

**Glasgow City
 Integration Joint Board
 Finance, Audit and Scrutiny Committee**

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**DIRECT PAYMENTS (SELF DIRECTED SUPPORT OPTION 1)
 – THE INTRODUCTION OF PRE-PAID CARDS**

Purpose of Report:

To update the IJB Finance, Audit and Scrutiny Committee on the progress of introducing pre-paid cards for Direct Payments

Background/Engagement:

- Service Users have had a legal right to request a cash payment (Direct Payment) to meet their assessed need. This right was enhanced and incorporated within the Social Care (Self Directed Support) (Scotland) Act 2013, and is also referred to as SDS (Option 1).
- Glasgow provides 470 Direct Payments to Service Users, with an annual commitment of £8,400,000.
- In recent years prepaid cards have emerged as improved alternative to the current paper based system of managing Direct Payment spend.
- CGI are now in the final stages of concluding procurement requirements with Allpay as the provider of pre-paid cards for Glasgow. The proposed implementation date is May 2019.

Recommendations:	The IJB Finance, Audit and Scrutiny Committee is asked to: a) note the update on the implementation of pre-paid cards to support Direct Payments (SDS Option 1).
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Relevance to Integration Joint Board Strategic Plan:

The implementation of prepaid cards for Direct Payments meets the following key priorities as set out in the Integration Joint Board Strategic Plan:

- Delivers on transformational change
- Supports greater self-determination and choice

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome:	Outcome 3 People who use health and social care services have positive experiences and their dignity is maintained Outcome 9 Resources are used effectively and efficiently in the provision of health and social care services
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Personnel:	Not Applicable
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Carers:	The implementation of prepaid cards will reduce bureaucracy for those Carers who manage, or support service users to manage, a Direct Payment
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Provider Organisations:	GCHSCP has worked in Partnership with Glasgow Centre for Inclusive Living (GCIL) to implement pre-paid cards for Direct Payments
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Equalities:	Not applicable
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Fairer Scotland Compliance:	Not applicable
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Financial:	<ul style="list-style-type: none"> • Costs for the prepaid card contract have been estimated at £35,000 for start-up. Annual fees will be volume driven, and are not anticipated to exceed £25,000. • Provision has been made within current budgets to meet these costs.
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Legal:	Not applicable
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Economic Impact:	Not applicable
Sustainability:	Not applicable
Sustainable Procurement and Article 19:	Not applicable
Risk Implications:	Not applicable
Implications for Glasgow City Council:	To make pre-paid card the chosen method for payment and management of Direct Payments (SDS Option 1)
Implications for NHS Greater Glasgow & Clyde:	Not applicable

1. Purpose

- 1.1 To update the IJB Finance, Audit and Scrutiny Committee on the progress of introducing pre-paid cards for Direct Payments.

2. Background

- 2.1 Service Users have had a legal right to request a cash payment (Direct Payment) to meet their assessed need. This right was enhanced and incorporated within the Social Care (Self Directed Support) (Scotland) Act 2013, and is also referred to as SDS (Option 1).
- 2.2 Glasgow provides 470 Direct Payments to Service Users, with an annual commitment of £8,400,000.
- 2.3 Following an audit of Direct Payment monitoring, the recommendation for an alternative to the current paper based monitoring for Direct Payments has featured in the Council Audit Plan since 2014.
- 2.4 In early 2017, Access issued an open tender, seeking bids from suppliers of pre-paid cards for Direct Payments. 2 bids were received, and following the evaluation process, Allpay were announced as the preferred supplier. Access were unable to proceed to contract award prior to transfer of business to CGI.
- 2.5 In December 2018 CGI reopened discussions with Allpay, and are now in the final stages of concluding procurement requirements. The proposed implementation date is May 2019.

