

**MINUTES OF A MEETING OF THE  
INDIVIDUALS OVERVIEW & SCRUTINY COMMITTEE  
Town Hall, Main Road, Romford  
27 March 2014 (7.00 - 8.40 pm)**

**Present:**

Councillors Wendy Brice-Thompson (Chairman), June Alexander (Vice-Chair), Jeffrey Brace, Pam Light, Linda Van den Hende, Pat Murray (In place of Denis O'Flynn) and Melvin Wallace (In place of Keith Wells)

Apologies for absence were received from Councillor Keith Wells and Councillor Denis O'Flynn

**29 MINUTES**

The minutes of the meeting of the Committee held on 19 February 2014 was agreed and signed by the Chairman.

**30 ACTIVE LIVING UPDATE**

The Committee received a presentation on Active Living in Havering from the Corporate Policy and Community Manager.

The Committee was informed that following research that was carried out on issues that affected older people in the over 65s bracket, Activate Havering was formed to provide an avenue for older people in the borough, to meet social needs, with funding provided by Havering Strategic Partnership. In March 2013, the group was rebranded Active Living.

The Committee noted that the goal of Active Living was to help older people stay healthier for longer by enabling local people to meet their social needs in the community.

The Corporate Policy and Community Manager detailed the following aims of Active Living:

- Reducing isolation and social exclusion through social networks
- Supporting people to remain active and independent
- Enabling people to make a contribution to their community

The Committee was informed that Active Living would work with, and build on, the vibrant voluntary sector and community activity that already existed in Havering. This involved joining the faith sector in building resilience group

and piloting new services with voluntary sector, such as social membership clubs.

It was stated that Active Living had the following four main strands:

1. Social – supporting Havering Circle to fill the gap since the closure of London Circle. Havering Circle would look to develop activities that suited local people.
2. Active - encouraging older people to take healthy walk around the borough. Taking advantage of the free swimming offered by SLM.
3. Giving back – encouraging older people to consider volunteering. Older people had in the past supported the Local Havering clean up initiative.
4. Supported - be-friending scheme organised by MIND and other initiatives such as cold weather befriend who helped with fuel bills during winter.

The Committee noted Active Living was looking ahead in the following directions:

- Another phase of the over 65s consultation project
- CAB; Benefits take up campaign
- Review befriending services
- Evaluating the four strands
- New community led solutions

The Committee noted the presentation.

## **31 FINANCIAL DEBTS**

The Committee received an update on how outstanding Adult Social Care debts were dealt with from the Head of Adult Social Care & Commissioning.

The report informed the Committee that the data covered debt recovery activity for the period 1 April 2012 to 31 December 2013.

The Committee were reassured of the following key points:

- That debt recovery procedures were now more robust and efficient
- That the total number of debtors and invoices outstanding continued to decrease
- That the amount of repayment plans and income from repayment plans in increasing every quarter
- The amount of older debt is falling every quarter

The Head of Adult Social Care & Commissioning informed the Committee that Adult Social Care was responsible for the assessment adults and older people over the age of 18 who had disabilities or become frail and who had

social care needs. The current procedure determined that once it had been agreed that an individual was eligible for care and support from the Council, the Council undertook an assessment to see how much the individual had to pay for their care.

The following was detailed in the report:

- That between 45 and 60 new financial assessments were carried out per week as well as a further 30 to 50 financial reassessments to reflect changes in an individual's financial circumstances while care is on-going.
- That in April 2009 total debt in this area was in excess of £6.5m with a bad debt provision over £2m and less than £500,000 of the outstanding debt was secured. The debt recovery procedures at that time were very much reactive with only system generated reminder letters issued when the debt reached £5,000.
- That Adult Social Care recognised that this process of recovery action was flawed, with an unacceptable high level of debt, in particular unsecured debt.
- Therefore, since 2010/11 a much more pro-active approach to debt recovery was implemented through ensuring potential arrears situations are identified as early as possible in order for direct action at that stage.
- The current procedure entailed that the service started debt recovery action once an individual had two outstanding invoices. If no reasonable explanation or contact was received from the debtor within a 50 day period from the arrears being identified, the debt was referred for Legal action.

