

WIRRAL COUNCIL

DELEGATED DECISION BY PORTFOLIO HOLDER

14 AUGUST 2013

SUBJECT:	<i>RESOURCE ALLOCATION SYSTEM</i>
WARD/S AFFECTED:	<i>ALL</i>
REPORT OF:	<i>DIRECTOR OF ADULT SOCIAL SERVICES</i>
RESPONSIBLE PORTFOLIO HOLDER:	<i>COUNCILLOR CHRISTINE JONES</i>
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 The Council remains committed to personal budgets and self-directed support as fundamental tools to enable people to exercise more choice and control with regard to how their social care needs are met. It is important that support plans are costed and that funds are allocated in a fair and transparent way.
- 1.2 Cabinet received a report at its meeting 14 March 2013 which outlined the weaknesses within the current Resource Allocation System and outlined our approach to develop an alternative system for testing relative value in proposed support plans.
- 1.3 Subsequently we have researched the approaches adopted in 10 other Local Authorities. This report recommends a replacement of the RAS with a costed support plan model.

2.0 BACKGROUND AND KEY ISSUES

- 2.1 A 'personal budget' is the sum of money allocated to the individual to meet their assessed support needs. Those needs that are not met through signposting and support from family and friends need to be costed and the final value is then calculated after the individual's means tested contribution has been deducted.
- 2.2 The resource allocation system (RAS) was designed to find a simple way of allocating resource against assessed need and to support an increasing take up of direct payments.
- 2.3 The basic principle of a RAS is to give a points weighting to a series of factors that relate to components within the agreed support plan. The overall points score is then determined and then applying a formula is converted into a value expressed as a value with an upper and lower band (£).
- 2.4 Experience of applying the RAS has shown it to be too inflexible and not fit for purpose. Managers often have to apply discretion to adjust the level of the personal budget to ensure support needs are met. This is often the case when applying personal budgets to younger disabled adults.
- 2.5 The original model assumed that on average individuals would utilise 72% of their personal budget and DASS budget forecasts were based on that. In reality individuals have on average utilised 98.5% of their personal budgets. The variance across service user groups is:

Service User Group	Average Variance of RAS assessed Personal Budget
Learning Disabilities	153%
Physical & Sensory Impairments	102%
Mental Health	108%
Older People	76%

2.6 The review has identified two possible options to replace the points based RAS:
~ Costed support planning
~ Care Fund Calculator

2.7 The costed support planning approach can be developed in-house and involves Support Plans being costed against the known unit cost of the services required to meet needs. Social Workers would have access to a ready reckoner that would allow the calculation to be easily undertaken.

2.8 The Care Fund Calculator would require an IT solution and packages are available for this. There would be a cost and upgrades would need to be budgeted for.

2.9 Either approach would work with the new IT system for Children and families to be procured later this year.

3.0 RELEVANT RISKS

3.1 The current Resource Allocation System (RAS) has been in place for several years and the review has demonstrated that it is not sufficiently sustainable or robust for the future.

3.2 The proposed costed support plan model should provide a more accurate value for individual support plans and therefore be less likely to be open to legal challenge.

3.3 Of course risks can be mitigated through management action that would ensure the Local Authority does not fetter its discretion.

4.0 OTHER OPTIONS CONSIDERED

4.1 An analysis of the systems used in 10 other local authorities demonstrates that there is not a uniform approach to costing individual's support plans. Some use a RAS similar to that used in the Wirral. Others do not apply a RAS and others have systems that more accurately cost individual support plans based on the use of known service unit costs.

5.0 CONSULTATION

5.1 None required.

6.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

6.1 None.

7.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

7.1 The objective of a RAS is to provide formulaic guidance on the indicative level of personal budgets. Points are allocated to the individual with the intention of matching and meeting assessed

7.2 The current RAS has two main drawbacks:

- There is a poor match between the indicative budget and the actual budget awarded. This is particularly the case for Learning Disabled Adults where almost 50% are receiving a Personal Budget higher than the indicative budget.
- The current RAS does not lend itself to supporting effective budget monitoring and control of budgets that are under pressure

7.3 There is need to put in place an improved arrangement that will provide a closer match between assessed individual need and resources expanded

8.0 LEGAL IMPLICATIONS

8.1 There is a duty to assess for community care needs and develop a plan with individuals on how assessed needs are met. The meeting of those needs can be a combination of signposting, involvement of family members and friends and services that may need to be procured and purchased. The individual support plan should recognise all these elements of support and enable accurate costing of the elements that will need to be procured. The individual will be subject to a fairer charging means test which will establish the financial contribution they may need to make. (S47 of the 1990 NHS and Community Care Act)

8.2 The requirement to assess and meet needs is stressed in the Care and Support White Paper. In particular the White Paper proposes:

- That there is a national minimum threshold for eligibility for care and support.
- That there is a new national care and support information portal including a directory of services.
- That there is a statutory duty on Local Authorities to provide information and advice. This to include improved web-based information and advice services.
- That there is additional provision of advice and support to help people arrange care and support

9.0 EQUALITIES IMPLICATIONS

9.1 Has the potential impact of your proposal(s) been reviewed with regard to equality?

(a) Yes.

10.0 CARBON REDUCTION IMPLICATIONS

10.1 None.

11.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

11.1 None.

12.0 RECOMMENDATION/S

12.1 It is recommended that this year we introduce the costed support plan approach.

12.2 That the new system be implemented from October 2013.

13.0 REASON/S FOR RECOMMENDATION/S

13.1 The costed support plan is a simple transparent easy to understand low-tech solution

13.2 It is possible to design, maintain and implement at minimal cost

13.3 It can then be evaluated prior to the implementation of the new IT system and incorporated into the new system

13.4 The alternative care fund calculator would have costs attached (purchase, licence and upgrades) but could be incorporated into the new It system at a future date if required

REPORT AUTHOR: *Mike Houghton-Evans*
Head of NHS Integration Commissioning & Social Work Review
telephone: (0151 666 4853)
email: michaelhoughton-evans@wirral.gov.uk

APPENDICES

N/A

REFERENCE MATERIAL

N/A

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet	14 October 2010
Cabinet	4 November 2010
Cabinet	8 December 2011
Cabinet	12 April 2012
Health & Wellbeing Overview & Scrutiny Committee	13 March 2013