

## **Minutes of the meeting of the Trustees of the Independent Living (Extension) Fund and the Independent Living (1993) Fund held on Monday, 23 April 2007**

The meeting commenced at 10.10 am

Present: Stephen Jack (Chairman)  
Peter Cooke (Vice Chairman)  
Mike Boyall (up to item 8)  
Sally Sparrow  
Nick Danagher  
Marie Martin (up to item 8)  
Margaret McGlade  
Elaine Morton (Chief Executive)

In attendance: Yogi Amin (up to item 8)  
Sue Winterburn  
Gary Stephenson (Finance and Corporate Services Director)  
Ruth Oakes (Social Work Co-ordinator)  
Pam Mellors (Chief Executive's Secretary)  
Norman Cockett (DWP) ( up to item 9)  
Sharon Foster-King (DWP)

The Chairman welcomed Margaret McGlade as the newly appointed Trustee for the 1993 and Extension Funds.

Susan Winterburn and Yogi Amin as newly appointed Trustees for the 2006 Fund were also welcomed as observers to the meeting. He also welcomed Norman Cockett as the Senior Accountable Officer for the ILF within DWP to his first meeting.

### **1 Chairman's Issues**

The Chairman gave an overview of the role of Trustee – to ensure the ILF meets its objectives effectively and efficiently; the need to work as a team with a good skills balance and varied experiences and all contributing to make the best decisions; Assistance would be provided by ILF staff input and a pro-active contribution from DWP

He said that the new Trustees had been appointed at a very busy time.

He explained that Margaret McGlade had signed a 'willingness to act statement' as Trustee for the Extension and 93 Fund.

## 1.1 Introductions

All Trustees gave brief introductions.

## 1.2 DWP – The Stewardship Role

Norman Cockett (DWP) gave a short introduction on the Stewardship role and how he would be involved with the ILF and Trustees. He set out the intention from DWP of an enduring positive relationship with input and support.

He commented on the recent day spent at the ILF Offices and that half yearly review meetings would continue to take place with the Chairman and the Chief Executive.

## 2 Apologies

None.

### 2.1 Declaration of possible Conflicts of Interest or Loyalty

Trustees were asked if they had identified any area on the agenda where there was an actual or potential perceived conflict of interest or loyalty.

All Trustees confirmed that no issues had been identified.

## 3 Minutes of the meeting held 14 March 2007

The minutes of the last meeting held on 14 March 2007 were accepted by Trustees as a true record, and signed by the Chairman at the end of the meeting.

## 4 Matters Arising

### 4.1 Continuing Health Care

The Chief Executive said that discussion had taken place with DWP and a policy proposal will be presented at the May meeting with two personal cases relating to continuing health care.

### **Outcome: Information**

## 4.2 Trust Deed Changes

The Chief Executive confirmed that an e-mail had been sent to Sharon Foster-King seeking early notification of planned Trust Deed changes and the reply was circulated to Trustees at this point.

### **Outcome: Information**

## 4.3 Close Relative Cases

The Chief Executive said that she had received no comments as to whether Trustees wished to continue to see close relative cases at the Board meetings or to be considered by the panel. She explained that if Trustees still wished for these to be presented to the full Board they may need to look at a different way of dealing with the cases as the monthly meetings were holding up some cases for decision.

The Chief Executive outlined the possibility of a formal sub committee being set up to look at all personal cases. Any subcommittee would be in the context of other possible future changes on processing of personal cases and handling of complaints with an ongoing project scheduled to report in the autumn. It was agreed to a trial basis with the possibility of communication by e-mail or conference call.

Marie Martin, Nick Danagher, Sally Sparrow and Peter Cooke confirmed that they would be willing to serve on the panel.

Yogi Amin's separate expression of interest for the 2006 Trust was noted.

The Chief Executive explained that a Terms of Reference would need to be devised and that they would be presented for Trustees' agreement at the May meeting.

### **Outcome: TOR for user personal cases committee to be presented for May Trustees' meeting**

## 4.4 Publication of Trustees Minutes

The Chief Executive said that Trustees' minutes were previously available as part of the Publication Scheme on request.