The Committee noted that an individual may have legitimate reasons for non-payment of their first two invoices (e.g. waiting for a Court of Protection application to be finalised, ill health, etc.), the initial debt recovery letter was regarded as an intervention approach rather than a straight up demand for payment.

The service would also offer assistance in financial advice as well as signposting to organisations that may be able to assist individuals who were having difficulties.

The report informed the Committee that changes in approach to debt recovery had resulted in total debt falling and the number of debtors decreasing as well as an increase in the number of repayment plans. As a result, a reduction in the amount of long term debtors and individuals with large unsecured debts was also recorded

The Committee noted that the introduction of a new Placement contract in early 2012 passed the responsibility for the collection of client contributions to care homes. The only circumstances under which a gross contract would be used are where individuals own property and therefore needed to enter into Deferred Payment Agreements or a situation where the customer does not have capacity to manage their finances and these were managed by a third party. This had resulted in a larger amount of fees that were deferred, and therefore cannot be collected while care was on-going, and also more short term debtors pending Court of Protection action.

The report detailed that Deferred Payment cases had increased in the last 20 months but they were considered to be secured debt.

Any individual who had property at the point of moving into a care home, must enter the Council's Deferred Payment scheme, which enabled the Council to secure any debt through placing a charge on the individual's property. The Care Bill that was anticipated to become law shortly stated that all LA's should implement an obligatory approach to Deferred Payments by 2015 – however the Committee was aware that this was already in place in Havering.

The Committee was reassured that bad debt had remained consistent because of the more pro-active approach to debt recovery not allowing so many long term or larger debts to accrue. This was attributed to the changes in procedure that had lowered bad debt despite the increase in total debt.

The Committee was informed that the Corporate Debt Management Board target around in-year collection rates, based on sums either collected or secured within the financial year, had been met for the last three financial years and Adult Social Care was on target to meet this year's target of 92%.

During general debate, members of the Committee made the following comments:

- They were disappointed at the level of debt in general
- Noted that intervention was triggered at two outstanding invoices but wanted officers to review current procedures and shortening of the process
- Noted the uptake of direct debit payment but suggested further encouragement of this method of payment
- Noted that improvement was being made steadily.

That Committee noted the report and the continued work in recovering debt owed to the Council.

## 32      **PERSONAL BUDGETS**

Following the meeting of 10 December 2013, the Committee received a further presentation on Personal Budgets from the Head of Adult Social Care & Commissioning.

The Committee was informed that the Personalisation agenda set out that there would be choice and control of the support received in all care setting.

The Head of Service explained that Self-Directed Support was available across all services and was embedded in the assessment of needs process. It was detailed that personal budgets could be used for different types of support, dependent on the individuals need. These included:

- Help with personal care
- Domestic help
- Social Inclusion
- Employment opportunities
- Equipment
- Short-term residential care (respite care)

The Committee was informed how personal budgets operated. An assessment would be carried out from which a support plan was developed and agreed. The allocation of resources would be agreed depending on the level of support needed and the personal budget deployed. There were three options for personal budget, these were:

- Direct Payment – cash payment made to eligible persons so they can purchase their own care and support
- Individual Service Fund – a virtual account that enables the eligible person to receive a service without a cash payment. A care agency provides a personalised service, as defined and agreed by the person needing support. The provider invoices the council and gets paid.
- Virtual Managed Account – a service without a cash payment but utilised to support social inclusion.

The Committee was taken through various slides that detailed the trends in personal budget allocation. The presentation detailed a 15.20% up take on direct payment in comparison to 2012 which was at 10.70%

The Committee was informed that the service had a target to increase direct payment.

The Committee was informed that the definition of denominator included certain items which were not available as a personal budget – such as small items of equipment and assistive technology. This has meant it had been difficult for the Service to achieve high performance for personal budgets

and direct payments. The Committee was informed that this was changing next year to exclude these one-off items.

The Committee noted the low uptake of direct payment since its inception. Members suggested that the service should make more of an effort to encourage service users consider using the direct payment method of payment.

The Chairman stated that the report was encouraging but more needed to be done to get people on to direct payment.

### **33 FUTURE AGENDAS**

The Committee decided that an update on Dial A Ride be included on its work programme for a future meeting.

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**Chairman**