



**NEATH PORT TALBOT COUNCIL
NEATH PORT TALBOT SOCIAL SERVICES, HOUSING AND
COMMUNITY SAFETY CABINET BOARD**

26th January 2023

Report of the Head of Adult Services Angela Thomas

Matter for Information

Wards Affected All Wards

**AUDIT WALES REPORT ON DIRECT PAYMENTS FOR ADULT
SOCIAL CARE**

Purpose of the Report

To inform Members about the Audit Wales report on Direct Payments for Adult Social Care and the recommendations made within the report.

Executive Summary

To inform members of the content of the Audit Wales report on Direct Payments for Adult Social Care. To inform Members about the recommendations made within the report, the recommendations accepted and the actions taken against those recommendations.

Background

To report to members the recommendations made within the Audit Wales Report on Direct Payments for Adult Social Care, those recommendations accepted by Neath Port Talbot and the plans in place to meet those recommendations.

Direct Payments are offered, following an assessment, to people as an alternative to either in house services or commissioned care, allowing them to employ Personal Assistants (PAs) of their choice. Direct Payments enable people to meet their outcomes and exercise choice and control over the care they receive. The Council administers approximately £5,940,500 of direct payments to some 405 people who, in turn, employ over 500 Personal Assistants. Neath Port Talbot has a good record of providing Direct Payments and the data in the report (page 45) states that in 2018-19 only one other Local Authority provided more Direct Payments (as a % of social services provided by Local Authorities); Ceredigion 12.9%, NPT 12.8% and the next highest was Powys 8.6%. There is no later data than this available following

the Welsh Government's decision to suspend data collection in response to the pandemic in 2020.

The Audit Wales Report on Direct Payments for Adult Social Care states:

To ensure people know about Direct Payments, how to access these services and are encouraged to take them up, Audit Wales recommend that local authorities:

Recommendation 1 Review public information in discussion with service users and carers to ensure it is clear, concise and fully explains what they need to know about Direct Payments.

NPT Direct Payments Support Service (DPSS) are currently reviewing all public information available in relation to direct payments and will do this co-productively with those who use direct payments. This will be raised as an agenda item at the first Direct Payment recipient forum meeting to be held in February/March 2023.

Recommendation 2 Undertake additional promotional work to encourage take up of Direct Payments.

Direct Payments are one of the options available to people who have eligible outcomes following assessment under the Social Services and Wellbeing (Wales) Act 2014. If an individual has eligible outcomes following an assessment the option of Direct Payments is made available to them and advice given enabling people to make an informed decision about what is best for them.

Recommendation 3 Ensure advocacy services are considered at the first point of contact to provide independent advice on Direct Payments to service users and carers.

Advocacy Service representatives to be invited to Direct Payment recipient forum meetings with a view to reviewing public information on Direct Payments. Individuals who receive an assessment are offered the support of an Advocate.

To ensure Direct Payments are consistently offered Audit Wales recommend that local authorities:

Recommendation 4 Ensure information about Direct Payments is

available at the front door to social care and are included in the initial discussion on the available care options for service users and carers.

Social workers are aware of the opportunities Direct Payments can offer and include this option in early conversations with service users and their carers/families. We have a duty to offer Direct Payments as a form of care provision. It is the social workers role to ensure that people are provided with information to make an informed decision. DPSS provides advice and guidance to social workers to ensure they are up to date with information about Direct Payments which they can share with individuals.

Recommendation 5 Provide training to social workers on Direct Payments to ensure they fully understand their potential and feel confident promoting it to service users and carers.

NPT DPSS already provides training for social workers and also offers weekly surgeries offering advice and guidance to social workers. DPSS are currently undertaking a Training Needs Analysis to determine the needs of the network teams and establish what works best for each team. This will inform the training plan on Direct Payments for 2023/2024.

To ensure there is sufficient Personal Assistant capacity, Audit Wales recommend that local authorities through the All-Wales local authority Direct Payments Forum and with Social Care Wales:

Recommendation 6 Work together to develop a joint Recruitment and Retention Plan for Personal Assistants.

NPT DPSS is an active member of the All-Wales Local Authority Direct Payment forum and this recommendation is being taken forward by NPT and other members of the forum with Social Care Wales. We are also considering this from a regional point of view with Swansea Council Direct Payment Service colleagues. Notwithstanding this approach, the recruitment and retention of Personal Assistants is in line with the challenges being experienced within social care at present and needs to be approached within this context.

The following 4 recommendations have been accepted by the Welsh Government and Neath Port Talbot will work with the Welsh

Government following any changes to legislation, policy and guidance with the aim of meeting these recommendations.

To ensure services are provided equitably and fairly Audit Wales recommend that local authorities and the Welsh Government:

Recommendation 7 Clarify policy expectations in plain accessible language and set out:

- what Direct Payments can pay for;
 - how application and assessment processes, timescales and review processes work;
 - how monitoring individual payments and the paperwork required to verify payments will work;
 - how unused monies are to be treated and whether they can be banked; and
 - how to administer and manage pooled budgets.
-
- Public information should be reviewed regularly (at least every two years) to ensure they are working effectively and remain relevant.

Accept – *The Welsh Government accepts this recommendation and will work with local authorities to improve clarity and understanding.*

Through the Part 4 Code of Practice (Meeting Needs), we have set out a clear statutory framework of rights and responsibilities to enable people to receive and manage their direct payments.

Direct payments can be provided to meet any assessed, eligible need for care and support a local authority is required to meet. Direct payments must be made available in all cases where they enable personal outcomes to be achieved.

It is important to emphasise that a local authority must be satisfied that the person's requirements and their personal outcomes can and will be met through this provision. That is because as with any other arrangements to meet assessed, eligible needs the local authority are still required to meet with people to formally review people are achieving the outcomes they have identified as personal to them.

Through the Code of Practice, we provided clear protections specifying that local authorities must ensure the value of a direct payment made is equivalent to its estimate of the reasonable cost of securing the care and support required. The value must be sufficient to enable the people to secure the care and support required to a standard the local authority considers reasonable.

The Code reinforces that a person's needs can fluctuate and that arrangements for payment and repayment, where relevant, reflect those needs and the importance of ensuring all parties have a clear understanding of how this will be managed.

Direct payments specifically support people to establish arrangements that are bespoke to them. Direct payments by their very nature promote and enable variation in how outcomes can be achieved and the resources required to achieve those outcomes. Direct payments empower person-centred and person-directed care and support which recognises that different people have different needs and require different levels of care and support as do those receiving care and support commissioned or managed by their local authority

Neath Port Talbot Direct Payments policy covers the points made in recommendation 7 of the Audit Wales report and will be reviewed in line with any changes made to Welsh Government policy and guidance.

Audit Wales recommend that the Welsh Government:

Recommendation 8 Ensure that people who receive both NHS continuing healthcare and Direct Payments have greater voice, choice and control in decision-making.

Accept – *The Welsh Government accepts this recommendation. We have committed through our Programme for Government to improve the interface between Continuing NHS Healthcare (CHC) and direct payments.*

We continue to work with stakeholders, including disabled people and people with lived experience, to co-produce additional guidance to support voice and control for people receiving CHC.

To support and enable improved experiences and outcomes, we have published the revised Continuing NHS Healthcare (CHC) Framework 20212 together with a revised Decision Support Tool (DST) 20213,

which supports CHC assessment. These became operational from 1 April 2022 and include interim measures to improve the interface between CHC and direct payments through the use of Independent User Trusts (IUTs) and adopting existing personnel previously employed via direct payments are examples of interim options, other options may well also be considered

Alongside this we have committed to develop additional guidance to support such interim measures, to publish a public information booklet and to work with stakeholders to review the performance framework for CHC. For the longer-term, we are exploring potential legislative options with stakeholders that could enable direct payments under CHC.

NPT have recently (November 2022) submitted a response to the Welsh Government consultation in relation to Introducing direct payments for Continuing NHS healthcare. NPT will work alongside partner agencies (Swansea Council and Swansea Bay University Health Board) to introduce any changes made in the future by Welsh Government.

To effectively manage performance and be able to judge the impact and value for money of Direct Payments, Audit Wales recommend that local authorities and the Welsh Government:

Recommendation 9 Work together to establish a system to fully evaluate Direct Payments that captures all elements of the process – information, promotion, assessing, managing and evaluating impact on wellbeing and independence.

Recommendation 10 Annually publish performance information for all elements of Direct Payments to enable a whole system view of delivery and impact to support improvement

Accept. The Welsh Government accepts this Recommendation.

The use and impact of direct payments form part of the formal impact evaluation we have commissioned of the Social Services and Well-being (Wales) Act 2014.

The findings from the “Expectations and Experiences, Service User and Carer Perspectives on the Social Services and Well-being (Wales) Act 2014” report published in March 2022 stated that:-

“there were a range of contrasting, and somewhat contradictory views expressed, providing little consensus on the role and impact of Direct Payments”.

The final report from the Evaluation is due in the Autumn of 2022 and will include further evaluation and recommendations in relation to direct payments.

Neath Port Talbot DPSS will consider and implement recommendations made when the outcome of the evaluation referred to above is available.

Financial Impacts

No implications.

Integrated Impact Assessment

There is no requirement to undertake an Integrated Impact Assessment as this report is for monitoring / information purposes.

Valleys Communities Impacts

No implications.

Workforce Impacts

No implications.

Legal Impacts

No implications.

Risk Management Impacts

No implications.

Crime and Disorder Impacts

No impact.

Counter Terrorism Impacts

No impact.

Violence Against Women, Domestic Abuse and Sexual Violence Impacts

No impact.

Consultation

There is no requirement for external consultation on this item.

Recommendations

That the report be noted.

The recommendations listed above in this report have been made by Audit Wales and decisions are not required from Neath Port Talbot Social Care Health and Well-Being Cabinet Board.

Appendices

1. Audit Wales Direct Payments for Adult Social Care.
2. Welsh Government Response to the report of the Auditor General for Wales 'Direct Payments for Adult Social Care

List of Background Papers

Neath Port Talbot Direct Payments Policy.



Direct Payments
Policy - Final November

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Appendix 1.