As agreed at the last meeting and in response to the ILF review, the Trustees' minutes would now be published directly on the web site. February's minutes are now available and minutes of the March meeting would be published once agreed by the Board after today's meeting.

**Outcome: Information**

Board Referral

Information redacted due to containing personal data.

**Outcome: Information**

Board referral

Information redacted due to containing personal data.

**Outcome: Information**

4.5 Equality Statement

The Chief Executive presented the revised overarching Equality Statement to Trustees.

Trustees discussed the statement and made further comment on need for further emphasis on proactive approach and the need to include commitment of all those associated with ILF.

The Chief Executive agreed to look at the matter and to circulate a revision by e-mail.

**Outcome: Equality Statement to be reconsidered and circulated by E mail for comment**

**5 Outstanding Action Points**

The Chief Executive updated Trustees on the outstanding action points.

She explained that progress was being made with the lease and now required names and addresses of four members to be included in the document.

Stephen Jack, Marie Martin, Mike Boyall and Peter Cooke agreed to be signatories to lease.

The Chief Executive apologised for the item on the monetary issue not being sent by e-mail ahead of the April meeting.

She commented that there were still 13 points outstanding and it would be helpful to limit the number of new action points until some have been cleared.

A summary of the cleared points from 06/07 year was handed out at the meeting.

The Chairman commented on the action point in relation to the Training for Trustees. The Chief Executive said that this had been previously agreed as cleared when the skills analysis forms had been completed.

**Outcome: New action point on skills analysis for Trustees to be added to action points to track progress.**

## **6 Strategy**

### **6.1 ILF Review Report Issues Log**

The Chief Executive presented the report to Trustees. She explained that this document was a joint production with DWP and would be circulated externally as well as internally to other relevant stakeholders i.e. DOH and ODI. It is proposed to have separate discussions, with DWP in between Trustees meetings, on progress with the recommendations.

She explained that not all recommendations have yet been allocated an owner and discussions are taking place between Departments to decide and it may be that the owner may change once the log is reviewed again by ILF and DWP.

She said that ILF lead recommendations all showed 'under consideration' pending discussions with Trustees and DWP on what issues/risks arise and proposals on how an accepted recommendation will be taken forward. ILF focus will be on those within Trustees powers to decide but there will be contributions to other recommendations.

The Chief Executive guided Trustees through the report with the main points as follows:

“Equity” issues 1-12. Significant potential for increased numbers and costs; DWP lead (or jointly with ILF) on all except Recommendation 7: we will seek analytical consultancy with first update report by Sep 07.

“Transparency” issues 13-15 all for ILF; Trustees will receive updates as set out.

“Accessibility” issues 16-27: DWP lead for 16-20; ILF for 21-26; 27 has wider impacts. Focus on 21 – Trustees can make temporary decisions on higher SSD input but if they want a permanent change they would ask Minister to implement. Focus on 22 – may be for DH to lead. Number 23 and 24 may be “partial” acceptance as ongoing developments anyway; also question on how to involve users and we may need external assistance. Focus on 25 – process review work is ongoing; ILFA input that arranging joint visits with all information available can be problematical; Sep 07 report will set out what needs to be done, what we want from LAs and what it takes/costs to hit an 8 week target.

“Self-Determination” 28-36. Note questions on lead for 28-32 - several parties are involved

“Flexibility” 37-46. Several policy issues which will be brought to Trustees; note we have to fit in with funding timetable if there are cost considerations.

“Links and Partnerships” 47-52. Scoping papers are planned for September. Number 51 needs a DH owner but has knock-on effects for ILF

“Openness and Accountability ” 53-56. Issues for ILF to address.

“Legal Framework” 57-59. Focus on 57 – Nick Danagher commented that DRC think appointments have always to be on merit. DWP said that the Commissioner for Public Appointments advised that emphasis on appointments specifically for disabled people was acceptable but ODI were sending some further advice before issue considered.

“Corporate Governance” 60-65. 64 and 65 need Govt lead. Nick Danagher commented these were sensitive “devolution” issues and did

not fit with the Review remit. DWP said that Cabinet Office does need to address these.