3. Benefits of Pre-Paid Cards

3.1 Pre-paid cards are used by over 100 Local Authorities nationally, for many purposes – direct payments, corporate appointeeships, care leavers, instant access etc. Pre-paid cards now have the look and function of a bank debit card – they can be used in shops, online, and telephone banking. Some of the benefits are as follows:

- i) Service Users or carers will no longer require a personal bank account to have a Direct Payment. This promotes financial inclusion, and may increase Direct Payment numbers.
- ii) The bureaucracy required for service users or carers to manage a Direct Payment is greatly reduced - recipients are no longer required to complete paper monitoring returns. Monitoring is managed through a digital portal.
- iii) Finance staff are alerted to Direct Payment issues earlier, through Allpay's reporting function. This includes no activity, low balances, high balances, and withdrawal patterns.
- iv) Quicker return of uncommitted Direct Payment balances. This reduces fraud and financial abuse, and permits funds to be redirected to meet non-recurring need within the Direct Payment budget.
- v) Ability to restrict the use of cash – where the majority of fraudulent use of Direct Payments occur.
- vi) Ability to share current Direct Payment spending information with Care Managers at the time of review.

3.2 Customer and Business Services (CBS) work in partnership with GCHSCP in managing the Direct Payment Service. This includes new starts, contracts, payments, suspensions, terminations and monitoring. There are currently 4.4 full time equivalent (FTE) staff undertaking these tasks in CBS, with one FTE responsible for monitoring returns. CBS have worked closely with GCHSCP on the Allpay pre-paid card development, and will consider the resources required to support pre-paid cards as part of their efficiency programme.

4. Glasgow Centre for Inclusive Living (GCIL)

4.1 Glasgow Centre for Inclusive Living are a user led organisation for independent living, previously funded through the Payments to Voluntary Organisation budget. In 2003, GCIL were awarded a negotiated contract as the Support Organisation for Direct Payments, achieving cost reductions by building the new service on the existing infrastructure within the organisation. Their current budget is £479,800.

4.2 GCIL currently undertake the role of promoting Direct Payments, and providing information, advice and support to Direct Payment recipients to manage their funding. This includes the completion of monitoring forms, and a providing a managed banking service for those service users who chose it.

4.3 The introduction of prepaid cards will have a significant impact on GCIL, and the functions that they undertake on our behalf. We have therefore worked closely with GCIL revising their role in the implementation of prepaid cards. Once the Allpay contract is finalised, new responsibilities include:

- i) Providing information sessions with service users and carers in partnership with Allpay
- ii) Use of internet facilities for service users at Brook St
- iii) Ongoing outreach support to service users and carers in using the prepaid card functionality
- iv) Completion of “Know Your Customer” requirements on our behalf for nominated secondary card holders (family, friends, personal assistants).
- v) Operating their managed accounts service through the Allpay portal

5. Proposed Changes to Current Direct Payment Scheme

5.1 Service users and carers will no longer be required to complete paper based quarterly monitoring returns. Spending can be monitored by the Partnership via the portal. HMRC requirements are unaffected.

5.2 Service Users and carers will be permitted to manage Independent Living Funds (ILF) within the Allpay Direct Payment account if they wish. This will increase transparency of spend within the overall care package, and reduce bureaucracy for service users or carers who are managing joint care plans. This also reflects the recent practice of shared risk between GCHSCP and ILF Scotland in the event of fraud.

5.3 The ability to restrict the use of cash. This is consistent with other Direct Payment schemes within Scotland to minimise the risk of financial abuse and fraud.

5.4 Once implemented, the prepaid card will be the only option for the provision of Direct Payments.

6. Finance

6.1 Costs for the prepaid card contract have been estimated at £35,000 for start-up. Annual fees will be volume driven, and are not anticipated to exceed £25,000.

6.2 Provision has been made within current budgets to meet these costs.

7. Next Steps

7.1 CGI anticipate the contract with Allpay to be finalised by February 2019

7.2 Subject to satisfactory conclusion of the contract, the proposed implementation date is May 2019, with all service users transitioned over by October 2019.

- 7.3 GCHSCP will work in partnership with CBS regarding the transition from current personal bank accounts to pre-paid cards. This will include a final monitoring return from the Direct Payment recipient to facilitate the transfer of remaining balances.
- 7.4 GCIL will work with GCHSCP and Allpay with regard to service user and carer communication and training prior to implementation. This will include written communication, information sessions, and one to one support where required. Information and guidance will also be made available on existing websites.

8. Recommendations

- 8.1 The IJB Finance, Audit and Scrutiny Committee is asked to:
 - a) note the update on the implementation of pre-paid cards to support Direct Payments (SDS Option 1).