

## APPENDIX 1

### **Response to Consultation on Funding Local Authorities to support former Independent Living Fund recipients: The Former ILF Recipient Grant**

#### **Policy Context**

1. The Independent Living Fund (ILF) was established in 1988 to enable disabled people to continue to live in the community rather than in residential care. It was managed by the ILF Trust, set up by the Department for Work and Pensions. The Care Act 2014 ensures that the key features of ILF support, namely personalisation, choice and control, are now part of the mainstream adult social care system. On 30 June 2015 the ILF was closed, creating a single care system, managed by Local Government.
2. In announcing the decision to close the ILF funding for 2015/16, in respect of former ILF users, was distributed based on ILF forecast expenditure at the point of closure.

#### **Background**

3. On 10 February 2016 the Department for Communities and Local Government issued a consultation paper on funding for local authorities to support former ILF recipients. Specifically the consultation focuses on the method of distribution of funding and the equalities assessment underlying this.
4. At the time of the ILF closure agreed support packages for English ILF users amounted to £186.2 million. After deducting 25 percent to cover payments in the first quarter of 2015/16 a grant of £139.7m was issued to local authorities in England. Gateshead was issued with a grant of £337,340.
5. With the ILF now closed the government are not able to make an assessment of the actual remaining commitments to former ILF clients. It is proposed the now-closed ILF Trust's financial model is used. This uses expenditure trends over several years to estimate the funding required to enable Local Authorities to continue to fully fund care packages for former ILF users. This includes use of an annual reduction rate (attrition) of 5% and annual suspense of £1.13 million (temporary stops to packages arising from hospital stays).
6. Due to the geographical variation in take up of ILF funding it is proposed that the distribution of future funding remains in line with expenditure patterns at the time of the ILFs closure.

7. Under the proposal the funding Gateshead will receive is shown in the table below, which represents an annual reduction of around 3% after the application of the attrition rate above and protection for inflation:

2016/17	2017/18	2018/19	2019/20
£427,121	£413,056	£400,012	£387,862

### Consultation

8. The Cabinet Members for Adult Social Care have been consulted on the response.

### Alternative Options

9. An alternative option would be not to respond to the consultation and therefore not influence the way in which the former ILF recipient grant is distributed

### Implications of Recommended Option

#### 10. Resources:

- a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that the financial implications of the outcome of the consultation are outlined in this report
- b) **Human Resource Implications** – there are no direct HR implications arising from this report
- c) **Property Implications**- there are no property implications arising from this report.

11. **Risk Management Implications** – There is a risk that the Council is under resourced to meet the ongoing commitments arising from meeting the needs of former ILF users.

12. **Equality and Diversity Implications** – There are no equality and diversity implications arising directly from this proposal.

13. **Crime and Disorder Implications** – There are no Crime and Disorder implications arising directly from this proposal.

14. **Health Implications** – There are no health implications for the Council arising directly from this proposal

15. **Sustainability Implications** – There are no sustainability implications arising directly from this proposal.

16. **Human Rights Implications** – There are no Human Rights implications arising directly from this proposal.

17. **Area and Ward Implications** – There are no specific Area or Ward implications.