Implementing Personal Budgets for Supporting People in Medway

Initial Options Paper

The following paper is designed to outline the basic choices facing Medway as it makes real its commitment to introduce Personal Budgets for certain groups of people receiving housing-support services. It is designed for discussion with relevant stakeholders and groups, and it is hoped that the conclusions from this discussion will provide a steer to the production of detailed proposals for implementation. This implementation is subject to a separate 7 month project plan.

There is a fundamental choice that in many ways lies underneath a number of the optional choices set out here. This concerns the degree of integration that is considered desirable and/or achievable between Supporting People funding and local authority mainstream social care funds.

The options set out in the in-Control report “Individual Budget Integration” were three-fold.

EITHER

Full Integration – where budgets are pooled at source and the criteria and process adapted to take into account the revised origin of the funding but no separate accounting is required subsequently in how this money is spent

OR

Partial Integration – where budgets remain separate but one claims back a contribution from the other according to certain rules, but where from the point of view of those operating the system there is no such distinction requiring any separate accounting for

OR

Synchronisation – where budgets remain separate and allocated separately according to their own rules, although using the same or parallel processes.

While this is clearly fundamental, the basic choice involved is probably made more real by the more detailed set of options which are considered under the different stages of the Personal Budget process:

These are :

* Access to a Personal Assessment Questionnaire (PAQ) assessment
* The PAQ itself (which is Medway’s Resource Allocation Tool)
* Calculation of Indicative Budget
* Production of Support Plan detailing how the budget will be used
* Method of Payments for Indicative Budgets
* Referral to Brokerage
* Securing services
* Review of Support Plan (and recalculation of indicative budget if necessary)

1. Access to a PAQ

This concerns 2 broad questions:

* Who should be eligible to complete a PAQ?
* How should they be able to access this opportunity ie which agency is best-placed to act as the access-point(s) for the PAQ process?

Questions

1A Which are the needs groups that should be involved in the first stage of personal budgets it is assumed that in the first stage of this process the people who should be given the opportunity to complete a PAQ and access a Personal Budget with a housing support element are as follows:

* Working-age adults with a history of mental ill-health
* Working-age adults with learning disabilities
* Working-age adults with physical disabilities
* Working-age adults with sensory impairments
* Working-age adults with long-term illnesses

Is this the right list of needs groups? There is also the question as to how quickly these needs groups should be expanded – particularly to the elderly.

1B. It is obviously the case that people who fall within these needs groups will have other needs for support as well which may for example relate to their substance misuse. Should these needs be assessed as part of the PAQ, with the possibility that the PB could be used to purchase services from housing-support providers specialising in these areas

OR

should all funding for support services for these groups remain outside the PB framework for now.

1C A key question is as to whether access to Personal Budgets for housing-support should be restricted to those who qualify for a care service within the Fairer Access to Care (FACS) criteria as operated currently by Medway. It is assumed that this is not the case and that it should be possible for someone to receive an PB based only on their housing-support needs. If this is the case then it will be necessary to
define the needs groups listed in 1A above and define eligibility criteria within which the PAQ can operate.

The approach to eligibility criteria under these circumstances could be as follows:

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<td>Create a direct link to the current FACS, but allowing the possibility that those whose need is classified as moderate or low can still qualify for a support budget.</td>
<td>A separate set of criteria – based on the purpose of the original SP grant. Made as compatible with FACS as possible</td>
<td>Working towards a new combined set of eligibility criteria which takes note of existing legal requirements of FACS, but encompasses housing support and any other budget which is likely to be subsumed within PBs. Could use new structure for FACS as described by CSCI in recent report, where urgency of need is more important than degree BUT all needs get something however small. This is a way to balance preventative and higher-end needs.</td>
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The third option will take the longest to develop.

**1D** Should access to a housing support individual budget be seen as a 2 stage-process. The first stage being about assessing eligibility and the second stage being about assessing the nature of support need and the size of the indicative budget. This could be seen as a paralell to the Community Care assessment process.

