1. SUMMARY

1.1 The Council is required by the Department of Health (DH) to introduce a scheme of personalisation of Adult Social Care. This policy affects the way the whole of Adult Social Care works: the change is both operational and cultural.

1.2 This report concentrates on the operational steps necessary to move away from meeting needs from a pre-existing menu of services provided or commissioned by the Council, to a system of supported assessments based on individual needs and outcomes which are met by optional personal budgets calculated on a Resource Allocation System. It recognises also that personalisation is grounded in the best care practice.

1.3 The emphasis on personal budgets was confirmed and extended by the publication on the 20th May 2010 “The Coalition: our programme for Government”

1.4 The move to personal budgets is expected to improve choice and control that people who meet the Council’s eligibility criteria have over their care and will produce savings nationally and locally.

1.5 The report to Cabinet will set out the financial risks of the move to personal budgets, the proposed structure of the Resource Allocation Scheme and in Appendix A the principles of the scheme.

1.6 Officers will be in attendance at Scrutiny to discuss any aspects of these complex processes in detail.

2. BACKGROUND

2.1 The Government introduced a new programme of transformation for Adult Social Care in April 2007. This programme was as a result of a white paper called “Our Health Our Care Our Say” (January 2006). That was followed in December 2007
by “Putting People First” a cross government policy that moved away from traditional methods of providing adult social care to a much more personalised approach of providing care. This new model is known as the “Personalisation Agenda” Since this time the Department of Health (DH) have issued a series of circulars detailing targets and allocating a sum of money to each authority known as the “Social Care Grant” This funding has been used to pump prime new ways of working.

2.2 The Council’s policy under the “Fair Access to Care” guidance is that residents who are assessed to have “critical” or “substantial” need are eligible for support.  

2.3 The purpose of the Resource Allocation System is to facilitate an accurate allocation of money for the personal budget, which is both proportionate and enables service users to meet their eligible needs. The introduction of the RAS will lead to fairer, more equitable and transparent distribution of resources across different user groups, taking into account their individual needs. This will smooth out any current or potential disparities amongst people with similar needs.

2.4 The Department of Health set targets that 30% of service users should have a personal budget by April 2011, and that all new service users should be offered personal budgets from April 2011 onwards. Direct Payments are a form of personal budget. Currently there are 799 service users in receipt of Direct Payments. 30% of all users represent 1,134 users.

2.5 Direct Payments do not rely on the RAS system. The use of other forms of personal budgets, which rely on the RAS, has been piloted in services for older people since 6th December, and so far 50 people have a personal budget based on this. The learning from this pilot will inform the roll-out of the RAS to other service users by April 2011. This also requires a new financial and IT system which are currently being developed.

2.6 The Waltham Forest transformation programme has or will affect every aspect of adult social care. A detailed Project Plan with four work streams was established with progress against milestones being monitored by the Personalisation Board which is chaired by the Executive Director of Adult Social Care.

2.7 Cabinet is being requested to agree:

2.7.1 The Operational Policy and note the principles of the scheme

2.7.2 To delegate any subsequent changes to the Operational Policy for personal budgets which may become necessary in light of operational experience, to the Executive Director of Adult Social Care in consultation with the Head of Finance and Portfolio Holder.

2.7.3 To note that the Executive Director of Adult Social Care will offer personal budgets to new users, and on review, to existing users, as the RAS is gradually applied to all user groups.

3. IMPLICATION PARAGRAPHS

3.1 Human Resources

3.1.1 There may be staffing implications to the change in the delivery of Adult Social Care Services which will be managed in accordance with the Council’s HR Procedures.
3.2 **Financial Implications**

3.2.1 A 20% ‘deflator’ has been applied to the Resource Allocation System (RAS). The impact that this will have on the overall budget is in the process of being quantified before the RAS goes live. The budgets are indicative and it is usual to apply a ‘deflator’ to ensure the application of personal budgets does not result in overspends.

3.2.2 The personalisation of care moves away from the traditional allocation of services or hourly rates towards an allocation of funds based on need. This is calculated by a Supported Assessment Questionnaire, which scores an individual’s care needs into a point-scoring format, and flows into the Resource Allocation System (RAS). The RAS operates on a “pounds per point” basis, which is informed by data collected by our RAS supplier, FACE, from a number of national and local indices.

3.2.3 The RAS calculates an Individual or Personal Budget, which includes a 20% deflator to reflect local circumstances. This budget is then subject to the Fairer Contribution charge which determines the level of funding which will need to come from the service user. The Support Broker works with the service user or their representative to purchase the optimum level of care associated with the budget available.

3.2.4 The Individual or Personal budget will be delivered mostly in the same way as a Direct Payment, that is, by a cash sum paid by the Council to a designated account set up for the service user. It may be that the service user requests all or part of their budget to be spent on existing Council run services, in which case a virtual budget will be set up in the Council’s financial systems which will form the basis of the interaction between the Council (as the supplier) and the service user.

3.3 **Health Impact Assessment**

The personalisation agenda is focused on meeting the needs of people in receipt of Adult Social Care. This should have a positive impact on the health of people in receipt of an individual budget.

3.4 **Equalities Impact Assessment**

An Equalities Impact Assessment is being carried out to ensure that no protected groups of people are adversely disadvantaged by the scheme. Where adverse impacts are identified steps to mitigate those impacts will be set out. The completed EIA will be appended to the full Cabinet Report.

3.5 **Legal Implications**

3.5.1 There is no new legislation for personalisation and therefore it is only lawful to the extent that it complies with existing legislation and case law. The local authority’s duty to assess and meet eligible needs is contained in section 47 of the NHS and Community Care Act 1990.

3.5.2 The Fair Access to Services (FACS) framework introduced in 2003 has now been replaced by Prioritising need in the context of Putting People First: A whole system approach to eligibility for social care, Guidance on Eligibility Criteria for Adult
Social Care, England 2010.¹ This came into effect in April 2010. The basic eligibility criteria (low to critical needs) remains the same however the process and application of the criteria must be done in a more personalised way.

3.5.3 The RAS gives the person an approximate indication of what it may cost to meet his/her needs. It is then used to determine the amount of the person’s Personal Budget (PB). The RAS must be sufficiently transparent so that people understand how decisions are being made about their entitlements.

3.5.4 Caselaw has determined that the RAS process must be sufficiently flexible to allow for a person’s individual circumstances to be taken into account and to ensure that the final amount is sufficient to meet the person’s eligible needs. As such a final amount should be agreed after there is an agreed support plan that meets the person’s eligible needs. If the PB is insufficient to meet the person’s eligible needs, then the local authority will be in breach of its duty. The Council’s scheme and Operational Policy complies with these obligations.

3.6 Climate Change Implications
Any strategy that increases the number of people living within their own homes, where energy efficiency might be poor, will need to consider how improvements and access to grants might be supported to contribute to overall environment policy.

4. CONCLUSION

5. APPENDICES
Appendix A: Self-Directed Support Policy

List of Abbreviations

Background Papers