National Report
Direct Payments April

Appendix 2

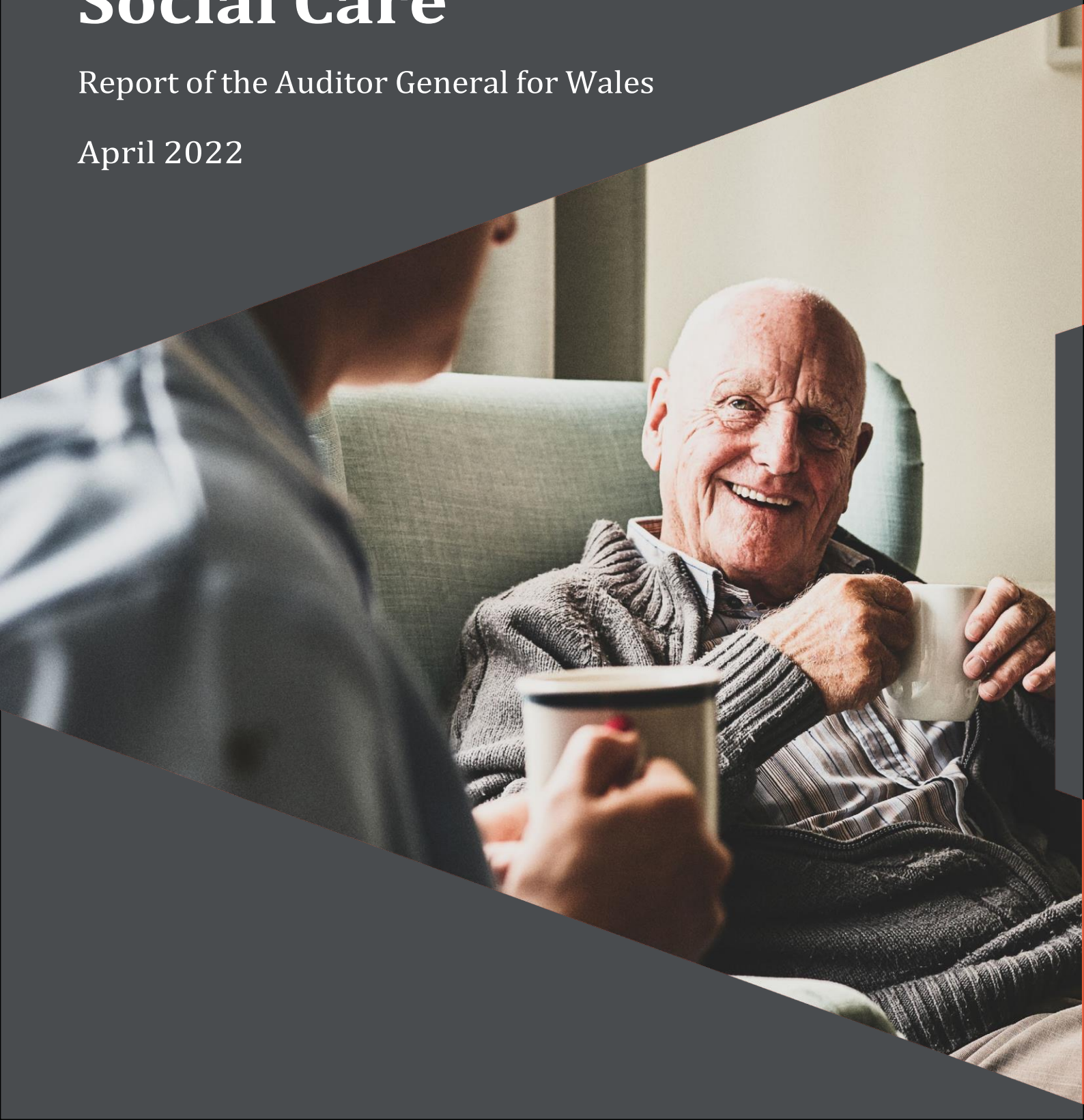


2022-04-27 JP to
AGW Welsh Government

Direct Payments for Adult Social Care

Report of the Auditor General for Wales

April 2022



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Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

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Summary report

Background

The Social Services and Well-Being (Wales) Act 2014

- 1 The Senedd passed the Social Services and Well-being (Wales) Act in 2014 and it came into force in April 2016. The Act seeks to shift away from the traditional ways of providing social care, which were considered unsustainable, to approaches focused on:
 - a placing the wellbeing of people at the heart of services;
 - b giving people a strong voice and real control over the decisions that affect them;
 - c encouraging new models of service by mobilising community resources and promoting social enterprises and co-operatives;
 - d prioritising preventative services to avoid or delay the need for care;
 - e making systems easier and more accessible by reducing complexity and streamlining assessment and care planning arrangements;
 - f integrated working across professional and organisational boundaries to make the best use of resources and deliver the best outcomes; and
 - g strengthening safeguarding arrangements.

Direct Payments can improve people's choice, control and independence

- 2 Direct Payments can help meet an individual's eligible need for care and support, or a carer's need for support. They are an alternative to local authority-arranged care or support. The aim of Direct Payments is to give people more choice, greater flexibility and more control over the support they get. Direct Payments can be provided to people of all ages if they have been assessed as needing social care services to support them with daily living, consent to receiving a Direct Payment and they (or their representative) can manage the payment.

- 3 Many people use their Direct Payments to fund a Personal Assistant to help them with various tasks. In these instances, Direct Payment recipients become employers and must meet the associated legal obligations. Some choose to use a care agency instead. Local authorities are required to provide support and assistance to people to manage their Direct Payment and employment responsibilities. This is often done through a local-authority-commissioned support service.
- 4 Direct Payments can be used to purchase a wide variety of services or equipment if these contribute to meeting an individual's agreed wellbeing outcomes. Payments can be made for day-to-day things such as dressing, cooking, driving and support to facilitate discharge from hospital. They can also be used for social activities – visiting friends, evening classes and gardening – as well as for assistance to access training and employment. The main benefit of Direct Payments is their adaptability. Service users can use them to organise their care in a whole range of new and more effective ways and local authorities are encouraged to explore innovative and creative options for meeting people's needs.
- 5 This report looks at how local authorities provide Direct Payment services to adults, examining their impact and value for money. **Appendix 1** provides more detail about our audit approach and methods. **Exhibit 1** sets out our characteristics of a good approach to Direct Payments.

Exhibit 1: the characteristics of a local authority that effectively encourages, manages and supports people to use Direct Payments



Have simple and concise public information that is made available in a wide range of mediums and has been tested to ensure it is effective and tells people what they need to know

Offers and encourages people to use independent advocacy to help people make informed choices



Local authorities who are good at **promoting Direct Payments**

Uses the 'What Matters' conversation in the assessment process to explain Direct Payments

Direct Payments are promoted as an option at least equally with other choices

Help people to access and use Personal Assistants

'Demystify' what Direct Payments are and provide sufficient support to assure people on employment requirements, liabilities and fallback processes. Bureaucracy is kept to a minimum

Clearly set out what Direct Payments can be used for giving examples of the type of support that is available and, wherever possible, encourage innovation

.

Have regular and ongoing contact and provide support and information to adults using Direct Payments to clarify responsibilities and ensure people remain safe

Work to shape the 'market' and by improving access to Personal Assistants, encouraging more providers, managing costs and encouraging the pooling of budgets

Local authorities who are **managing Direct Payments effectively**

Jointly agree with NHS bodies on how best to address the needs of clients who use Direct Payments and Continuing Healthcare so they are not disadvantaged



Local authorities who are delivering positive outcomes for people using Direct Payments

Source: Audit Wales

Evidencing that people's wellbeing is maintained or improving as a result of Direct Payments

Have a comprehensive system for monitoring and evaluating all aspects of Direct Payments

Involve and value input from all stakeholders/partners in evaluating the impact of services

Compare and benchmark individual and collective performance with others and use the findings of evaluation to shape current plans and future approaches

Know what works and whether the approach of the authority is delivering the aspirations of the Act

Key messages

- 6 Our overall conclusion is that **Direct Payments support people's independence and are highly valued by service users and carers, but inconsistencies in the way they are promoted and managed by local authorities mean services are not always equitable and it is difficult to assess overall value for money.**
- 7 People are not consistently encouraged to take up Direct Payments. A responsive person-centred approach is essential in helping people take up Direct Payments, but current engagement and involvement by local authorities is inconsistent. While the value of Direct Payments is recognised by senior managers, social care staff do not always display confidence in promoting their use with service users and carers. Direct Payments are valued by service users and carers, but this is not always translating into broadening their use.
- 8 Managing and supporting people to use Direct Payments varies widely and service users and carers are receiving different standards of service. Personal Assistants are essential to people making the most of Direct Payments, but service users often struggle to recruit them. People have mixed views on the support they receive from their local authority after they have taken up Direct Payments. The interface between use of NHS continuing healthcare

and social care on access to Direct Payments also remains a problem.

- 9 Despite some significant challenges, local authorities ensured service users and carers were mostly supported during the pandemic, but a significant number of service users and carers we surveyed experienced difficulties. While the numbers using Direct Payments slightly grew before the pandemic, local authorities continue to use them differently across Wales. There is a need to address this 'post-code lottery' to ensure people are being treated fairly and equally.
- 10 Direct Payments are seen by recipients and care providers alike as making an important contribution to people's wellbeing and independence. However, it is difficult to assess the overall value for money of Direct Payments in their own right, or in comparison with other forms of social care, because systems for managing and evaluating performance are inadequate.



Direct Payments can make an important contribution to meeting an individual's care and support needs and they are highly valued by service users and carers. The Welsh Government and local authorities need to work together to address weakness in the management and evaluation of performance, which currently means it is not possible to judge how well local authorities are performing and whether Direct Payments represent value for money compared with other forms of social care. There is also a need to address the 'post-code lottery' where local authorities are using them differently across Wales, to ensure people are treated fairly and equally.



Adrian Crompton
Auditor General for Wales



Key facts

Key facts



The infographic below summarises key facts from our report about Direct Payments. Following the Welsh Government's decision to suspend data collection in response to the pandemic in 2020, no data on services other than expenditure has been reported nationally since 2018-19.

In 2018-19, social services
third of adults
receiving supported **125,415 adults**. Of
payments, **36.1%**, were
whom, **6,262** (5%) received Direct
Payments.

Between 2016-17 and
2018-19, **14** of the
22 local authorities
increased take up
of Direct Payments.

The biggest percentage
increase was in the Isle of
Anglesey (**90.4%**). The
£21,836 in Wrexham.
biggest fall was in Newport
(**-28.8%**).



older people (aged 65 or more),
with **63.9%** aged 18-64. This is
despite older people making up
over **75%** of adults receiving social
services.

The average Direct Payment
for adults in 2018-19 in real
terms was **£12,344**, ranging

Of this figure, **£79.5** from **£6,033**
million (3.5%) was spent
on Direct Payments for
adults.

In 2018-19, the proportion of
adults receiving social care services
via Direct Payments ranged from
1.6% in Gwynedd to **1.8%** in
Ceredigion.



Local
authority

spending
on Direct
Payments
rose

by 117% in real terms from

£36.6 million in 2010-11 to

spent **£2.29** billion **£79.5 million** in 2020-21

on all social services.

In 2020-21, social service

authorities

- 12 Figures relating to the numbers of people receiving social services support and Direct Payments for 2018-19, including the average value of Direct Payments, do not include Caerphilly due to technical issues with their ICT systems.

Source: Audit Wales analysis of StatsWales data

Recommendations

- 13 Our recommendations are set out below. We expect each local authority to consider the findings of this review and our recommendations, and that its governance and audit committee receives this report and monitors its response to our recommendations in a timely way.

Exhibit 2: recommendations

Recommendations

In **Part 1** we set out the how local authorities promote and raise awareness of Direct Payments (**paragraphs 1.2 to 1.7**). To ensure people know about Direct Payments, how to access these services and are encouraged to take them up, we recommend that local authorities:

- R1** Review public information in discussion with service users and carers to ensure it is clear, concise and fully explains what they need to know about Direct Payments.
- R2** Undertake additional promotional work to encourage take up of Direct Payments.
- R3** Ensure advocacy services are considered at the first point of contact to provide independent advice on Direct Payments to service users and carers.

In **Part 1** we set out the importance of the 'What Matters' conversation and the importance of social workers in helping people make informed choices on Direct Payments (**paragraphs 1.8 to 1.13**). To ensure Direct Payments are consistently offered we recommend that local authorities:

- R4** Ensure information about Direct Payments is available at the front door to social care and are included in the initial discussion on the available care options for service users and carers.
- R5** Provide training to social workers on Direct Payments to ensure they fully understand their potential and feel confident promoting it to service users and carers.

