POLICY BRIEFING
Personal budgets and home care for older people

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Summary

This policy briefing:

• considers a report from Think Local Act Personal which identifies large variations in local authorities’ performance in implementing personal budgets for older people and identifies what can be done to improve this
• summarises information about choice in social care from a government commissioned review on barriers to choice in public services
• will be of interest to local authorities that are responsible for commissioning adult social care.

Briefing in full

Improving personal budgets for older people

Think Local Act Personal (TLAP) has published a report on improving personal budgets for older people. The report draws on a research review by the Social Care Institute for Excellence (SCIE), the Association of Directors of Adult Social Services (ADASS) personal budgets survey 2012, and a re-analysis of data from the National Personal Budget Survey 2011 with a focus on older people (all available via the link above). The project steering group includes ADASS, the Department of Health, the Alzheimer’s Society, Age UK, SCIE and the Standing Commission on Carers. Phase two of this work will focus on collecting and sharing positive practice, and later in 2013 subject to resources there will be recommendations for action and a programme of demonstrator projects.

Variations in councils’ performance

The numbers of older people on personal budgets is increasing rapidly, up by a third during 2011-12 with 52 percent of older people having a personal budget for their social care. The majority of these – around 83 percent – are managed budgets rather than direct payments. In contrast, around half of people aged 18-64 arrange their care and support through a direct payment (which gives a greater level of direct control over how the budget is spent). There is a large variation in how different councils are implementing personal budgets and direct payments for older people. Some councils have long established, systematic and comprehensive approaches,
others do not. Levels of direct payments for older people range from under ten percent to over 70 percent with a national average of 11.4 percent. 15 councils reported that over 40 percent of older people received a direct payment.

The report noted that a few councils seem ‘quite pessimistic about their ability to make personal budgets work well for older people, listing many challenges but few solutions’. However, other councils were positive and gave examples of practical solutions of how they were improving performance.

Issues of particular relevance to older people

Many aspects of personal budgets apply to all people over 18, but some have been found to be particularly relevant to older people. This section describes the major differences.

The circumstances in which older people come into contact with social care are often through a crisis such as following hospitalisation. Older people may have rapidly fluctuating needs or modest budgets primarily focused on personal care.

While being careful to avoid ‘ageist assumptions’ the report indicates that overall older people tend to be more interested in maintaining their circumstances rather than changing or improving them – so often have different priorities from younger people.

Overall, older people report positive benefits from personal budgets on a range of outcome domains such as dignity, respect, independence, control and physical health. Few people reported any negative impacts on these measures. However, unlike younger adults, few reported positive outcomes on measures such as volunteering, relationship with friends and feeling safe. A key factor in positive outcomes from personal budgets is whether or not the whole process was implemented effectively e.g. whether people received enough support or whether they received clear ongoing financial information. There was a ‘pervasive variation’ in reported outcomes across local authorities, which the report suggests is at least partially related to how effectively they are implementing their personal budget system for older people.

Older people and their carers may be more reluctant to use a personal budget due to factors such as satisfaction with current arrangements, reluctance to manage a budget, complexity of arrangements and concerns about potential service reductions.

Some older people do not have anyone to support them with personal budgets; some with conditions like dementia may need high levels of support.
Data limitations mean that take-up of personal budgets by people with dementia and other important subgroups cannot be identified making it difficult to measure impact and progress in different groups.

Personal budgets for older people are relatively new – the report describes them as a ‘relative novelty’ – therefore the culture and expertise of staff involved in personal budgets and those involved in information and advice giving need developing.

There is poor market development in many areas including:

- insufficient options for purchasing a variety of care
- existing contracts restricting creativity
- people buying the same type of services
- providers not seeing sufficient scale of new demand to develop a business
- underdeveloped personal assistant market
- unsupportive environment for micro-commissioning
- not linking intelligence from personal budget users to commissioning strategies
- lack of support services.

