

# **Cost Benefit Analysis for Subordinate Legislation brought forward under Standing Order 29.2**

## **Introduction**

Direct Payments allow users of social care to purchase some or all of their own care with a grant provided by the local authority, following an assessment to determine their needs. The direct payment can be used for any purpose that contributes towards meeting those needs and is designed to give service users choice and control of their care provision.

Deciding to accept a Direct Payment does not become a permanent situation. If the 'patient' decides to have the local authority arrange their care, they can revert to the previous system.

Eighteen local authorities have offered Direct Payments to older people in their areas, but have been under no obligation to do so.

## **Objective**

The purpose of this subordinate legislation is to make local authorities' current option on providing Direct Payments a mandatory requirement, to even out provision for older people by ensuring they are all given equal opportunity to control their own lives to the greatest extent possible.

## **Current Situation**

18 out of the 22 local authorities have Direct Payment Schemes in place. Although knowledge among the public of their entitlement is limited with only eight of the eighteen authorities providing direct payments for older people having literature specifically promoting direct payments for older people.

Out of the four local authorities not providing direct payments for older people three plan to do so within the next twelve months and one has no future plans to develop a scheme.

## **Benefits**

By ensuring the scheme is offered by all local authorities, all older people with care needs would be entitled if they so wish, to purchase and arrange their own care packages.

There may be savings to the local authority and the health authority with provision of direct payments that allow a person to remain in their own home if they do not require hospital care.

## **Costs**

As the provision of Direct Payments is already an option, and local authorities are already spending money on care for the people concerned, this legislation would not increase any actual budgetary costs. Direct payments can only go to people who have been assessed as having care needs. Direct payments are a different way of channelling money which would have otherwise been spent by the local authority in meeting the care needs of the individual. Any costs will be administrative. These I expect to be negligible. The cost of producing this legislation would be absorbed within existing Assembly resources.