Recommendations

In **Part 2** we highlight the central role of Personal Assistants in helping service users and carers to get the best positive outcomes from their use of Direct Payments (**paragraphs 2.2 to 2.7**). To ensure there is sufficient Personal Assistant capacity, we recommend that local authorities through the All-Wales local authority Direct Payments Forum and with Social Care Wales:

R6 Work together to develop a joint Recruitment and Retention Plan for Personal Assistants.

In **Part 2** we highlight that while local authorities recognise the value of Direct Payments in supporting independence and improving wellbeing, the differences in approach, standards and the amount paid out means that people with similar needs receive different levels of service (**paragraphs 2.9 to 2.18 and 2.23 to 2.27**). To ensure services are provided equitably and fairly we recommend that local authorities and the Welsh Government:

R7 Clarify policy expectations in plain accessible language and set out:

- what Direct Payments can pay for;
- how application and assessment processes, timescales and review processes work;
- how monitoring individual payments and the paperwork required to verify payments will work;
- how unused monies are to be treated and whether they can be banked; and
- how to administer and manage pooled budgets.

Public information should be reviewed regularly (at least every two years) to ensure they are working effectively and remain relevant.

Recommendations

In **Part 2** we highlight difficulties in the interface between NHS continuing healthcare and Direct Payments and note that current practices do not support service users and carers to exercise voice, choice and control (**paragraphs 2.28 to 2.31**). We recommend that the Welsh Government:

R8 Ensure that people who receive both NHS continuing healthcare and Direct Payments have greater voice, choice and control in decision making.

In **Part 3** we note that having the right performance indicators and regularly reporting performance against these are important for local authorities to manage operational performance, identify areas of improvement and evaluate the positive impact of services (**paragraphs 3.8 to 3.10**). To effectively manage performance and be able to judge the impact and value for money of Direct Payments, we recommend that local authorities and the Welsh Government:

R9 Work together to establish a system to fully evaluate Direct Payments that captures all elements of the process – information, promotion, assessing, managing and evaluating impact on wellbeing and independence.

R10 Annually publish performance information for all elements of Direct Payments to enable a whole system view of delivery and impact to support improvement.



**People are not
consistently
supported to take
up Direct Payments**

01

1.1 In this part of the report, we consider how local authorities encourage people to use Direct Payments. We review local authorities' public information, how they promote take up of Direct Payments and the importance of the 'What Matters' conversation.

Local authorities who are good at promoting Direct Payments



Have simple and concise public information that is made available in wide range of mediums and has been tested to ensure it is effective and tells people what they need to know



Offers and encourages people to use independent advocacy to help people make informed choices



Uses the 'What Matters' conversation in the assessment process to explain Direct Payments



Direct Payments are promoted as an option at least equally with other choices

A responsive person-centred approach is essential in helping people choose Direct Payments, but current engagement and involvement by local authorities are inconsistent

Good quality and accessible information, support people to take greater control of their care and support and make well-informed choices

- 1.2 Information and advice help to promote people's wellbeing and are vital components of preventing or delaying people's need for care and support. Our focus group and survey work with the All-Wales Direct Payments Forum¹ found that all local authorities undertake some form of activity to promote public awareness and understanding of Direct Payments, but the options used vary. Local authorities focus on mediums such as their website, providing bilingual leaflets and promotional activity with established service user, carer groups and partnership forums. Less priority is given to using social media (for example, Facebook or Twitter) and proactive campaigns using press articles, adverts and local authority newsletters. Overall, only 3% of recipients responding to our survey² first found out about Direct Payments through published information (for example, online or a leaflet).
- 1.3 Overwhelmingly, service users report relying on a conversation with a local authority officer to find out about Direct Payments. Almost all (96%) of service users who responded to our survey said that they first found out about Direct Payments following a discussion with a local authority officer – most frequently a social work professional. Around half of carers we surveyed said that they first found out about Direct Payments following a discussion with a local authority officer. Carers are more likely than service users to find out about Direct Payments in discussion with other bodies (ie not their local authority), a care and support agency, NHS or third sector body for instance. These findings highlight that local authorities need to do more to ensure carers are better supported to fully access and use services, an issue flagged in recent research by [Carers Wales](#)³.
- 1.4 Direct Payments Forum members acknowledge that local authorities need to do more promotional work with some partners, in particular health and

¹ The All-Wales Direct Payments Forum is made up of officers from all Welsh local authorities with responsibility for Direct Payments within their respective organisations.

² Our survey covers both service users and carers who receive Direct Payments. We report information at three levels. Where we say Direct Payment recipients, we mean both carers and service users; and where we specifically reference either 'service users' or 'carers' the findings of the survey are specific to these distinct groups of people who receive Direct Payments. In **Appendix 1** we set out our survey methodology in more detail.

³ Carers Wales is part of Carers UK and campaigns on behalf of carers. They recently reported that 40% of carers in Wales say they are unaware of services and sources of support for carers in their local community – [State of Caring 2021: Wales Briefing, Carers Wales, December 2021](#).

independent providers, to ensure Direct Payments are adequately promoted in all routes into social care. Roughly a quarter of local authority officers with responsibility for Direct Payments believe they have sufficient capacity to effectively promote Direct Payments and are investing resources to encourage take up. Less than a quarter of local authority officers consider themselves good at promoting awareness and encouraging take up of Direct Payments among hard-to-reach groups such as minority ethnic groups, Gypsies, Roma and Travellers and LGBTQ people.

- 1.5 The best local authorities are innovatively and actively promoting Direct Payments. For example, Isle of Anglesey Council uses a wide range of promotional materials to improve awareness for service users but also local authority staff and care providers. This includes YouTube videos of recipients talking about the positive experience and benefits of Direct Payments and roadshows to promote the benefits of Direct Payments. By proactively encouraging people to choose Direct Payments, the local authority saw the numbers in receipt of Direct Payments rise by 90.4% between 2016-17 and 2018-19.
- 1.6 Regarding the quality of the information and advice provided, three quarters of Direct Payments service users told us this was good but only half of carers in receipt of Direct Payments agreed this was the case. Only half of local authorities have tested or sought feedback on the quality of Direct Payments public information to ensure it is easy to understand, and only around a third of those have involved service users and carers in testing the quality of the information. Several service users who responded to our survey noted that they did not always find the public information they had been provided helpful and too often it reads as if it is written for the 'professional' not the 'client'. Notwithstanding, the overwhelming majority of people (98%) were able to access information about Direct Payments in their preferred language, and 4% chose to use Welsh.
- 1.7 Paragraph 37 of the Social Services and Well-being (Wales) Act 2014 Part 10 Code of Practice (Advocacy) notes that 'Advocacy services are fundamental to supporting people to engage actively and participate in development of their own well-being outcomes.' Paragraph 41 of the Code of Practice also says that independent professional advocacy must be made available from 'the moment of first contact'. We found that just over half of All-Wales Direct Payments Forum members believe that their local authority has adequate advocacy services in place to provide independent advice to service users and carers at this time.

The ‘What Matters’ conversation

- 1.8 Unlike many community-based, preventative services⁴ that people are often signposted to when seeking social care help, service users must be assessed as having ‘eligible’⁵ needs to receive Direct Payments. When a local authority considers if someone has eligible needs, it looks at what causes that need for care and support; whether their needs affect their ability to do certain things; whether someone has a carer or access to community support that can meet their needs; and whether they are able to achieve a personal outcome without help from the local authority.
- 1.9 Local authorities are required to assess and determine whether someone is eligible for social care following an established process of which the ‘What Matters’ conversation is a critical element. **Appendix 2** sets this process out in more detail.

The ‘What Matters’ conversation

A ‘What Matters’ conversation is a targeted discussion to establish a person’s situation, their current wellbeing, what can be done to support them and what can be done to promote their wellbeing and resilience for the better. It is not an assessment in itself: it is a way of carrying out the assessment by having the right type of conversation to identify with the individual:

- how they want to live their life;
- what might be preventing that; and
- what support might be required to overcome those barriers.

Knowing what matters can play a huge part in helping to make someone’s life enjoyable and worthwhile.



⁴ There is no agreed definition of what constitutes a preventative service. They can range from relatively formal intermediate care services provided by health and social-care professionals to interventions that could include befriending schemes, the fitting of a handrail or help with shopping, to non-health or social-care services.

⁵ The Welsh Government is working with ADSS Cymru to produce a [national assessment and eligibility tool](#).

- 1.10 Importantly, those seeking help and those assessing what is needed must work as equal partners in identifying issues and solutions in their 'What Matters' discussion. Ultimately, it requires social work professionals to let go of some control when assessing what is best for people. Direct Payments takes this ethos a step further – not only do individuals have an equal voice in shaping their care and support outcomes during the assessment, but they can also go on to take full control over their own care and support. The extent to which professionals feel able to let go shapes people's experience of their assessment, and in many cases the likelihood of them being offered and encouraged to use Direct Payments.
- 1.11 Overall, recipients of Direct Payments that we surveyed are positive about local authority assessment processes; the time spent by local authority staff clarifying employer responsibilities; and the 'What Matters' conversation. For instance:
- a 83% felt that what was agreed during the assessment was right for them;
 - b of the 83% that felt their assessment was right for them, the vast majority (88%) agreed that the subsequent care and support plan accurately set out what was agreed during their assessment;
 - c 76% felt encouraged to tell their local authority about the things that mattered to them, and felt listened to during their needs assessment;
 - d 75% discussed their ability to manage Direct Payments before taking them up; and
 - e 74% felt that they had a clear understanding of their legal obligation as an employer when taking up a Direct Payment.
- 1.12 Despite this, many local authority officers we spoke to acknowledge that they do not always have the capacity to work co-productively and identify creative solutions using Direct Payments. People are often in crisis when they contact social services and in practical terms, delivering early intervention, prevention and co-produced approaches requires time. Effective early intervention works to prevent problems occurring, or to tackle them head on when they do, and before problems get worse. It is important therefore for local authorities to consider the potential impact and value of Direct Payments as early as possible in the information, advice and assistance process to enable meaningful co-production and ensure all possible solutions that can help improve someone's wellbeing are considered.
- 1.13 We conclude that there is more for local authorities to do to promote awareness and understanding of Direct Payments amongst service users. Addressing this requires local authorities to promote opportunities for early intervention by raising awareness of the front door to adult social

care, and ensuring adequate consideration of the potential for Direct Payments at the Information, Advice and Assistance (IAA services) stage. Local authorities are yet to strike this balance, something that echoes our recent review of IAA services⁶.