**1E.** Who should operate the gateway to PBs for housing-support ?

This is made more complicated by the inclusion of people who will only qualify for support funding. The options would appear to be
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<tr>
<td>Have a single route into completing a PAQ. This will involve care managers ending up working with people who do not qualify for care funding – a potentially great increase in work.</td>
<td>Maintain the single gateway into SP funded services by transferring responsibility for controlling access to the PAQ to West Kent HA who currently act as gateway to SP services. (possibly after re-tendering / tendering exercise ?)</td>
<td>Split the responsibility between those who also meet FACS criteria and those who do not.</td>
<td>A multi-polar approach to access to PAQ – a range of agencies that can be contacted in order to get access to a PAQ, but operating on exactly the same basis.</td>
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It could also be that if there is a 2 stage assessment process as described in 1C above then different agencies might be responsible for different parts for the process

### 2. Personal Assessment Questionnaire (PAQ)

The PAQ is aimed at identifying the needs of the individual and providing the means to turn these into an indicative budget for the individual and an outcome-based support plan.

There is an underlying principle that people should not have to undergo more assessments than necessary, and this underpins the development of the Common Assessment Process as well as PBs. On the other hand the risk of integrating the assessment of housing support needs into the standard PAQ is the difficulty of building in sufficient complexity to be able to distinguish effectively the nature and level of need while at the same time not making the process cumbersomely long.

**Questions**

**2A** The degree of integration between any housing-support assessment and the standard PAQ is a matter for discussion. The options would appear to be
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<td>An integrated PAQ, with specific support domains as in the current draft</td>
<td>An integrated PAQ for those who qualify for care funding but a separate support-only PAQ for those who do not</td>
<td>A separate support-only PAQ</td>
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The decision as to who is operating the PAQ obviously has potential implications for this. Generally including the housing-support elements of the process in the PAQ as in the draft makes it more difficult to allow for sufficient differentiation in the size of the budget for those receiving housing-support, and yet a substantial increase in domains used would make the process more complex for the users.

**2B.** Two broad approaches to PAQs elsewhere appear to have been developed, and these either focus on:

Identifying the level of need for assistance  
OR  
Identifying the outcomes that the individual is hoping to achieve.

The former is perhaps most useful for setting an indicative budget and the latter most useful for establishing a support plan. The current draft PAQ in Medway contains more elements of the former. Which is considered most relevant in relation to housing-support?

### 3. Calculation of Indicative Budget

The scoring of the PAQ to provide indicative budgets reflects a number of strategic choices about who the authority wishes to target available housing-support resources upon.

This includes balancing the following objectives

* The need to supporting those who also have care needs and also to target resources on to prevention or delaying the need for care services.

* The need to meet short-term needs for support as well as ongoing support needs

* An emphasis on minimising change as a result of the introduction of PBs, but also a desire to facilitate a shift in the use and direction of the programme

* The desire for simplicity and transparency, but also the need for an approach that is sensitive to different levels of needs.
The general principle is that the answers within the PAQ are linked to “points” which cumulatively then generates a “score” which is directly related to the award of an indicative budget.

The specific choices around how to relate the results of the PAQ to the indicative budget awarded are as follows:

**Questions**

**3A** The points awarded through the PAQ could be treated in a number of ways:

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<td>There could be a direct relationship between points awarded through the PAQ and the number of “hours” of support that the budget is supposed to purchase</td>
<td>A system of 2, 3 or 4 bandings within which the points total may fall. People within the same banding would then get the same budget.</td>
<td>The idea of a basic award of a housing-support budget to everyone who qualifies plus a possible set of enhancements based on the result of the PAQ.</td>
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The first option is the most complex, but does allow for a greater differentiation between people with different levels of need.

**3B** It is assumed that the basis for establishing a value for the different types of assistance required has to be an assumed average number of support hours required (even though the individual may find a different way to actually meet the need). At the moment there may be a considerable range in hourly rates between housing support services and between support and care services. There are a number of approaches that could be taken to this.