Margaret McGlade commented these two should be annotated as outside Trustees' scope.

"Future Organisation " 66-68. 67 needs identified lead; 68 may not be just for ILF.

In answer to a question DWP clarified that the first response for analysts by July 07 would contribute to the initial response to the Minister. The reference to September 07 was the full response from analysts. Norman Cockett (DWP) said he would keep Trustees informed during the process.

In answer to a question Sharon Foster-King (DWP) stated that there would be opportunities for Trustees, after the initial response from analysts, to ask for further options to be analysed.

Sharon Foster-King (DWP) said that a meeting had been arranged with DOH on 1 May to begin discussions on various recommendations and to allocate lead responsibilities.

The Chief Executive said that a number of recommendations for ILF action are already in progress through other project work started before the Review began and it is proposed to present project reports to Trustees during 07/08 which will be cross referenced to the Review recommendations.

The format to insert section headers, record progress in italics and clearance of items by shading was agreed.

## **Outcome: Information**

### **7 Performance**

#### **7.1 Overpayment Arrears Report year end March 2007**

The Chief Executive presented the report to Trustees. She explained that 18 cases were outstanding as at March 2006 when the arrears project was completed. 12 cases have been cleared to an agreed outcome by the end of March 07. 1 case has now been redefined as not being an overpayment and was deleted leaving 5 remaining cases.

Trustees agreed to receive a final report when all cases are cleared.

### **Outcome: Information**

#### **7.2 LSH and Campus Accommodation Policy Changes Update**

The Chief Executive presented the report to Trustees. She explained that to date applications still remain low, however enquiries have taken on a different angle in recent weeks as some LA's are setting up roles within their departments that have the specific task of identifying and tracking ex long stay hospital clients and applications are being or will be made to the Fund. This action is seen as a cost saving exercise for LA's and they are keen to make applications to the fund.

There are two Local Authorities in particular who have already started sending applications to the Fund and it is estimated that the applications from these two alone would cost the fund in the region of £3 m in this financial year.

The Chief Executive explained that it was difficult to separate evidence of cost transfers from LAs with increased demand for independent living.

To date there has been no development on the assessment of the numbers and costs impact on the issue of campus accommodation between DWP and DH. Sharon Foster-King (DWP) said that more data had been received from DH on this issue and she would let Trustees have an update in due course.

### **Outcome: Information**

## **8 Finance**

### **8.1 Grant in Aid and Benefit Forecast**

The Finance and Corporate Services Director presented the report to Trustees. He explained that the forecast had been brought up to date with information up to the end of the financial year 31 March 2007 and had been based on trend assumptions agreed with Trustees in September 2006. The additions figure for 07/08 has been removed so that the figures show forecast actual expenditure against funding.

He explained that the historical based forecast established in the mid 1990's has served our needs for estimating quite well until 06/07 when a number of factors increased our expenditure by about £5m in GB. Trustees agreed to meet the excess out of the £11.2m cash balance brought forward at 1 April 2006.

Discussions were held with DWP in November/December 2006 in which the load growth was outlined but DWP did not agree to use a revised trend prediction. The increased application rate has continued and it is now predicted that there is a shortfall of around £ 6.9 million for 07/08.

A meeting was held with DWP on 17 April 2007 to discuss the potential higher expenditure and they have agreed that historical forecasting is not providing a suitable model for ongoing use and will need to be reviewed in the medium term.

However decisions need to be taken to manage fund user budgets at the May meeting. The Chief Executive outlined the need to take decisions which tackled the causes, were understandable, administratively low cost as well as appropriate and sufficient to deal with the budget shortfall.

In answer to a question Norman Cockett (DWP) said that the Minister Anne McGuire had been briefed on the current climate and would keep her informed of the situation.

The Chairman asked for a financial impact analysis over the next 3 years for the options being considered.

#### Year End Cash Position

The Finance and Corporate Services Director said that the cash balance brought forward to 1 April 2007 was £6.4m. However it should be noted that approximately £4m would be used in cash payments, as there are 53 Fund User payment days in 2007/08.