While the value of Direct Payments is recognised by senior managers, social care staff do not always display confidence in promoting their use with service users and carers

- 1.14 Strong leadership on Direct Payments is key to making progress and it is important that senior managers set the tone from the top. Through our engagement with local authority staff and representative bodies we found this to be key to creating the right conditions and culture for social workers to feel empowered to promote and encourage take up of Direct Payments.
- 1.15 We found that roughly three-quarters of Direct Payment managers with responsibility for Direct Payments believe their authority has an open and encouraging culture that promotes making best use of Direct Payments. In addition, a similar number believe that their local authority Corporate Management Team members understand the benefits of Direct Payments, and two-thirds that senior leaders actively encourage increasing take up. However, only a quarter of Direct Payment managers believe that councillors understand the benefits of Direct Payments. Half did not know.
- 1.16 Most local authorities have information and workflow management systems in place (for example the Welsh Community Care Information System⁷) which include prompts for social workers to offer Direct Payments as part of what matters assessments, or to confirm that they have offered this. However, officers we interviewed highlight the limitations in the assurance that this data provides because the likelihood of service users opting to use Direct Payments is mostly dependent on the tone, sincerity and genuineness of the offer and discussion with their social worker. To do this, social workers need to feel both confident in being able to promote the benefits of Direct Payments and empowered to make this offer. To make this work requires effective leadership and a whole-system approach.
- 1.17 The overwhelming majority of All-Wales Direct Payments Forum members told us that they continue to promote and provide training and information to social workers, care managers and frontline staff to support take up and roll out. Most also believed that social workers understand what Direct

⁶ Auditor General for Wales, [The front door to adult social care](#), September 2019.

⁷ We reported on the rollout of the [Welsh Community Care Information System](#) in October 2020, including commentary on the performance of the system.

Payments can be used for, although officers we interviewed nevertheless identified some concerns.

- 1.18 Only half of Direct Payments Forum members think that their local authority encourages people to take up Direct Payments. Direct Payment managers expressed concerns that, from their experience, too often social workers lack confidence in discussing Direct Payments as an option, partly because of their inherent flexibility and potentially wider use compared to other forms of social care. They also noted that, increasingly, Direct Payments are seen as potentially placing other traditional care services at risk if their take up increases and demand for other services falls off. Just over half of Direct Payment managers believe that their local authority treats Direct Payments as favourably as other social care services and options when developing care plans.



Managing and supporting people to use Direct Payments varies widely with service users and carers receiving different standards of service

2.1 In this section of the report, we look at opportunities to streamline the management and administration of Direct Payments. We look at the change in take up of Direct Payments in Wales and comparison with England. We consider how local authorities support people to make the best use of Direct Payments.

Local authorities who are managing Direct Payments effectively



Help people to access and use Personal Assistants



'Demystify' what Direct Payments are and provide sufficient support to assure people on employment requirements, liabilities and fallback processes. Bureaucracy is kept to a minimum



Clearly set out what Direct Payments can be used for giving examples of the type of support that is available and, wherever possible, encourage innovation



Have regular and ongoing contact and provide support and information to adults using Direct Payments to clarify responsibilities and ensure people remain safe



Work to shape the 'market' and by improving access to Personal Assistants, encouraging more providers, managing costs and encouraging the pooling of budgets



Jointly agree with NHS bodies on how best to address the needs of clients who use Direct Payments and Continuing Healthcare so they are not disadvantaged

Personal Assistants are essential to people making the most of Direct Payments, but service users struggle to recruit them

2.2 While some people will need additional support to manage Direct Payments, this should not be a barrier to encouraging people to use them. Local authorities must maintain a support service and make it available to those who need it – for example, help with employment responsibilities, payroll and reporting processes. Often this support is provided via a Personal Assistant.

Personal Assistants

Personal Assistants work directly with one or more individuals to help them with various aspects of their daily life and to help them live as independently as possible.

They are employed directly by an individual who is managing and paying for their own care through a Direct Payment or personal budget.

Personal Assistants usually support individuals in their own home.

People can be employed directly by one employer or work for a number of different people.

The role can include:

- organising and supporting individuals with their social and physical activities;
- booking and going with individuals to appointments;
- helping individuals to get to work, college or university;
- helping with personal care such as showering and dressing (although not all Personal Assistant roles involve personal care);
- supporting with tasks around the house such as shopping, cleaning and cooking;
- monitoring their health, for example, measuring body temperatures or administering medication; and/or
- managing a team of Personal Assistants if you are in a senior Personal Assistant role.



2.3 Employing a Personal Assistant cannot be entered into lightly and people pursuing this option need to be fully aware of their responsibilities. For instance, an employer must provide staff they employ with written information, including start date, hours of work, remuneration (which must meet the National Minimum Wage), place of work and a job title, or brief description of the job. Employers also need to set out whether employment is fixed term or permanent, the employee's statutory entitlement to sick pay, annual leave, pension scheme provision and notice requirements. Although local authorities expect people to take out employer's liability insurance and often provide advice about this, it is down to the individual to ensure they have fully considered the contractual arrangements with the care staff they employ.

2.4 People we surveyed noted differences between local authorities regarding their eligibility criteria for Direct Payments, the number of hours of personal assistance that individuals are assessed as needing, and the hourly rates paid. Our research shows that there is variation between hourly rates of pay for Personal Assistants across local authorities, with rates ranging from £8.72 to £12.94 per hour being reported in early 2021 – see **Appendix 4** for more detail.

2.5 The importance of Personal Assistants in supporting people to make the best use of Direct Payments cannot be overestimated. One person responding to our survey stated that: 'Direct Payments have given me the opportunity to employ my personal assistant who has been with me for 10 years now. This continuity with my personal assistant has empowered me, improved my self-confidence and given me the freedom to make my own decisions and choice with my personal assistant's support.' While another noted that: 'I think the whole system works around Direct Payments, you get to pick the personal assistants yourself rather than getting strangers thrust upon you.' Comments such as these highlight the value placed on Personal Assistants and the important role they play.

2.6 Notwithstanding, several people responding to our survey noted difficulties in both attracting and retaining Personal Assistants. For instance, one respondent stated that: 'there have been periods when we have been unable to find a suitable personal assistant, so I have been unable to use the Direct Payments. At one point this lasted over a year.' Another noted a 'major problem is being able to recruit Personal Assistants' and another 'issues with a Personal Assistant meant I've had to readvertise the job so as a result I haven't yet used my Direct Payment'.

2.7 Direct Payment managers we spoke to also highlighted the ongoing challenge of attracting and retaining Personal Assistants. Ongoing workforce pressures have meant that adult social care employers and providers have needed to adopt a range of strategies to help retain and support their workforce and these approaches need to be extended to Personal Assistants. The Care Provider Alliance, Association of Directors of Adult Social Services and Local Government Association in England have brought together approaches taken by organisations to reduce staff

turnover and help retain people in the care and health workforce, which are of use for local authorities to consider in encouraging more Personal Assistants⁸.

People have mixed views on the support they receive from their local authority after they have taken up Direct Payments

2.8 Direct Payments must be embraced as a core component of delivering support – not as an exceptional option – so that the positive impact can be realised. There will be initial costs associated with setting up or commissioning an effective Direct Payment Support Service and training staff in Direct Payment processes. But once fully operational, Direct Payments should at least be cost neutral and should realise savings from, for instance, reduced administration, review and management of providers. It is important for local authorities to therefore focus on setting up the right support service to both encourage take up and to realise the potential for cost savings. Ultimately, the Direct Payment must be enough to cover the reasonable cost of buying services that the local authority has a duty to provide.

Some people find the administration of Direct Payments challenging

2.9 It is important that local authorities provide adequate support and have regular contact with service users and carers. Local authorities should be proactive in organising these discussions to make sure the care and support plan remains right, is legal, affordable and effective in meeting wellbeing outcomes.

⁸ <https://www.local.gov.uk/top-tips-retention-briefing-adult-social-care-providers>

- 2.10 Overall, 78% of people we surveyed said they receive good quality support to help them manage their Direct Payment. However, while 55% say that they can cope with the administration side of Direct Payments, finding the level of paperwork reasonable and manageable, 13% feel it is overwhelming. The other third of respondents stated that they are not required to keep any paperwork (23%) or their local authority rarely asks for paperwork (10%). Carers are generally more dissatisfied than service users with the quality of the Direct Payments services their local authority provides to help meet their needs. Our focus group work with AllWales Direct Payments Forum members found that just over half of local authorities have sought to streamline their systems for administering Direct Payments to reduce the burden on clients, Personal Assistants and care providers.
- 2.11 Just over a third of care and support providers we surveyed felt that from their experience local authorities did not provide good support to help people manage their Direct Payments. There is also some concern from providers that people who may struggle to manage a Direct Payment are being directed to select this option simply because of pressures on domiciliary care services and reductions in the availability of other care services. Only half of Direct Payment managers stated that their local authority has an up-to-date directory of approved service providers to help people purchase support.

People in areas where support services to help manage Direct Payments are directly provided by local authorities have a more positive overall experience than those using a 'commissioned' service

- 2.12 Many local authorities commission others to provide support services for Direct Payments, but according to feedback from members of the Direct Payments Forum, a growing number of councils are in the process of reviewing or considering bringing these services back in house, primarily to improve service quality, to be able to better respond to service user and carer needs, and reduce administration costs. As of January 2021, seven⁹ of the 22 local authorities had in-house services.

⁹ The seven councils with in-house provision at the time of our review were: Blaenau Gwent County Borough Council, Caerphilly County Borough Council, Flintshire County Council, Monmouthshire County Council, Neath Port Talbot Council, Powys County Council and Torfaen County Borough Council.

2.13 Our survey of people using Direct Payments sought their views regarding a number of factors which we consider to be indicators of service accessibility and quality. To establish how different service configurations impact on accessibility, quality and user satisfaction, we analysed our survey data by comparing the responses from Direct Payments recipients in areas where the local authority delivers its support function in-house, with those where the service is commissioned externally and provided by third parties. **Exhibit 3** shows that survey responses from those in local authority areas with in-house services have higher levels of positive responses against a number of key metrics.