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<td>A single notional hourly rate used across care and support for all client groups</td>
<td>A single notional hourly rate across all housing support services but not necessarily the same as care services</td>
<td>A notional hourly rate that varies according to principal client group or type of service provided.</td>
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**3C** It needs to be established as to whether client group is a relevant factor in determining the budget level ie as to whether assistance to achieve the same outcome takes clearly different amounts of time for different client groups or those hours should be paid at different levels. The options would be:
Option 1 | Option 2 | Option 3
--- | --- | ---
Points could be translated differently depending on the principal client group need of the individual | The same “points” level could carry the same value regardless of client group. | The value attached to “points” could reflect current differences in the level of funding for different client groups but introducing a transitional system of moving from a differential value for different client groups to broad equivalence.

3D Pace of change. The question is should individuals currently receiving SP funding benefit from protection so that the amount that they receive having gone through a PAQ is wholly or partly protected, and if so for how long?

3E The application of a Means Test. At the moment within SP someone receiving a service for an intended time period of less than 2 years is not means-tested, but if the intended time period is more than 2 years then they are effectively means-tested and only those users entitled to some degree of Housing Benefit for their housing costs also receive SP subsidy. Other “long term” service users have to pay for the service out of their own income. The question is how should the means test apply to PBs, where money is effectively being paid to the individual to achieve certain agreed outcomes some of which will be time-limited and some of which will be ongoing?

The options would appear to be:

Option 1 | Option 2 | Option 3 | Option 4
--- | --- | --- | ---
No means test should be applied to housing-support budgets | A means test should be applied to that element of the PB that relates to ongoing support needs | A means test is only applied where the service user identifies the need for a long-term accommodation-based service | A means test is applied to all PBs

3F Should there be an assumption that if an individual has an unpaid carer to provide assistance in relation to a particular outcome that the budget should be reduced accordingly?
4. Production of Support Plan

Support plans are a description of what the user wishes to achieve in their life ie the outcomes they are looking for, and how they are going to use the PB to help achieve these. The main issues are around any guidelines on the content of support plans and how they are validated / approved.

Questions

4A The first question is whether any limit / definition on what the available housing support PB can be spent upon ie what desired outcomes are legitimate for housing support money to facilitate. Three optional approaches might be appropriate:

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<td>All outcomes have to be related in some way to helping the individual secure or maintain themselves in accommodation with the maximum degree of independence AND not to be a service that the local authority would have a statutory duty to provide anyway.</td>
<td>“Support” outcomes would have to be around maximising independence in some way AND not to be a service that the local authority would have a statutory duty to provide anyway.</td>
<td>There is no need for a direct relationship between the level of housing-support funding received as part of the PB and the specific outcomes within the support plan as once awarded the budget has to be able to be used flexibly.</td>
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4B There is a question as to who signs off / approves housing support-only plans or housing support elements of other support plans. If a panel is to be established for doing this, then this would need to include someone with a support brief. This could be

EITHER someone form current SP team

OR a representative of agency managing the PAQ.

5. Payment of Indicative Budget

There are a number of different payment options for PBs.

Broadly speaking these consist of 2 different types of arrangement:

* Direct payments. These can be made to the individual themselves or to a nominated carer or other organisation acting on behalf of the individual to help manage their money but not empowered to make choices for the individual.
* **Directly provided services arranged by LA.** This refers to arrangements where the award of a budget is effectively virtual because the money is spent on behalf of the individual by another party – LA or service provider in line with the choices made by that individual.

The intention behind PBs is to facilitate users choosing any combination of these different approaches.

In introducing Personal Budgets one of the main dilemmas that a local authority faces is how to balance the maximisation of choice for the individual over the support they receive while still ensuring that there is a sufficient range of services available for them to choose from.

**5A** A major question area relates to currently block-purchased accommodation-based SP services, whose viability is threatened by the introduction of PBs.

If an individual believes that this form of accommodation with support is the best way to meet their chosen outcomes then there are a number of options as to how to ensure individual choice and control while at the same time providing some stability in the provider market.

