

BRIEFING NOTE

Agenda Item no. 6

TO: Social Care and Inclusion Panel
DATE: 4th March 2013

RE: Restating Personal Budgets in Walsall

Purpose

The purpose of this report is to offer to members of scrutiny the opportunity of contributing to a review that is being undertaken by the Interim Executive Director of a re-stated model for personal budgets in Walsall.

Personal Budgets

- 1.1 Since 2009 it has been the policy of the government that all people who need long-term support in the community for their care needs should do this through a personal budget. The policy that was put in place by the last government was reaffirmed by the coalition government when they came into power. The Minister for Social Care stated in October 2012 that by March 2013 he expected that at least 70% of people in receipt of care would receive this in the form of a personal budget. Customers may still have a choice where they ask the Council to continue to arrange for their services for them.
- 1.2 Walsall has been a strong supporter of this approach and Cabinet has considered several papers on this matter. In February 2012 cabinet approved an operating model for Walsall which laid out the local approach to the transformation of adult social care. This report confirms part of that approach but also recommends a review of the way in which personal budgets are managed.

What is a personal budget?

- 2.0 A personal budget is a mechanism whereby an adult who has been assessed as being eligible for social care support is advised of the sum of money that is available to them to meet their needs. A personal budget can only be used to fund services that support the service user to remain in their own home. The government is considering whether this might eventually be extended to include people who are in residential care. A personal budget will be calculated after an assessment of the person's needs, to which the person will be asked to contribute. The identified needs will be described in a "**personal support plan**" which through a financial calculation (referred to as a RAS – Resource Allocation System) identifies a sum of money that should be available to meet that support plan.

A personal budget can be taken by a customer in one of two ways.

2.1 Direct Payments

There is a **Direct Payment**, where the customer is given the money that has been allocated to them as a cash sum and they then take responsibility to arrange for their own care. Most customers who choose to take their money in this way will use a **Direct Payment Support Organisation** to assist them with these arrangements. This is particularly important if the customer is going to employ staff to assist with meeting their care needs – these are usually called **Personal Assistants**. When a person employs staff there are a lot of logistics and arrangements to put in place

including employer's liability insurance, PAYE, National Insurance and tax arrangements, recruitment and support for staff etc. The person who has taken the **Direct Payment** can agree with a **Direct Payment Support Organisation** what level of support is required for their personal arrangements. This model for provision of personal budgets has been in existence for over 15 years and is the most popular model of managing care with disabled adults (aged 18-64).

There are a number of advantages to the customer in taking a direct payment. They are in control over the type of service or set of services they receive, they can come up with creative solutions for their personal circumstances and if they wish they can employ their own staff (as described above). Those customers who receive a direct payment should manage this through a bank / building society or similar account that is separate from their own personal account and their direct payment account should be open to audit by the council. The basic test always has to be that the money is being used to meet the person's stated needs.

Once a customer has chosen to take the option of a Direct Payment and has chosen the option of a support organisation to assist them, the contractual arrangement is between the customer and the Direct Payment Support Organisation. The Council will ensure that there are organisation(s) in Walsall that can carry out this task. At present Walsall has contracts with 6 organisations that provide this service for people wanting a personal budget.

Some staff have used a phrase called a "managed account" where the person who is eligible for services has chosen a direct payment and has then asked a support organisation to manage their account for them. This is still a Direct Payment – where the agreement is between the service user and the support agency (and not the council with either party). In Walsall the phrase "nominated account" will be used to describe this process.

If those who are entitled to receive care wish to do that through the assistance of a Personal Assistant (PA) then their only option is to achieve that through a Direct Payment.

2.2 **Managed Accounts**

The other way in which a personal budget can be taken is through a "**managed account**". This is a process whereby the council completes the assessment with the customer and develops the support plan with the customer but the customer, who will be advised of the sum of money that is available to meet their care needs, chooses to ask the council (or a third party) to then manage those arrangements for them. The council (or the third party) is required to have a **brokerage function** that assists people to make the arrangements for their care. This approach is a new development in adult social care as it requires the amount of money available to the customer to be clear but the management of this money remains with the council (or a third party) i.e. with the "broker". This approach has proved to be much more popular than Direct Payments with older people and some carers, who often advise staff that they do not want to take responsibility for managing their own care arrangements. Most often this arrangement is in place when an older person receives a single set of services from one domiciliary care or other support for living at home services agency. The role of the **broker** is to ensure that the customer can exercise some choice over both who might provide the service and how it might be provided. If a third party is taking on this responsibility then it is their responsibility

to contract with the care agency on behalf of the customer. At present one organisation is providing this service on a small number of cases in Walsall.

There are different levels at which a managed account can operate. At its simplest (which is the way in which most councils currently appear to operate this service) it is just a statement of the money being spent on services that have been commissioned or procured by the council / third party. At a more complex level, each week the money spent is totalled up and checked against the personal budget that is available. This gives customers flexibility to have more services one week than another or to use more expensive services less frequently e.g. respite care.

3.0 At this stage, the proposal is that the Interim Executive Director undertakes a review of the existing arrangements and their future provision.

3.1 For the coming weeks whilst this review takes place any new customers who become eligible for a personal budget will be given the option of taking a Direct Payment or having a managed account where the Council is the broker.

4.0 Conclusion

Walsall Council has had arrangements in place for some time to move towards every eligible customer having access to a personal budget (which is what government policy requires and is likely to be enshrined in legislation if the current Social Care Bill becomes law). The review of current arrangements and future proposals will ensure they are fit for purpose and meet the needs of customers so that every new customer will have the choice of taking a personal budget which will be either in the form of a Direct Payment (for which people will be positively encouraged as the council's preferred approach) or a managed account where this is the individuals choice. This managed account will either be managed internally within the council or the brokerage function will be a service provided by a third party that the council procures.

Recommendations (if required)

Scrutiny is asked to note the contents of this briefing and make any suggestions on the way forward.

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