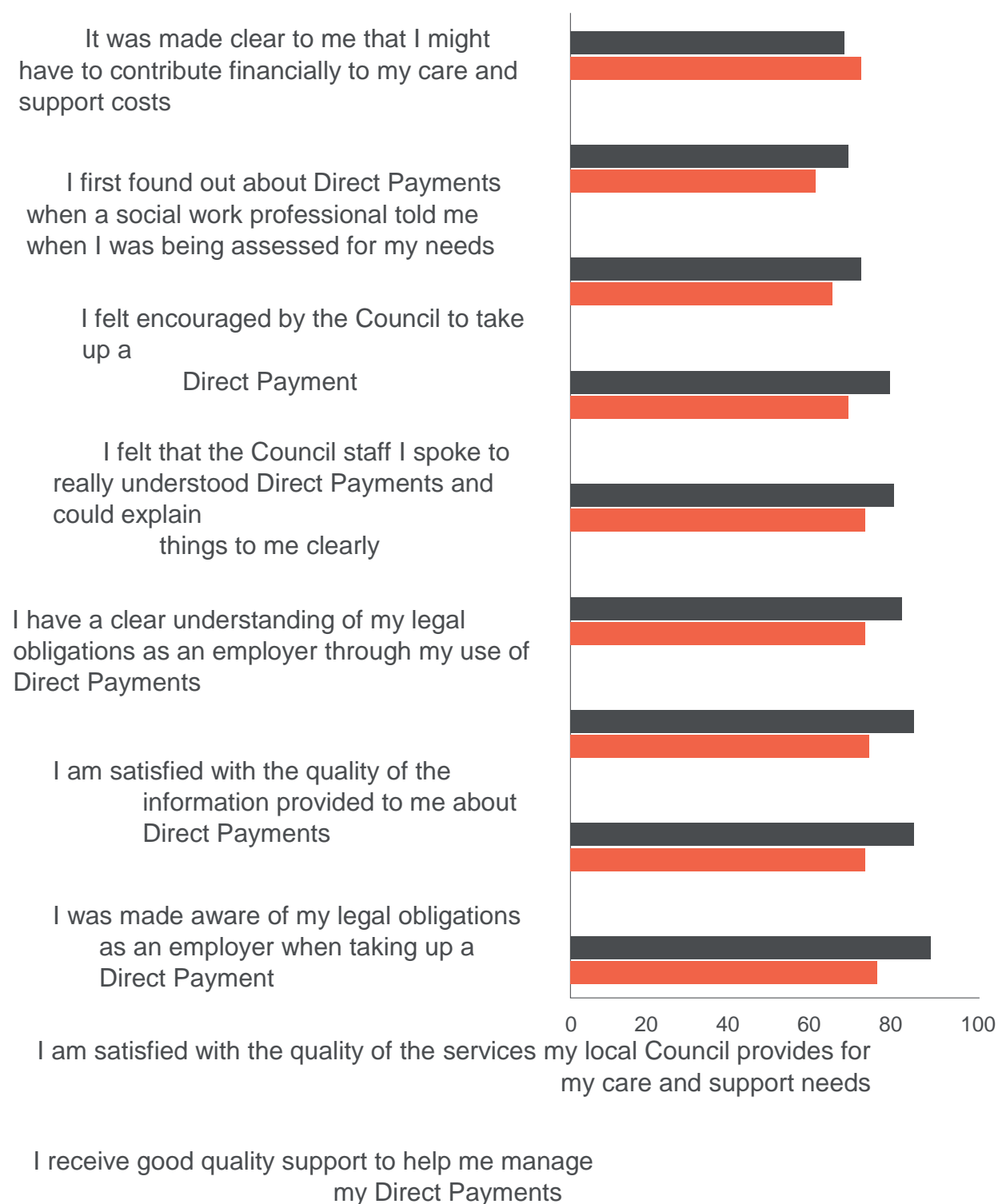
“ I’m grateful for the support and payments. I don’t have to deal with the money. Going out with someone other than family gives me independence that I’ve longed for

Source: Audit Wales, Survey of people receiving Direct Payments, September 2021.



Exhibit 3: Direct Payment recipients' views about services, by type of administrative support service (in-house or commissioned)

Overall, people living in areas where support services are provided directly by local authorities are more positive about the service they receive than those provided by a third party.



% positive responses

- Local authorities without dedicated in-house provision
 ● Local authorities with dedicated in-house provision

Source: Audit Wales, Survey of people receiving Direct Payments, September 2021

2.14 Our focus group work with the All-Wales Direct Payments Forum highlighted that, in addition to supporting external clients, in-house Direct Payment teams have greater ability to work flexibly and focus on providing training and expert support to front line social workers who offer and administer Direct Payments. Given the key barriers we highlight in accessing Direct Payments (see **paragraph 1.16**) and coupled with our survey findings, this support is clearly important and is making an impact, leading to greater satisfaction with information about Direct Payments, a greater perception of social workers' understanding, and service users feeling encouraged to take up a Direct Payment.

Local authorities mostly ensured people were supported during the pandemic, but a significant number of service users and carers we surveyed had no contact during the initial lockdown and restrictions

2.15 The pandemic created many challenges for social care services and local authorities were forced to respond creatively to ensure vulnerable people were safe and supported. As with other frontline staff working in NHS or care settings, the pandemic has also had a huge impact on people providing care services organised under Direct Payments, especially Personal Assistants.

2.16 We found that where a service was interrupted or could not continue to be provided due to COVID-19, most local authorities arranged alternative provision. Local authorities also made contact to check on individuals' welfare and to ensure services continued to be provided. Direct Payment managers we spoke to however, also noted some difficulties in maintaining services. In particular, the lack of availability of Personal Assistants and/or care staff when people were self-isolating and unable to visit and support service users.

2.17 Officers we spoke to also highlighted their local authority's positive work to ensure social care staff were supported and equipped to work from home. They described how senior leaders acted proactively, keeping staff informed and up to date with changes in services and work priorities, and responded to challenges as they arose quickly and efficiently. For example, relocating staff to fill gaps in services and flexing information gathering systems to reduce the burden of administration on Personal Assistants and care providers.

2.18 57% of people receiving Direct Payments we surveyed said that their local authority did not help source Personal Protective Equipment (PPE) for their care or support provider. Service users and carers we spoke to noted that some local authorities provided PPE free of charge, some reimbursed individuals who purchased their own, but others expected service users and/or their personal assistant to purchase PPE themselves and meet the cost from their Direct Payment. In April 2021, we reported that some frontline health and social care staff experienced shortages of PPE during the pandemic¹⁰. Some people using Direct Payments experienced similar if not greater difficulties trying to source PPE on an individual level. Some service users and carers we spoke to noted that on occasion the lack of PPE and inability to source this directly resulted in services being suspended. In addition, 40% of the Direct Payments recipients we surveyed said they had received no contact from their local authority specifically to check if they had any problems resulting from the lockdown and restrictions.

While the number of people receiving Direct Payments has grown slightly in recent years, local authorities continue to use them differently across Wales

Just under two-thirds of local authorities increased take up of Direct Payments between 2016-17 and 2018-19, but only 5% of all adults in receipt of social care services were receiving them

2.19 The most recent data on Direct Payments use published in 2018-19 shows that 125,415 adults were in receipt of social care services in Wales¹¹. Of these, 6,262 (5%) received Direct Payments. The proportion of social care services provided via Direct Payments ranged from 1.6% of clients in Gwynedd to 12.9% in Ceredigion. **Appendix 3** provides more information. This data for 2018-19 does not include Caerphilly.

2.20 Just over a third of those receiving Direct Payments (36.1%) are older people (aged 65 or more). This is despite this particular age group making up over 75% of the overall number of adults receiving social services. The bulk of those receiving Direct Payments, 63.9%, are aged between 18 and 64.

2.21 Between 2016-17 and 2018-19, there had been a 5.2% increase in the numbers receiving Direct Payments with 14 of the 22 local authorities seeing a growth in take up – **Exhibit 4**. The biggest percentage rise, of 90.4%, was in the Isle of Anglesey, although the proportion of adults receiving social care services via Direct Payments in 2018-19

¹⁰ [Procuring and Supplying PPE for the COVID-19 Pandemic, Report of the Auditor General for Wales, April 2021](#)

¹¹ In response to the pandemic, the Welsh Government suspended collection and reporting of social services performance data in 2019-20 and the most up-to-date data is 2018-19.

was still below the Wales average. The biggest fall was in Newport, - 28.8%.

Exhibit 4: the number of adults receiving Direct Payments by local authority in 2016-17 and 2018-19 and change in take up over the period

Local authority	2016-17	2018-19	% Change
Isle of Anglesey	73	139	90.4%
Gwynedd	158	137	-13.3%
Conwy	221	239	8.1%
Denbighshire	106	177	66.9%
Flintshire	403	437	8.4%
Wrexham	196	272	38.7%
Powys	551	504	-8.5%
Ceredigion	199	336	68.8%
Pembrokeshire	293	331	12.9%
Carmarthenshire	448	538	20.0%
Swansea	521	517	-0.8%
Neath Port Talbot	341	433	26.9%
Bridgend	177	232	31.1%
Vale of Glamorgan	378	271	-28.3%
Rhondda Cynon Taf	372	306	-17.7%
Merthyr Tydfil	95	102	7.4%
Caerphilly	114	-	-
Blaenau Gwent	145	149	2.3%
Torfaen	131	130	-0.8%
Monmouthshire	154	131	-14.9%
Newport	132	94	-28.8%
Cardiff	746	787	5.5%
TOTAL	5,954	6,262	5.2%

Note: Caerphilly was unable to provide data for 2018-19, due to technical issues with their ICT systems.

Source: StatsWales, [CARE0118: Adults receiving services by local authority](#)

2.22 The use of Direct Payments in Wales still lags behind England. Data published by NHS Digital Services¹² shows that in 2020-21, 26.6% of people who receive social care services including 75.3% of carers in England receive Direct Payments. Performance ranges from 19.8% of all service users in the north-east of England to 38.3% in the East Midlands.

Direct Payments are used differently across Wales and local authorities have different approaches in how they deal with unused funds

2.23 How Direct Payments are used and what they pay for varies. Through our discussion with Direct Payment Forum members we found that some authorities have few, if any, restrictions and encourage people to use the money flexibly; paying for holiday accommodation, leisure activities, trips abroad and mobile phones. In comparison, other local authorities only allow Direct Payments to pay for practical help directly associated with an individual's personal care and define what Direct Payments can and cannot pay for.

2.24 Direct Payment service users and carers we surveyed raised concerns with this situation. One user of Direct Payments noted that: 'It would be very helpful to have a written list of what Direct Payments can actually be used for.' Another survey respondent summed up their experience as follows: 'The council does not make it clear how to spend the money. You still have to continually ask questions and the people in the council don't know the answers. The system is very slow and 'drawn out'. They are not flexible.'

2.25 Those who have similar support needs can also pool their Direct Payments to organise joint activities or services by taking some or all of their Direct Payment and adding these funds together to jointly purchase services¹³. This enables people to share the cost of activities, have the opportunity to spend more time with other people and get better value through increasing their spending power. However, we found that pooling budgets is very limited. And past approaches in some local authorities ended relatively quickly, despite the best endeavours of staff we interviewed.

2.26 Welsh Government guidance¹⁴ requires local authorities to work flexibly, allowing Direct Payments recipients to be able to 'bank' any unused payment to use as and when they need to. However, in reality the approach taken by local authorities varies and some local authorities seek

¹² NHS Digital Services, [Adult Social Care Outcomes Framework](#), October 2021.

