

CHESHIRE EAST COUNCIL

Adult Social Care Scrutiny Committee

Date of Meeting: 15 March 2012
Report of: Lorraine Butcher (Strategic Director of Children, Families & Adults)
Subject/Title: The Empower card: report on status and progress

1.0 Report Summary

- 1.1 This report provides a high level briefing and update on the Council's prepaid social care card product (known as the Empower card). Cheshire East Council is at the forefront of developing better ways to deliver social care to its customers, and received a national 'Personalisation & Choice Achievement of the Year' award from the MJ journal in 2011. As at March 2012, there are just over 2,000 Empower cards in existence (not all are active) holding approximately £2.5 million in prepaid social care funding (including client contributions).
- 1.2 Such a rapid increase in the take up of such a new and innovative process has created a number of issues, with both the product itself and associated processes, and therefore the Council approved a three-month 'pause' in the rollout of the Empower card in November 2011 as part of a post-implementation review. During this time, no new customers have been given an Empower card.
- 1.3 A strategic Empower Steering Group has been created to oversee the 'pause' and identify and authorise appropriate modifications to the use of the card. This group has met on a weekly basis. In addition, a Task Team has been created under the Head of Local Delivery & Independent Living.
- 1.4 That post-implementation review is now under-way, and we have collated and analysed issues from a variety of sources, including service users, carers, care agencies, third sector support organisations, Council Members and internal departments.
- 1.5 Initial analysis suggests that a prepaid card is a sound concept, but that the rapid increase in take-up of CEC's Empower card has identified and, in some cases, exacerbated issues relating to the overall implementation process and the embedding of new ways of working within existing infrastructure and established mechanisms. These issues do not originate from any single source, and many pre-date Empower.
- 1.6 Feedback on Empower from the surveys recently conducted of customers, staff, providers and third sector organisations is positive in the main, with a majority very supportive of both the product and concept in principle and keen to see it continued and recognised process issues addressed.

- 1.7 Task teams are now in place within Direct Payments Audit, Client Finance and Individual Commissioning to undertake detailed reviews on all 3,000 or so Empower and Direct Payment accounts with Cheshire East Council. This work commenced in February 2012 and is being carefully managed. As the review commences, communication with our customers, carers, third sector organisations and care agencies is crucial and this is part of that process.
- 1.8 Internal administrative processes have been reviewed and improved within the Empower, Direct Payments and debt recovery teams, and interactions clarified between Client Finance and both care management and shared services, to ensure that these issues are minimised going forwards. Training for all relevant staff on the revised processes is planned for April 2012.
- 1.9 In addition, work is currently ongoing to identify whether any alternative products are now available in the current market place that better meet the needs of CEC and its customers or whether Empower in a modified form continues to be the most appropriate offer.
- 1.10 The 'pause' on new customers going onto the current Empower card product therefore remains in place and has been extended indefinitely pending completion of this review exercise.

2.0 Recommendations

- 2.1 That the Committee notes the progress of this review and the extension of the Empower 'pause' until all Empower card customer accounts have been audited and those customers given a care review.
- 2.2 That the Committee endorses the Council's continued exploration and evaluation of the current pre-paid card product against alternative options now available in the market.

3.0 Reasons for Recommendations

- 3.1 The Council puts the interests of individual customers at the centre of its social care processes, in accordance with its statutory responsibilities.
- 3.2 The Council needs to support the local provider market while this review is taking place and be mindful of maintaining a stable market within the borough.
- 3.3 It is important that the Empower card product is reviewed post implementation, all appropriate views gathered and alternative options identified and properly evaluated.
- 3.4 The extent of this review exercise is such that it has not been possible to complete it within the initial three-month period identified.

4.0 Wards and Local Ward Members Affected

- 4.1 All wards and local ward members are affected, as the Empower card is used Borough-wide.

5.0 Policy Implications

- 5.1 Direct Payments and the Empower card are central to the Council's response to the Government's Personalisation agenda for Adult Social Care.
- 5.2 In addition, the card is the Council's preferred and primary payment mechanism to community social care providers.

6.0 Financial Implications

- 6.1 The Adult Social Care budget is projecting a £4.175 million (4%) overspend as at 2011/12 Three Quarter Year Review (reported to Members in January 2012). The Council is projected to spend £16.8 million on Direct Payments (including Empower) in 2011/12.
- 6.2 Additional resources have been brought in to assist this review, at an initial estimated cost of around £45,000. Against that, £20,000 in funding from the North West Improvement & Efficiency Partnership (NWEIP) and £20,000 from the Adult Social Care Efficiency Programme has been secured (pending appropriate monitoring arrangements).

7.0 Legal Implications

- 7.1 The Borough Solicitor is represented on the Empower Steering Group. In addition, legal advice has been obtained on the proposed changes to the Direct Payments Agreement and revised Direct Payments procedures.