**Pressures and interim implications for practice**

The report makes the following point about the variations in performance across local authorities. ‘Superficially these findings would suggest a straightforward strategy to capture then encourage and support councils to adopt the best practice used by those achieving most success in numbers and especially outcomes. Having said this, however, there are a number of challenges and complexities’ (p11). This section sets out some of the interim conclusions that TLAP suggests need to be taken into account.

Direct payments rather than managed budgets tends to lead to improved outcomes, but since large uptake of direct payments is unlikely in the short term, as well as encouraging take-up of direct payments there should also be a focus on strategies to improve managed budgets.

Personal budgets need to be considered in the wider system of personalisation, e.g. alongside housing options, support for carers, community health and care and prevention.

The system developments involved in personal budgets (e.g. encouraging a diverse market of providers) are highly relevant to self funders and it is very important to consider this group in developing local strategies.
Robust change management needs to take place to manage the cultural and skills factors that need to be established to achieve the shift to successful personal budgets, particularly in areas that have a less developed tradition or that have been slow to start.

A number of elements need to be correctly balanced, such as maintaining quality and reliability alongside choice, ensuring safeguarding is in place, and reducing bureaucracy. ADASS also expresses concerns about extra processes operating in many places – for example councils have multiple assessment processes combining legally required professional assessment with supported self-assessment.

The considerable funding pressures on local authorities mean that there is unlikely to be much free capacity to manage the complex processes of managing change. Local authorities indicate that there is limited time available for the assessment and care planning process and there are workload pressures on staff. Local authorities are concerned about operating within budgets, which means they are focused on ensuring that personal budgets do not cost more than traditional delivery. The report indicates ‘when considering positive possibilities for solving the more specific challenges, there is a premium on identifying solutions that are highly cost-effective and efficient, in particular any approaches that offer the win-win of reducing cost while improving outcomes and experience’ (p11).

Examples of good practice

The report describes the action local authorities are taking to improve the delivery of personal budgets.

• Introducing personal budgets as the ‘regular way’ in which social care is organised.
• Helping service users and families to consider alternatives to traditional forms of support – supported via training for internal and external staff.
• Overhauling processes to make them work better and be more helpful for older people e.g. a lean systems review of business process, co-producing a new self-directed support operating model.
• Developing a wider range of options for money management such as e-cards, pre-payment cards, third party arrangements and the development of individual service fund (ISF) arrangements (in which the budget is held by a provider on the individual’s behalf).
• Thinking systemically by considering personal budgets as one element of the social care pathway e.g. linking reablement with information about personal budgets to introduce people to the concept.
• Linking staff development and personal budget processes so these link seamlessly e.g. staff guidance and toolkits, senior practitioners to support processes, an ‘embedding practice’ group, collating customer experience.
• Reorganising/making stronger connections between care management teams e.g. amalgamating older people and physical disability teams.
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- Improving information and advice e.g. step-by-step guides to the self-directed support process, educating front line health workers such as district nurses about direct payments, engaging with trusted sources of advice such as older people’s forums.
- Improving support services e.g. tendering for an enhanced support service for older people and carers, using community group/peer support, a brokerage service across adult social care.
- Improving market development e.g. developing homecare contracts so that providers focus on outcomes, responsiveness and supporting a more direct relationship with the older person through, for example, smaller geographical self-managing teams; also establishing a register of personal assistants.

Barriers to choice

The independent review of barriers to choice in public services was commissioned by the Cabinet Office. It covers the topics of healthcare, education and cross-service issues as well as adult social care – for all adults not just older people. Its methodology involved a call for evidence, round-table discussions across England, a literature review and a survey by Ipsos MORI. Its findings therefore cannot be seen as comprehensive, and there is some over-focus on negative individual accounts. However, many of its findings are consistent with those of TLAP and representatives of the user movement (section below).

The report indicates that although 46 percent of respondents to the Ipsos MORI survey indicated that they got a genuine choice, the figure fell to 27 percent for social care. However, the review also found that while there was ‘nervousness about direct payments and discussion about how appropriate they were for everybody’ there was less scepticism about the basic idea of choice in social care than in other public services.