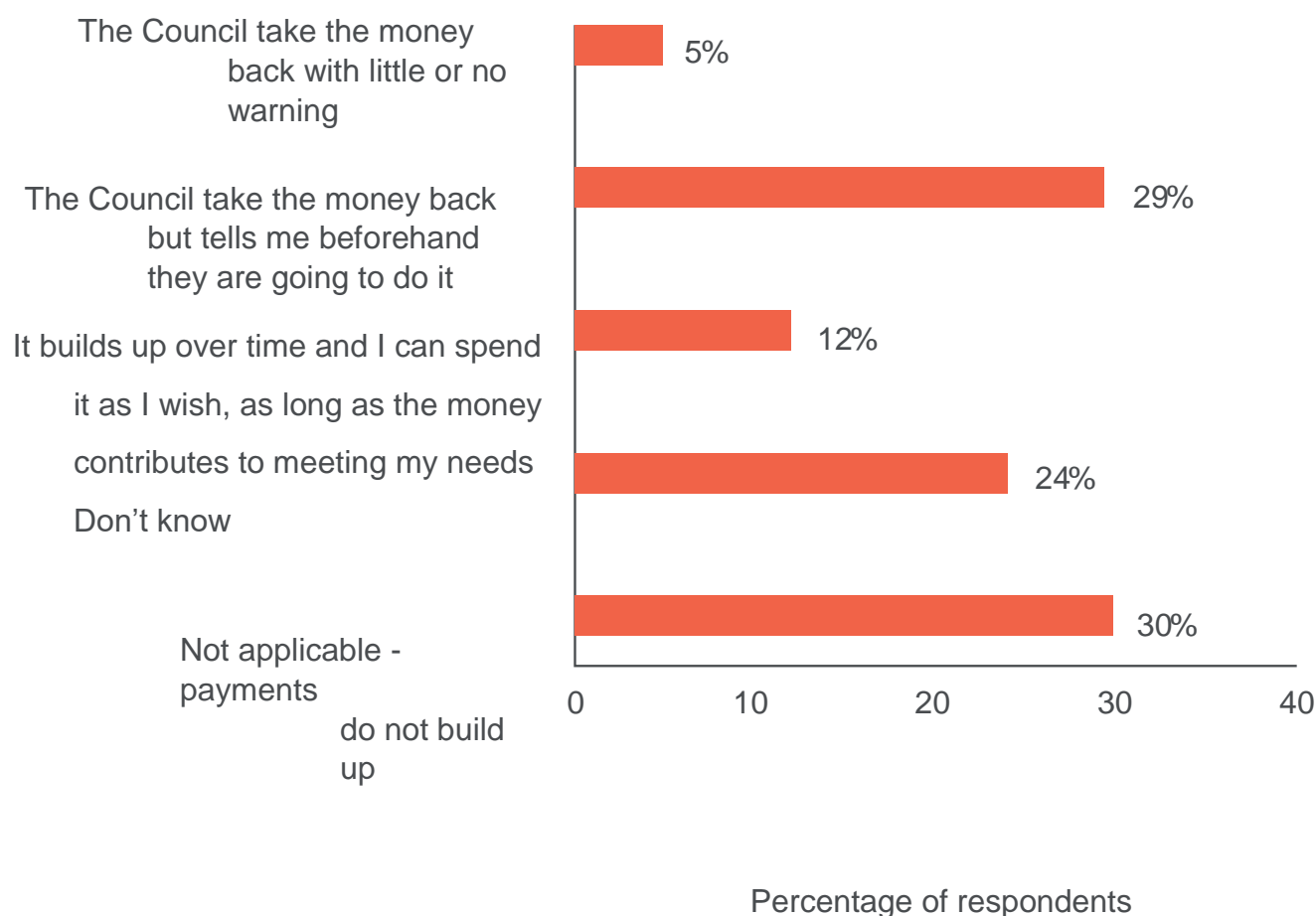
¹³ The Wales Co-operative Centre has published a guide setting out how people can pool budgets for Direct Payments, [Direct Payments: make them work for you](#)

¹⁴ [Social Services and Well-being \(Wales\) Act 2014: Part 4 Code of Practice \(Meeting Needs\)](#), 2015. Paragraph 159 notes that 'The flexibility inherent in direct payments means that recipients, or their representatives, must be able to adjust the amount of the direct payment they use from week to week. They must be able to 'bank' any unused payment to use as and when extra needs arise (this might particularly be relevant for those whose needs fluctuate).'

to recover unspent money. The findings from our survey of recipients (**Exhibit 5**) are echoed in the feedback we received from local authority staff where we found wide differences in approach.

Exhibit 5: Direct Payment recipients' experiences of what happens to payments which build up

Roughly one in eight recipients of Direct Payments build up 'unused' money to be used to meet future needs.



Source: Audit Wales, Survey of people receiving Direct Payments, September 2021

2.27 Taken together, our evidence highlights that further clarification, support and guidance are required to ensure that people are able to fully benefit from Direct Payments and receive a consistent standard of service.

The interface between use of NHS continuing healthcare and social care on access to Direct Payments remains a problem

- 2.28 The Welsh Government's Programme for Government 2021 to 2026 includes a commitment to 'Improve the interface between NHS continuing healthcare and Direct Payments'. In August 2021, the Welsh Government strengthened the wording in the NHS Continuing Healthcare National Framework 2021 and Decision Support Tool.
- 2.29 Importantly, the new guidance reinforces the central ethos of individuals' right to exercise voice and control to decide how, when and who supports them to meet their eligible care and support needs, especially when transitioning from Direct Payments to NHS continuing healthcare. This includes providing specific examples of actions Local Health Boards can take to support this but also recognising that assessments needed to avoid putting up barriers and pushing service users from one service to the other. Theoretically therefore it should be possible for someone to receive a needs-led assessment that supports someone's independence, voice and control.
- 2.30 Some people we surveyed in receipt of Direct Payments noted a reluctance to access NHS continuing healthcare because they fear losing their Personal Assistants and the ability to determine who provides their services. They also raised concerns that the flexibility of Direct Payments – that enables them to access a wide range of non-traditional health and/or social care services that help improve their wellbeing – will be lost.
- 2.31 Direct Payment managers also noted instances where individuals with deteriorating health needs are refusing to access NHS continuing healthcare because of fear of losing the flexibility of Direct Payments and the wellbeing improvements it brings. Direct Payment managers and some providers also raised concerns that NHS colleagues are still not fully on board with service users 'driving' decision making and maximising the opportunity to promote independence, voice and control.



**Direct Payments
are helping people
live independently
and improving their
wellbeing, but it is
difficult to assess
overall value for money
because of limitations
in data and evaluation**

3.1 In this final part of the report, we consider the impact of Direct Payments. We summarise spending on Direct Payments in Wales and highlight the variations between local authorities. Finally, we consider whether the current approaches to monitor and evaluate Direct Payments to ensure they provide value for money are effective.

Local authorities who are delivering positive outcomes for people using Direct Payments



Evidencing that people's wellbeing is maintained or improving as a result of Direct Payments



Have a comprehensive system for monitoring and evaluating all aspects of Direct Payments



Involve and value input from all stakeholders/partners in evaluating the impact of services



Compare and benchmark individual and collective performance with others and use the findings of evaluation to shape current plans and future approaches



Know what works and whether the approach of the authority is delivering the aspirations of the Act

Direct Payments are seen as making an important contribution to recipients' wellbeing and independence

3.2 Overall, the people we surveyed who receive Direct Payments provided positive feedback on the impact of Direct Payments. 91% of respondents to our survey stated that Direct Payments have had a positive impact on their independence and wellbeing. In addition, 85% stated that Direct Payments were definitely the right option for them. The majority of care and support providers who responded to our survey (87%) also agreed that Direct Payments are helping to support people's independence and maintain their wellbeing.

3.3 Some people we surveyed identified the critical role of Direct Payments in helping them remain independent. One Direct Payment recipient noted that: 'I get support to do everything I want to do and achieve' whilst another stated that: 'It's allowed me to do lots of new things and go out and enjoy and meet new people.' Another noted that: 'It (Direct Payments) gives choices and independence which have been very positive' and another that: 'the Direct Payments have enabled me to remain living in my own home'. Finally, one recipient stated that: 'I really like Direct Payments and how it lets me live as independently as I can.' And another person we surveyed noted that: 'Direct Payments allows me to have control and more importantly to have the care I need to be able to get the most out of life.' These comments were echoed by many others who responded to our survey.

It is difficult to assess the overall value for money of Direct Payments because systems for managing and evaluating performance are inadequate

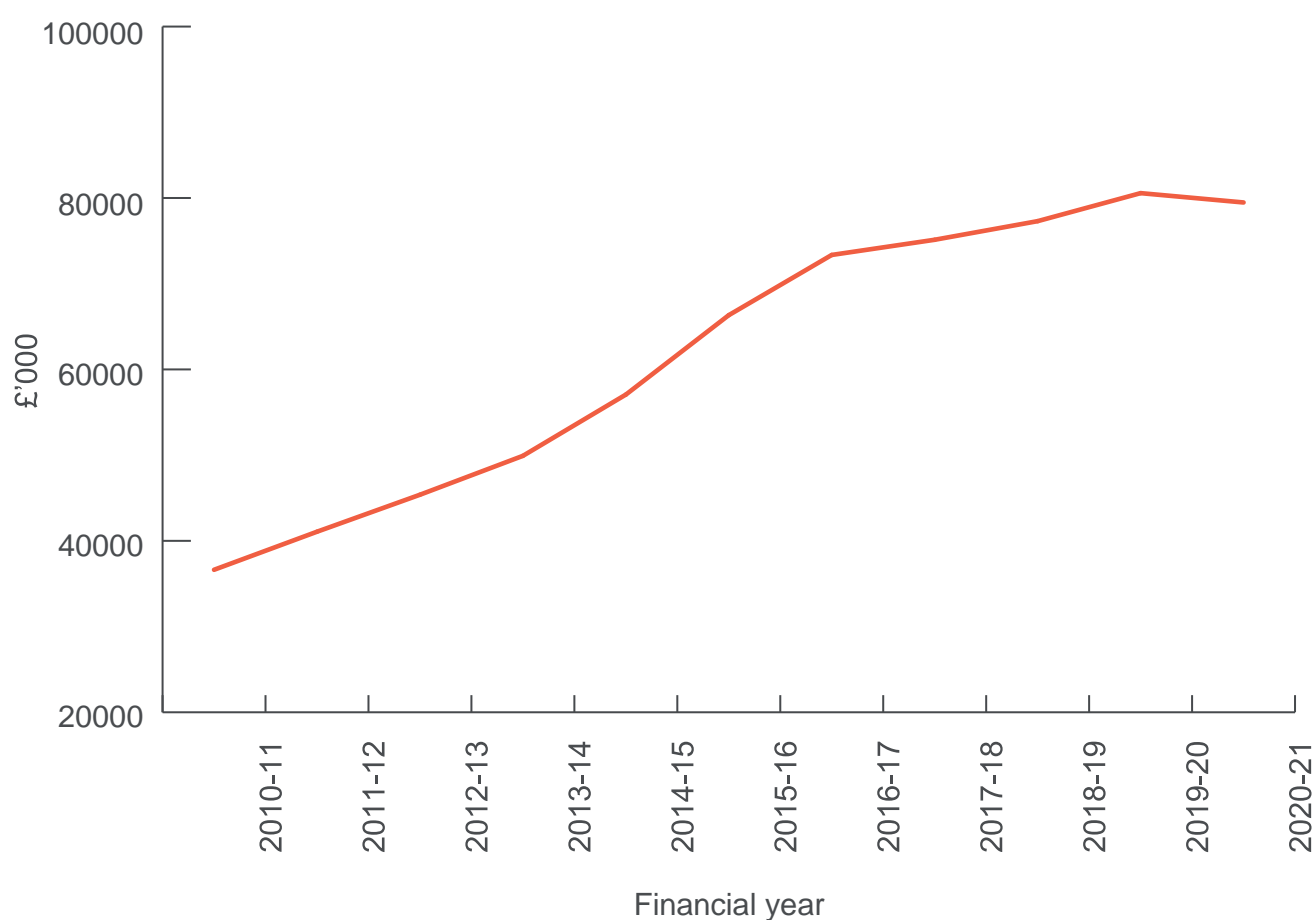
3.4 Despite the high value placed on Direct Payments by service users and carers, there is only a small range of national publicly reported indicators to judge performance. These simply cover the numbers receiving Direct Payments by need group (physical disabilities, learning disabilities, mental health and older people) and the amount spent on Direct Payments by local authority. The performance measures were revised following the implementation of the Social Services and Well-being (Wales) Act in 2014, and information has only been collated for three financial years: 2016-17, 2017-18 and 2018-19. Following the Welsh Government's decision to suspend data collection in response to the pandemic in 2020, no data on services other than expenditure has been collected and reported nationally.