#### Outstanding Applications and Offers

The Finance and Corporate Services Director commented that there were currently 812 offers outstanding with a potential commitment of £2.4m and annual value of £11.7m. These costs are incorporated into 07/08 expenditure.

## **Outcome: Information**

### **9 Policy**

#### **9.1 Using Introduction Agencies to engage Personal Assistants**

The Strategic Policy Director presented the paper to Trustees. He said that further work had been carried out on 'introduction' agencies as Trustees had asked for further clarification of the fee and the self-employed status of the PA.

He said that HMRC has been contacted and the general advice given suggests they would normally consider the PA to be employed if assistance is provided in the home of the disabled person. However, if the PA is in business and bears the responsibility for the success or failure of that business they would be considered to be self-employed status. However certain arrangements had been agreed with Introduction agencies which, if adhered to, meant the person provided by the Agency could be regarded as self employed.

The Strategic Policy Director said that it is recommended that the ILF should continue to support users to engage PA's through an introduction agency operating with the agreement of HMRC and to meet the fees incurred by this arrangement. If users proposed to use an agency not previously known to us as having arrangements cleared with HMRC we would require confirmation from the user that the agency had cleared its arrangements.

Nick Danagher commented that the effect of introduction fees was that stable assistance situations i.e. infrequent changes in personnel subsidised frequently changing situations. This was considered acceptable in the context of this type of arrangement.

It is proposed to consult with a panel of 80 users through e-mail to inform them of the decisions reached on employing care and the intention to produce a new policy, and also to seek any comments or concerns to assist with the formal policy.

**Outcome: Decision Trustees agreed the proposal on Introduction Agency fees.**

## **10 Governance**

### **10.1 Review of Frequency of Papers and Future Agenda's for Trustees meetings**

The Chief Executive presented the report to Trustees. She said that in February 2005 Trustees agreed a frequency for consideration of certain papers for the Full board/sub committees, but since that time there has been a significant increase in Trustees' and management workload in terms of range, depth and pace of change.

The Chief Executive circulated proposed agendas for the 07/08 year and asked Trustees to note the content of the workload and she suggested that Trustees might wish to give some consideration to increasing the number of sub committees.

The Chairman said that he had looked in depth at the frequency of papers and would find it very hard to 'cull the list'. He suggested that the user cases panel, once settled in, maybe an option.

He said the documents were very helpful and suggested that it be looked at again along with the panel review in a few months time.

**Outcome: Decision – Agreed to keep frequency of paper as outlined**

**Further review of frequency of papers to take place before end 07/08 business year**

### **10.2 Training for Trustees**

Sharon Foster-King (DWP) outlined the training provided for new Trustees. The repeat for other Trustees would be in two sessions: the first covering legal issues and 2006 Trust Deed, Disability Issues and Motability stewardship and the second covering ambit/remit and business cases for piloting. She explained that the first of the next sessions would be held in June and if existing Trustees wished to look at other issues not covered in the outline, she would be happy to discuss.

**Outcome: Information**

## **11 Personal Cases**

Minutes are provided in an Appendix 1 to these main minutes; the Appendix is not available for public view under the Freedom of Information Act 2000 because it contains personal information subject to the provisions of the Data Protection Act 1998.

## **11 AOB**

### 11.1 Date of Next Meeting

The date of next meeting will be held on Wednesday 9 May 2007 The Chairman explained he was meeting some staff at 8.30 am and any Trustee who was available would be welcome to join him.

### 11.2 COGA

The Chief Executive said that she was still in dialogue with DWP and was not yet able to let Trustees see a draft. As the document needs external consultation and due to time pressures Trustees may not be able to see the draft before it goes out for consultation.

**Outcome: Decision - Trustees agreed to see the draft COGA at the same time the document goes out for external consultation.**

### 11.3 Review of Effectiveness of the Board

The Chairman explained that a review of the effectiveness of the Board needs to be carried out and that a questionnaire would be circulated to all Trustees prior to a discussion.

**Outcome: Information**

There being no further business the meeting finished at 2.15 pm.