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<td>The LA could hold back part of the budget to purchase a core service from some accommodation-based providers, and this could be taken into account in the calculation of an individual’s personal budget, but the provider would need to compete to provide any additional services to the budget-holder.</td>
<td>The PB could be paid into an Individual Service Account – effectively a total fund managed by the service provider on behalf of the individuals. This fund could be used to purchase in-house services from the provider or from others. Real control would have to genuinely reside with the individual.</td>
<td>Groups of service users would be facilitated in buying services from their landlord in a collective way, and any change of support provider would only be possible if the majority wanted it to change.</td>
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There could be a number of other options or variants of the above.

**5B** There is also the question as to whether there are housing-support services that are aimed at the relevant client groups that should be outside of the PB arrangements, and continue to be funded services acting under some form of block purchase arrangements. This could include services such as housing options or crisis intervention services.
6. Brokerage

It is assumed that many individuals will require some assistance in deciding how to spend their budget and secure the services that they need. This is the role of brokers, and to a large extent this is a new market that needs populating before the PB system can work. The provision of housing-support services has historically been a very different field that would require brokers to develop a very specific expertise.

Questions

6A There are potentially 2 distinct roles here – an independent support planner who assists individuals set their support plan objectives and how they are going to meet them, and a broker that negotiates access to services on behalf of the individual.

Which of these is considered most important?

6B Some decisions need to be taken as to who can be brokers within the new system – can organisations that are also potential service providers be brokers, and how will this be regulated?

There is a general need to develop a market in brokers and maximise user-choice. This could include user-led and community organisations. What should the LA do to facilitate the development of this market?

6C There are as many ways in which brokerage could be funded. These include:

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<td>The cost of using brokerage could be included within an individual’s PB</td>
<td>Brokers could be independently commissioned and purchased using a topslice of initial SP budget</td>
<td>Care Managers could be fulfilling this function – even for those who do not qualify for care funding</td>
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6D Individuals can be their own brokers or use family members. Under such circumstances there has to be a way in which they can find out about services available. The choice here would be to

EITHER
Set up something locally-specific for housing-support services

OR
Try and buy into one of the services that have been established nationally such as “shop4support”

The disadvantage of the latter option is that this service will not have been set up to reflect the need for housing-support services specifically.
7. Securing effective services

As has already been said for PBs to work there has to be an active market of suitable good-quality providers of support and assistance. The question is how much and what should be done by LAs to ensure that this market for housing-report develops and thrives.

This involves issues such as the following:

- Enabling providers to adapt to new business environment
- Providing training and guidance to providers on housing-support issues
- Providing some form of quality-assurance system for providers
- Seeking to influence the hourly-rates charged

Questions

**7A** Should there be some sort of accreditation of service providers, and then a restriction on the ability of individuals to use their PB to purchase services from any providers outside of this list.

If this is an idea that should be followed though then there are a number of choices.

a) Who should do this – LA OR an external body.

b) How should this be paid for – out of the original SP budget OR by providers themselves.

**7B** Should there be training made available to support staff, some of whom may understand little about housing-support. Again the same choices apply as in 7A above.

8. Review of Individual Support Plan

It is likely that housing support needs are likely to be linked to more short-term outcomes than is the case with other needs. This makes it more important that support plans are kept under regular review and the possibility of changes to indicative budgets between or indeed within years. Certain types of needs that a PB might be meeting can be one-off or very short-term and therefore it is an important part of the flexibility at the heart of PBs that they can be reviewed up or down to cater for these needs.

There is no infrastructure at the moment that could manage this process, except within service providers themselves.

So the key questions would appear to be what should the minimum and maximum frequency of reviews and who should carry them out.
Questions

**8A** Minimum and maximum frequencies. Maximum frequency could be set at 6 months OR 12 months. Minimum frequency could be set at 1 year or 2 years. Minimum / maximums could be different for different client groups, and could be set on an individual basis at the time of the PAQ or approval of the support plan.

**8B** The options for who is responsible for carrying out the review with the individual budget holder would appear to be :

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<tr>
<td>The same agency responsible for managing the original PAQ and budget award</td>
<td>Care Managers</td>
<td>Service Providers working to a clear contractual specification</td>
<td>A combination of the above</td>
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Mark Goldup
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