Spending on Direct Payments has more than doubled in the last decade, but marginally fell in 2020-21. The average amount paid out per recipient varies widely

3.5 The amount of money spent on Direct Payments is growing and in real terms, considering inflation, has increased from £36.6 million in 2010-11 to £79.5 million in 2020-21 – **Exhibit 6**.

Exhibit 6: total spending on Direct Payments for adults by local authorities in real terms between 2010-11 and 2020-21

Local authorities' spending on Direct Payments increased by 117% in the period but marginally fell in 2020-21.



Source: StatsWales, [LGFS0015: Social services revenue outturn expenditure subjective analysis by authority](#). Analysis by Audit Wales

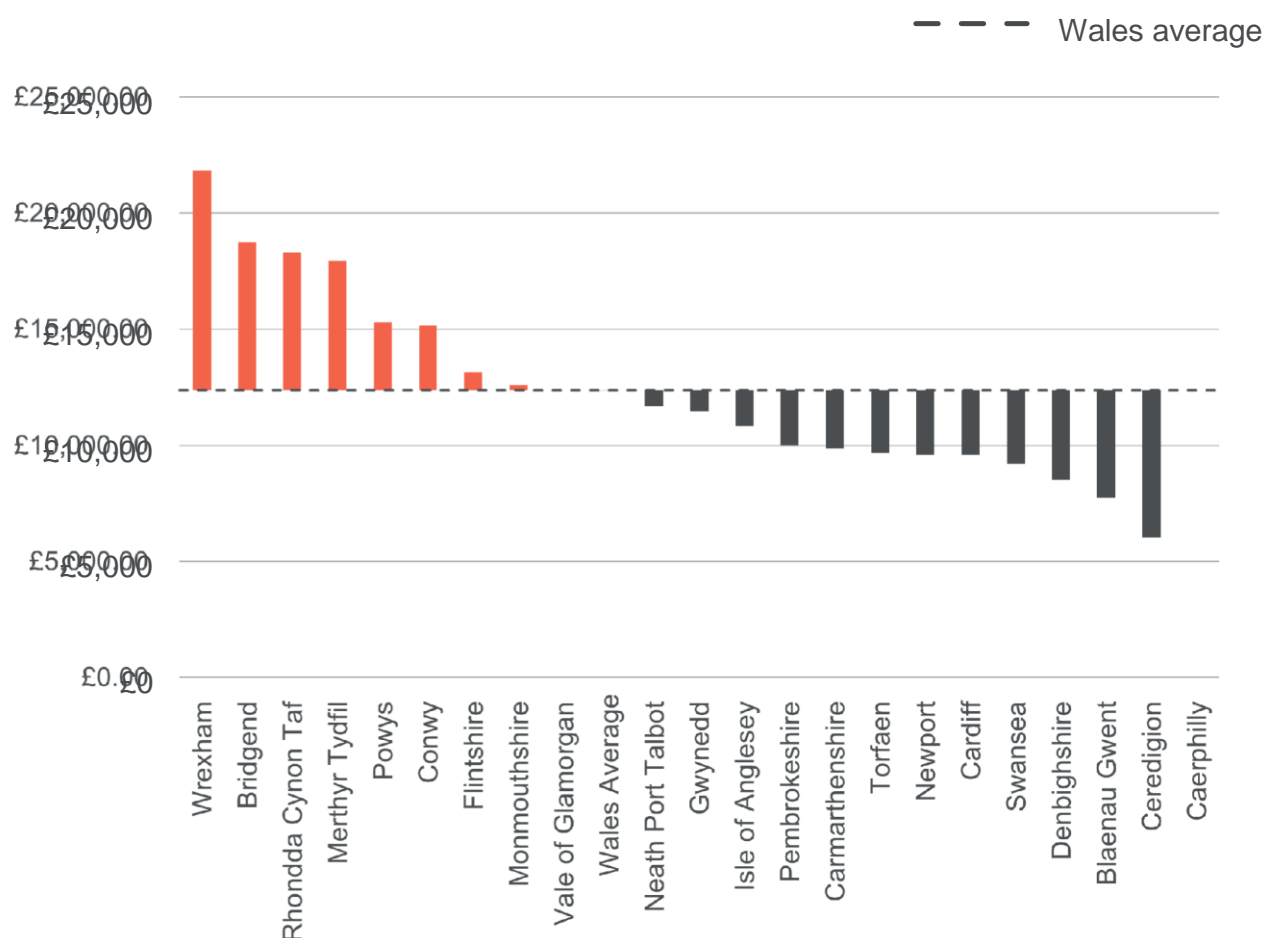
3.6 While each local authority is responsible for the format of care and support plans, they are required to be consistent across the country using the national eligibility criteria¹⁵. Our analysis in **Exhibit 7** shows that local authorities are

¹⁵ The eligibility criteria are set out in the [Care and Support \(Eligibility\) \(Wales\) Regulations 2015](#) and the Welsh Government's [Social Services and Well-being \(Wales\) Act 2014: Part 4 Code of Practice \(Meeting Needs\)](#), 2015. Paragraph 39 of the Code of Practice notes that while people

paying out widely varying average amounts. Excluding Caerphilly, the average Direct Payment across Wales in 2018-19 in real terms was £12,344. This ranged from £6,033 per person in Ceredigion to £21,836, 3.6 times more, in Wrexham.

Exhibit 7: average Direct Payment per recipient by local authority in 2018-19 in real terms

The average amount people receive in Direct Payments varies widely across Wales.



Note: Caerphilly was unable to provide data on the number of recipients for 2018-19, due to technical issues with their ICT systems.

Source: StatsWales, [LGFS0015: Social services revenue outturn expenditure subjective analysis by authority](#) and [CARE0118: Adults receiving services by local authority and age group](#). Analysis by Audit Wales

3.7 Taking this information with the findings set out in **Part 2** of this report, we conclude that the policy choices and decisions of local authorities are resulting in people with similar needs receiving very different standards of service. Given the significant variation in approaches, the Welsh

have a right to care and support from a local authority where that care and support are not otherwise available to them, the 'pattern of service delivery will vary from authority to authority'.

Government needs to set clear standards to ensure consistency for service users.

Systems for managing and evaluating performance are inadequate

- 3.8 Local authorities are mostly focussing their performance management and evaluation on the numbers receiving services and the amount of money spent and not enough on impact, wellbeing and the wider benefits of investment. We found that only a fifth of Direct Payment managers believe that their local authority has robust measures in place and are able to judge quality, cost and outcomes of Direct Payments on individuals and for the local authority.
- 3.9 Through our engagement with Direct Payments lead officers across Wales, we found that most local authorities have some measures in place and evaluate some aspects of Direct Payments, but acknowledge it is not comprehensive and there are gaps. For instance, only:
- a a third capture information that helps to identify what is not working and what needs to change;
 - b a quarter capture and use information in real time;
 - c less than a fifth monitor how Direct Payments contribute to delivery of Corporate Priorities – for example, wellbeing goals, improvement objectives and service priorities; and
 - d less than a fifth capture positive and negative experiences from people who receive Direct Payments and know what it is like to receive them.
- 3.10 These weaknesses mean that it is not possible to fully evaluate and understand the performance or effectiveness of individual local authorities, or the efficiency and impact of Direct Payments. This makes it difficult to judge how well local authorities are performing and whether Direct Payments represent value for money in their own right or in comparison with other forms of social care.



Appendices

- 1 Audit methods and approach**
- 2 Determining eligibility for social care and support**
- 3 Adults receiving social care services organised by local authority in 2018-19**
- 4 Personal Assistant hourly pay rates by local authority**

1 Audit methods and approach

Approach

We focused on local authorities' management and delivery of Direct Payments. The work follows on from our September 2019 report on [The 'Front Door' to Adult Social Care](#), which focussed on the impact of the Social Services and Well-being (Wales) Act 2014 and the prioritisation of preventative services to help reduce demand for social care services.

Our review assessed how Direct Payments are helping people to live independently and enable them to have more voice, choice and control. We looked at how Direct Payments help sustain their wellbeing and whether they are improving people's quality of life. We looked at how local authorities manage and encourage take up of Direct Payments and judge whether these services present value for money.

We established a study reference group and held project meetings with Care Inspectorate Wales, Carers Wales, the Older People's Commissioner, Age Cymru, the Welsh Government, and a small number of service users. The reference group helped to shape the focus of this review and provided challenge at our evidence review stage.

We managed delivery of the review to take account of the challenges facing social services in Wales in dealing with the pandemic. We ensured the scope and coverage of our fieldwork did not detract from local authority responsibilities towards service users and flexed our approach in discussion with individual local authorities when agreeing and delivering fieldwork.

Methods

We completed our work between September 2020 and February 2022 and used a range of methods to inform our overall findings, conclusions and recommendations:

- **document review** – we reviewed Welsh Government, Association of Directors of Social Services Cymru and Social Care Wales documentation, guidance and announcements; local authority policy documentation and cabinet and committee papers; a range of materials on approaches for management of Direct Payments in England; and reports and information published by research bodies including the Joseph Rowntree Foundation, the Kings Fund and Think Local Act Personal.
- **focus groups** – we held:
 - three on-line focus groups with members of the All-Wales Direct Payments Forum made up of officers from each of the 22 Welsh local authorities with management responsibility for Direct Payments. In

each of the focus groups, attendees completed a survey and we held facilitated discussions.

- Carers Wales focus groups with Direct Payments service users and their carers.
- **local authority interviews** – we interviewed staff from Bridgend, Caerphilly, Cardiff, Flintshire, Gwynedd, Newport, Powys, Torfaen and Wrexham councils with responsibility for direct payments.
- **interviews with national bodies** – ADSS Cymru, the Welsh Local Government Association, British Association of Social Workers Cymru, Social Care Wales, Disability Wales, UK Home Care Association, Care Forum Wales, Wales Co-op Centre, the Equalities and Human Rights Commission Cymru, Wales School of Social Care Research, the Welsh Government, British Deaf Association and Think Local Act Personal.
- **surveys** – we undertook two surveys:
 - a commissioned telephone survey of service users and carers receiving Direct Payments. A total of 1,028 people from a database of 4,650 valid contacts were surveyed, with 71% completed via telephone and the remainder submitting online survey forms. Of this figure 5% surveyed are carers. All contacts were provided by local authorities using secure data transfer. The survey was conducted between 4 August and 24 September 2021, with 5% of responses completed in Welsh. Given our survey covers both service users and carers who receive Direct Payments, we report information at three levels. Where we say Direct Payment recipients, we mean both service users and carers; and where we specifically reference either 'service users' or 'carers' means the findings of the survey are specific to these distinct groups of people; and
 - a survey of individuals and agencies paid via Direct Payments to provide care and support to adults in need. The online open survey was completed between 11 June 2021 and 18 August 2021. We received a total of 166 responses, and these came from all 22 local authority areas, with 3% of responses completed in Welsh.
- **data analysis** – we analysed data published by StatsWales on Direct Payments expenditure, the number of adults receiving services and their needs. We also analysed data published by NHS Digital Services in England.

2 Determining eligibility for social care and support



Widely known as **the Information, Advice and Assistance service**, this is the front door to adult social care and is the first point of contact for most individuals looking for help.

At the first point of contact, individuals will be offered information, advice and assistance to help them make informed decisions about their wellbeing.



in more detail.

