable.

- This service is having a positive equalities impact
- This service has identified a need to address some equalities issues
- There wasn't enough information to be able to draw any conclusions.
- This service is having no equalities impact

## Developing equality actions

If this EIA has identified that this service needs to be improved in order to promote equality and diversity positively, please explain how you plan to do this.

You should develop equality actions and insert the key actions in the table below. Strategic equality actions should be embedded into operational plans.

<b>Action</b>	<b>Timescales/ Milestones</b>	<b>Who will monitor this?</b>	<b>How/ where will this be embedded?</b>
Change funding model for people living in Shared Lives Placements	Cabinet Member report 4 <sup>th</sup> August	Registered Manager Shared Lives Scheme	If approved all current placements to change by December 2011
Work to recruit more paid carers from Black and minority ethnic communities	Recruitment campaign to target minority communities in late 2011	Registered Manager Shared Lives Scheme	Recruitment materials and practices that support people from Black and minority ethnic communities to apply to be Shared Lives Carers
Promote Shared Lives as an Independent Living option to disabled people from Black and minority ethnic communities	From April 2012 (when carers have been recruited).	Registered Manager Shared Lives Scheme	Publicity campaign with Social Work teams

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### Approval

This EIA has been completed by:

**Signed (Head of EIA Team)** \_\_\_\_\_

**Name (please print)** Andrew Reece

**Date** 25/7/2011

**Countersigned: (Director/ Head of Division)** \_\_\_\_\_  
**Mark Godfrey**

**Date:** 25/7/2011