8.0 Risk Management

- 8.1 The Council is managing a number of potential risks through this process. These include:
 - Potential loss of Council funds
 - Customer safeguarding through inappropriate card use
 - Card system failure
 - Legal challenges on the operation of the card.

9.0 Background and Options

- 9.1 The Empower card was introduced by the Council in early 2010 as an innovative way of delivering greater choice and control to customers in receipt of social care funding through the use of a prepaid VISA debit card.
- 9.2 Cheshire East Council is at the forefront of developing better ways to deliver social care to its customers, and received a national 'Personalisation & Choice Achievement of the Year' award from the MJ journal in 2011. Subsequent roll-out of the Empower card has been rapid, and by March 2012, there are just over 2,000 Empower cards in existence, holding approximately £2.5 million in prepaid social care funding (including client contributions).

- 9.3 This rapid increase in such a new and innovative process has created a number of issues, with both the product itself and associated processes, and therefore the Council approved a three-month 'pause' in the continued rollout of the Empower card in November 2011 as part of a post-implementation review. During this time, no new customers have been given an Empower card; instead, they have received either a 'traditional' Direct Payment (into their own specifically-designated bank account) or a Council-commissioned service.
- 9.4 An Empower Steering Group was created to oversee the 'pause', comprising the Strategic Director for Children, Families & Adults, the Director of Finance & Business Services and the Borough Solicitor (Monitoring Officer). This group has met on a weekly basis. In addition, a Task Team has been created under the Head of Local Delivery & Independent Living and co-ordinated by an interim Direct Payments Project Manager (seconded from the Borough Treasury).
- 9.5 That post-implementation review is now well under-way. We have collated and analysed issues from a variety of sources. Separate surveys of stakeholders – customers/card-holders, CEC staff, care providers and voluntary sector organisations – have been carried out by the Council's Consultation & Participation Unit, with results received just this week.
- 9.6 The messages received from these surveys have been largely positive and supportive of the Empower product:
- The customer survey received an encouraging 21% response rate, and of those that responded, around 65% said that it had been clearly explained to them, they had received sufficient information on it, it had met their expectations in terms of choice and control and they would recommend it to a friend.
 - Providers had a 23% response rate. Overall feedback was very positive; they all felt the concept of the Empower card was very good, and that when the process went well it was fast and efficient. However, they did highlight that when a problem arises, resolution can be very slow and complicated. The Support Team were commended on their hard work in circumstances which could be very testing for them.
 - Further analysis is required on the staff and third sector responses received so far.
- 9.7 Despite the overall support for both the card concept and Empower product from each of these stakeholder groups, all did acknowledge that further system refinements are necessary. In general, their perception is that when processes work (and this is most of the time), they work very well, but where there are issues these resolved too slowly and this can cause significant disruption (see paragraph 9.9 below).
- 9.8 We also instigated a detailed internal sample diagnostic exercise looking at 50 Empower card accounts selected at random. This analysis also suggests that the Empower card has some very positive features, but that the rapid increase in take-up has identified and, in some cases, exacerbated issues relating to the overall implementation process and the embedding of new ways of working within existing and established mechanisms.

- 9.9 These issues do not originate from any single source, but can be broadly categorised into the following areas:
- Customer issues (i.e. cardholders)
 - Provider (i.e. care agency) issues (including payments and cash flow)
 - Software system issues
 - Process issues (operational, reporting and monitoring, debt recovery, audit)
 - Staffing / supervision issues
 - Legal issues
 - Financial issues (fees, fund reversals, client contributions and debt)
- 9.10 Many of these issues were found to pre-date Empower, and are more endemic and embedded than the Empower product itself.
- 9.11 Task teams are now in place within Direct Payments Audit, Client Finance and Individual Commissioning to undertake detailed reviews on all 2,000 Empower accounts with Cheshire East Council. This work commenced in February 2012 and is being carefully managed, communicating the exercise as we progress with customers, carers, third sector organisations and care agencies.
- 9.12 Internal administrative processes have been reviewed and improved within the Empower, Direct Payments and debt recovery teams, and interactions clarified between Client Finance and both care management and shared services, to ensure that these issues are minimised going forwards. Training for all relevant staff on the revised processes is planned for April 2012.
- 9.13 In addition, work is ongoing to identify and review what other prepaid card, Direct Payment and social care client finance systems and products are now available in the current market place against our existing systems and processes. Technological advances in this area have been rapid, largely as a response to the Government's Personalisation agenda, and so the landscape has moved on somewhat since Empower implementation in 2010.
- 9.14 The 'pause' on new customers going onto the current Empower card product therefore remains in place and has been extended indefinitely pending completion of this review exercise.

10.0 Access to Information

- 10.1 For any further details or background information, please contact Lorraine Butcher, Strategic Director of Children, Families & Adults (01270 686021).

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