From here, local authorities will often signpost individuals to preventative or community-based services. If a person's needs cannot be met in that way, they will be directed to a professional social worker to discuss their needs



Often referred to as the 'What Matters conversation', the assessment of needs undertaken with a social worker is a targeted conversation to gather more information about a person's strengths and needs, to identify the best solutions for them.

If a person's needs cannot be met without local authority support, a care and support plan is co-produced to set out how those needs will be met through the provision of services.



This is often referred to as having 'eligible needs'.

These services can be arranged directly by the local authority or, alternatively, funded through Direct Payments – a monetary amount that can be used to purchase and arrange a person's own care and support.

3 Adults receiving social care services organised by local authority in 2018-19

Exhibit 8: adults receiving social care services organised by local authority in 2018-19

	Total number of	Number of adults	Direct Payments
Local authority	adults receiving social services	in receipt of Direct Payments	as % of adults receiving services
Blaenau Gwent	3,826	149	3.9%
Bridgend	7,059	232	3.3%
Caerphilly	No data submitted due to technical issues with ICT systems		
Cardiff	15,331	787	5.1%
Carmarthenshire	7,658	538	7.0%
Ceredigion	2,595	336	12.9%
Conwy	7,060	239	3.4%
Denbighshire	2,872	177	6.2%
Flintshire	8,041	437	5.4%
Gwynedd	8,774	137	1.6%
Isle of Anglesey	3,382	139	4.1%
Merthyr Tydfil	2,696	102	3.8%
Monmouthshire	4,449	131	2.9%
Neath Port Talbot	3,371	433	12.8%
Newport	4,462	94	2.1%
Pembrokeshire	4,398	331	7.5%
Powys	5,827	504	8.6%
Rhondda Cynon	Taf	306	4.3%
Swansea	8,932	517	5.8%
Torfaen	3,241	130	4.0%
Vale of Glamorgan	5,533	271	4.9%
Wrexham	8,814	272	3.1%
Source: StatsWales,	CARE0118: Adults receiving services by local authority and age group		
Wales	125,415	6,262	5.0%

Following the Welsh Government's decision to suspend data collection in response to the pandemic in 2020, no data on services other than expenditure has been reported nationally since 2018-19.

4 Personal Assistant hourly pay rates by local authority

The rates in the Vale of Glamorgan, Torfaen and Blaenau Gwent local authorities vary to take account of weekend, evening and unsocial hours working.

Exhibit 9: personal assistant hourly pay rates by local authority

Local authority	Personal Assistants rate (per hour)
Merthyr	£12.94
Wrexham	£12.67
Swansea	£12.66
Flintshire	£12.63
Gwynedd	£12.62
Pembrokeshire	£12.40
Denbighshire	£12.33
Carmarthenshire	£12.20
Vale of Glamorgan	£11.24 - £12.18
Rhondda Cynon Taf	£12.15
Bridgend	£12.00
Torfaen	£8.72 - £11.85
Conwy	£11.75
Ynys Môn	£11.65
Powys	£11.41
Cardiff	£11.36
Monmouthshire	£11.04
Ceredigion	£11.00
Neath Port Talbot	£10.50
Blaenau Gwent	£8.72 - £10.00
Newport	£9.50

Caerphilly	£9.47
Source: Swansea Council, Corporate Management Team report, January 2021	



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Prif Weithredwr GIG Cymru
Grŵp Iechyd a Gwasanaethau Cymdeithasol**

**Director General Health and Social Services/
NHS Wales Chief Executive
Health and Social Services Group**



**Llywodraeth Cymru
Welsh Government**

Mr Adrian Crompton
Auditor General for Wales
Audit Wales
24 Cathedral Road
Cardiff
CF11 9LJ

Our Ref: JP/DC

27 April 2022

Dear Mr Crompton

**Welsh Government Response to the Report of the Auditor General for
Wales “*Direct
Payments for Adult Social Care*”**

I am writing on behalf of the Welsh Government to thank you for your recent report “*Direct Payments for Adult Social Care*”¹⁶. I would also like to thank you and your team again for the engagement you have undertaken throughout the period of this work.

The Welsh Government welcomes the findings of the Report of the Auditor General for Wales and offer the following response to the four recommendations contained within it.

¹⁶ <https://www.audit.wales/sites/default/files/2022-04/Direct-payments-Eng.pdf>

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Recommendation 7 - *To ensure services are provided equitably and fairly we recommend that local authorities and the Welsh Government:*

Clarify policy expectations in plain accessible language and set out:

- *what Direct Payments can pay for;*
- *how application and assessment processes, timescales and review processes work;*
- *how monitoring individual payments and the paperwork required to verify payments will work;*
- *how unused monies are to be treated and whether they can be banked; and*
- *how to administer and manage pooled budgets.*

Public information should be reviewed regularly (at least every two years) to ensure they are working effectively and remain relevant.

Accept – The Welsh Government accepts this recommendation and will work with local authorities to improve clarity and understanding.

Through the Part 4 Code of Practice (Meeting Needs), we have set out a clear statutory framework of rights and responsibilities to enable people to receive and manage their direct payments.

Direct payments can be provided to meet any assessed, eligible need for care and support a local authority is required to meet. Direct payments must be made available in all cases where they enable personal outcomes to be achieved.

It is important to emphasise that a local authority must be satisfied that the person's requirements and their personal outcomes can and will be met through this provision. That is because as with any other arrangements to meet assessed, eligible needs the local authority are still required to meet with people to formally review people are achieving the outcomes they have identified as personal to them.

Through the Code of Practice, we provided clear protections specifying that local authorities must ensure the value of a direct payment made is equivalent to its estimate of the reasonable cost of securing the care and support required. The

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value must be sufficient to enable the people to secure the care and support required to a standard the local authority considers reasonable.

The Code reinforces that a person's needs can fluctuate and that arrangements for payment and repayment, where relevant, reflect those needs and the importance of ensuring all parties have a clear understanding of how this will be managed.

Direct payments specifically support people to establish arrangements that are bespoke to them. Direct payments by their very nature promote and enable variation in how outcomes can be achieved and the resources required to achieve those outcomes. Direct payments empower person-centred and person-directed care and support which recognises that different people have different needs and require different levels of care and support as do those receiving care and support commissioned or managed by their local authority

Exhibit 1 of the Auditor General's Report provides a very useful illustration of the characteristics of a local authority that effectively encourages, manages and supports people to use direct payments. The Report also includes a number of recommendations for local authorities to improve the provision of the information to people as well as through the workforce. Taken together, we intend to explore how we can collectively reinforce rights and entitlements to improve the consistency of approach and offer around direct payments that ensures equity without diluting individual voice and control.

Recommendation 8 - Ensure that people who receive both NHS continuing healthcare and Direct Payments have greater voice, choice and control in decision making.

Accept – The Welsh Government accepts this recommendation. We have committed through our Programme for Government to improve the interface between Continuing NHS Healthcare (CHC) and direct payments.

We continue to work with stakeholders, including disabled people and people with lived experience, to co-produce additional guidance to support voice and control for people receiving CHC.

To support and enable improved experiences and outcomes, we have published the revised

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*Continuing NHS Healthcare (CHC) Framework 2021*¹⁷ together with a revised *Decision Support Tool (DST) 2021*³, which supports CHC assessment. These became operational from 1 April 2022 and include interim measures to improve the interface between CHC and direct payments through the use of Independent User Trusts (IUTs) and adopting existing personnel previously employed via direct payments are examples of interim options, other options may well also be considered.

Alongside this we have committed to develop additional guidance to support such interim measures, to publish a public information booklet and to work with stakeholders to review the performance framework for CHC. For the longer-term, we are exploring potential legislative options with stakeholders that could enable direct payments under CHC.

Recommendations 9 and 10 - *To effectively manage performance and be able to judge the impact and value for money of Direct Payments, we recommend that local authorities and the Welsh Government:*

R9 - Work together to establish a system to fully evaluate Direct Payments that captures all elements of the process – information, promotion, assessing, managing and evaluating impact on wellbeing and independence.

R10 - Annually publish performance information for all elements of Direct Payments to enable a whole system view of delivery and impact to support improvement

Accept. The Welsh Government accepts this Recommendation.

The use and impact of direct payments form part of the formal impact evaluation we have commissioned of the Social Services and Well-being (Wales) Act 2014¹⁸.

¹⁷ <https://gov.wales/national-framework-continuing-nhs-healthcare>

<https://llyw.cymru/fframwaith-cenedlaethol-ar-gyfer-gofal-iechyd-parhaus-y-gig> ³

<https://gov.wales/continuing-nhs-healthcare-decision-support-tool-dst-practitioners>

<https://llyw.cymru/gofal-iechyd-parhaus-y-gig-adnodd-cymorth-penderfynu-acp-ddefnydd-ymarferwyr>

¹⁸ <https://gov.wales/evaluation-social-services-and-well-being-wales-act-2014>

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The findings from the “*Expectations and Experiences, Service User and Carer Perspectives on the Social Services and Well-being (Wales) Act 2014*” report published in March 2022¹⁹ stated that:-

“there were a range of contrasting, and somewhat contradictory views expressed, providing little consensus on the role and impact of Direct Payments”.

The final report from the Evaluation is due in the Autumn of 2022 and will include further evaluation and recommendations in relation to direct payments.

Welsh Government is conscious of the opportunities to improve data about direct payments, but also data relating to adult social services. We will continue to lead and direct work with our partners across social care and health including Local Government, Social Care Wales and Digital Health and Care Wales to develop and use a range of evidence to enable and inform improvements and outcomes.

The Performance and Improvement Framework activity and performance data is a new data collection, with the first output published in December 2021²⁰. This data includes items for the number of people receiving direct payments and the number and timeliness of reviews for those on direct payments. This data will be collected annually and can be broken down by local authority area.

The evidence from the Auditor General’s work will inform the development of our up-coming Adult Receiving Care and Support Census which will sit alongside the similar Census about children already in place. This will provide detailed data on the individuals known to local authority social services, including the services they are providing and if the individual is in receipt of direct payments. The first output from this annual collection is expected to be published in 2024/25.

Alongside this, the National Outcomes Framework shows the range of population indicators for those receiving care and support from local authorities.

¹⁹ <https://gov.wales/sites/default/files/statistics-and-research/2022-03/expectations-and-experiences-serviceuser-and-carer-perspectives-on-the-social-services-and-well-being-wales-act.pdf>

²⁰ <https://stats.wales.gov.wales/Catalogue/Health-and-Social-Care/Social-Services/social-services-performance-and-improvement-framework>

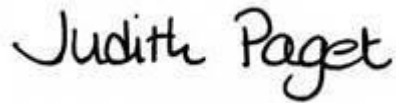
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As the data for adult social care develops, we intend to refine and improve the reporting for the National Outcomes Framework, with the intention of providing more detailed and granular outputs.

I hope that you find this helpful and look forward to continuing to work with you and your teams.

Copies of this letter have been sent to the Chair of the Senedd Public Affairs and Public Administration Committee, the President of the Association of Directors of Social Services Cymru, the Chair of the All-Wales Direct Payments Forum and the Cabinet mailbox.

Yours sincerely

A handwritten signature in black ink that reads "Judith Paget". The script is cursive and fluid, with the first letters of each name being capitalized and prominent.

Judith Paget CBE
