

WIRRAL COUNCIL

CABINET: 4 NOVEMBER 2010

REPORT OF THE DIRECTOR OF ADULT SOCIAL SERVICES

## **PERSONAL BUDGETS**

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### ***Executive Summary***

*Following the report to Cabinet on 14 October 2010 and a meeting with Members on 27 October 2010 this report seeks Cabinet agreement to roll out the offer of personal budgets to all eligible Wirral residents from 1 November 2010 with a £ per point allocation of £1.62.*

### **1 Background**

1.1 The Director of Adult Social Services presented a report to Cabinet on 14 October 2010 which sought the Cabinet's agreement to roll out an offer of personal budgets to all eligible Wirral residents from October 2010. The matter involved a key decision, first identified in the Forward Plan dated October 2009.

1.2 It was resolved that Cabinet:

- (1) reaffirms its support for the principle of Personal Budgets which seek to promote greater independence, flexibility and choice in the way social care is delivered to vulnerable people;
- (2) agrees to Phase 3 roll out of personal budgets as a universal offer to new customers;
- (3) believes that there is insufficient financial information contained within the report to enable it to set a £ per point figure for the Resource Allocation System at this time; and
- (4) requests that a seminar is arranged for all Members of the Council on the Resource Allocation System so that they obtain an understanding of how it works.

### **2 Options**

2.1 In response to Cabinet's request to obtain an understanding of how the Resource Allocation System works a meeting was held with Members of the Council and officers from the Department of Adult Social Services on 27 October 2010.

- 2.2 The formula adopted in phase 1 and 2 of the Personal Budget pilot allocates £1.88 per point through the Resource Allocation System. It was always understood that this allocation may have to be changed in the light of experience.
- 2.3 The conclusion from the financial evaluation is that there is sufficient evidence that the pilot Resource Allocation System allocates, as an Indicative Budget, 8.57% more than the existing cost of support from the assessment and care management model. However this is not the actual cost incurred by the Council. The pilot demonstrates that the average cost of support for the sample population is 72% of the Indicative Budget allocation. This equates to a £ per point of £1.35.
- 2.4 Cabinet were advised of the potential risk to the successful roll out of Personal Budgets should the Indicative Budget be perceived to be insufficient to meet people's assessed needs. £1.35 is considered too low and would be counter productive with people being less likely to adopt the new arrangements.
- 2.5 The original recommendation from the Department was based upon the distribution of the current approved budget and equated to £1.84 per point or £1.65 per point allowing for a 10% contingency.
- 2.6 Following consultation with officers and Elected Members, the recommendation is that the £ per point is set at £1.62. Officers are of the view that setting the RAS at this level is sustainable and will appropriately deliver support to vulnerable adults in Wirral. This reflects the average cost of support demonstrated from the pilot plus a contingency of 20%, partly to allow for uncertainty in scaling up from the pilot to full implementation but also partly incentivising take up of personal budgets.
- 2.7 The pilot has evidenced the average number of points per person allocated through the Resource Allocation System to be 135. At a £ per point of £1.62 this equates to an average weekly indicative budget of £218.70 per person. Based on the current number of people supported by the Department (2,993) this equates to £34 million a year which is within available resources.
- 2.8 The pilot demonstrates potential efficiencies should everybody who is offered a personal budget take one. The evidence is, from the national pilots, supported by the recent audit commission report (Oct 2010), that not everybody, particularly those with high cost support packages, will take the offer. The model in Wirral suggests the implied efficiencies from those who will, equate to the on-going costs of those who will not, in the short-term. Over time the RAS distributes resources more equitably and contributes to efficiencies.
- 2.9 Setting the RAS at this level may result in lower support plan costs which, in turn, could reduce people's entitlement to the Independent Living Fund but officers will be able to manage this through the support planning process.

### **3 Business Risk**

- 3.1 Cabinet are asked to note that a delay in a decision about the £ per point will result in the following:-

- The Council will continue to not meet the Putting People First Milestone on 'Self Directed Support and Personal Budgets' which is that by October 2010 all people using services or their carers with assessed need for ongoing support are offered a personal budget and that all service users whose care plans are subject to review are offered a personal budget.
- The Council will not achieve the target of at least 30% of eligible service users and carers having a personal budget by 31<sup>st</sup> March 2011.
- The Council will not be able to deliver Improvement Area 11 (transforming support planning) a requirement of the 'Care Quality Commission's First Inspection Report on Safeguarding Adults and Learning Disability Services' (Care Quality Commission, September 2010). This was referenced in the May 2010 inspection report by the Care Quality Commission looking at Safeguarding and Services for People with a Learning Disability, and the rolling out of personal budgets as the universal offer is included in the First Improvement Plan presented to Cabinet on 2 September 2010.

#### **4 Financial Implications**

- 4.1 Indications from the pilot sites across the country evidenced that people who use services were making more efficient and effective use of their budget than may have been the case under current arrangements however no significant increase or decrease of expenditure has been reported to date.

#### **5 Staffing Implications**

- 5.1 There is an impact on the role and function for the social care workforce. Investment has been made in supporting staff to adapt to the new approaches and re-skilling has been taking place via newly developed learning and development opportunities. In addition, the Council's recent proposals on offering EVR/Severance will impact on the future shape and numbers of the adult social care workforce.

#### **6 Equal Opportunities Implications/Health Impact Assessment**

- 6.1 The new processes will ensure that no-one is disadvantaged and that people's health and wellbeing is promoted. The Self Directed Assessment documentation has been developed with health colleagues in NHS Wirral and a joint process agreed which will minimise duplication of assessment.
- 6.2 There have been initial Equality Impact Assessments completed for Phases 1 and 2 which remain applicable for this Phase of the project. Cabinet are advised that the full Equality Impact Assessment forms part of the wider consultation on future priorities for Adult Social Care which reports back to Cabinet later in the year.

#### **7 Community Safety Implications**

- 7.1 Self directed support and personal budgets provides a more holistic approach to addressing a person's individual need. By empowering individuals to take control of their support it is likely that they will be able to identify more clearly,

issues which concern them about their own safety within the community. Managing risk and safety is a key component of the assessment documentation and a process for managing risk has been developed.

## **8 Local Agenda 21 Implications**

8.1 None directly arising.

## **9 Planning Implications**

9.1 None directly arising.

## **10 Anti Poverty Implications**

10.1 None directly arising.

## **11 Social Inclusion Implications**

11.1 Self directed support and personal budgets promote active participation in individuals support arrangements and community life.

## **12 Local Member Support Implications**

12.1 Phase 3 of the Personal Budgets Project will offer self directed support and personal budgets across all wards in Wirral.

## **13 Background Papers**

13.1 Association of Directors of Adult Social Services, *'Personalisation and the law: Implementing Putting People first in the current legal framework'*, October 2009

13.2 Wirral Council Department of Adult Social Services, *'Putting People First Milestones Wirral Progress Report'*, 23 July 2010

## **14 Recommendation**

That;

The Cabinet Member for Social Care and Inclusion approves the roll out of the Personal Budgets Phase 3 as approved by Cabinet on 14 October 2010 as from 11 November 2010 with a '£ per point' allocation under the RAS of £1.62.

**HOWARD COOPER**  
**Interim Director of Adult Social Services**