The report makes the following conclusions about choice in adult social care.

- Systems tend to be over-bureaucratic e.g. multiple assessments, and lengthy e.g. long sign-off procedures – about seven percent of cases took more than three months to complete. Many local authorities are enforcing percentage reductions in RAS estimates of direct payments and RAS rules are often obscure.
- Local authorities are tightening rules on how budgets can be spent, so choice is being limited. For example, not being able to choose gym membership, buy pets to help with walking or companionship, or to attend leisure classes.
- Local information is often limited to statutory services and omits details about the voluntary sector and informal support such as time banks. There is also a lack of signposting, interpretation and support – particularly intermediaries for people who prefer not to employ personal assistants directly; user-led organisations providing support are suffering from reductions in local authority budgets. Directories of personal assistants are not available everywhere.
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- The current system assesses people too late or at times of crisis and focuses on needs and finance rather than on capacities and resources. This can encourage people to emphasise their needs in order to achieve higher budgets.
- People are experiencing difficulties in finding suitable services to purchase, particularly in light of closures of services such as day care. Some services are providing poor quality care, but there are no alternatives. This applies to both state-funded individuals and self-funders. Choice depends on developing a more diverse social care provider market.

Recommendations

National government should make sure that plans for a national website of registered social care providers is fit for purpose – e.g. provides clear, comparable local information.

The review advises that assessments should be reorganised. It points to the proposal in the Care and Support White Paper that assessment and care navigation should take place together in the context of looking at people’s own resources and potential group solutions such as pooling budgets. It endorses delaying financial assessment (RAS) so that people can look at informal options before thinking about funding. It talks of a ‘new offer’ in which people are asked what can be done to help them avoid the need for formal services. It indicates that local authorities will be able to devolve assessments to social enterprises and external organisations which ‘will make this process easier and probably cheaper because brokerage appears to cost less when it is done independently’. It states that assessment should be broader and assume that people want to give back as well as receive e.g. through involvement in local peer services. It recommends replacing the current entitlement to an ‘assessment of needs for care and support’ with an entitlement to an ‘asset-based’ assessment which takes into account informal support and does not assume that formal services are the only solution. (While the review has some interesting ideas on assessment and while it is refreshing to see views on social care from a source other than the usual policy suspects, it tends to conflate preventative, low level support with formal assessment under eligibility criteria.)

Local authorities need to shape the market to establish a range of providers including micro-providers, independent support brokers and advocates and informal mechanisms such as opportunities to pool funding. Ending block contracts should be the direction of travel but ‘there may still be a transition role for these as a means of reducing prices for local authority care’. They should phase out the use of ‘preferred provider’ lists and in the meantime ensure that these and virtual marketplaces are open to new entrants and are not used as the only menu for support planning.

Local authorities should not control where an individual spends their budget so long as it meets agreed outcomes. The report suggests that giving local authorities a duty to signpost social care users to independent advice and support on personal budgets

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will help make sure this happens. (The link between the two is not made clear.) It also suggests that in the medium term personal budgets could be top-sliced to fund local advice services.

Views from the user movement

While personalisation and personal budgets are largely seen as the most appropriate direction for adult social care, the mechanisms for implementing personal budgets are being called into question. Simon Duffy, former chief executive of In Control, the organisation that championed self-directed support, has indicated that he was mistaken in supporting the introduction of the complex resource allocation system (RAS – systems that calculate the budget that will meet an individual’s needs) and support plans which he indicates have both been misused in practice (article on Centre for Welfare Reform website).

In a Guardian article Are personal budgets working? Peter Beresford cites the study How self directed support is failing to deliver personal budgets and personalisation which indicates that upfront allocations in which people are given indicative budgets at time of assessment are ‘wildly different from what people actually get’. Furthermore a bureaucracy has grown up to administer the RAS which has sucked funding from care and support. Current In Control chief executive, Julie Stansfield supports personal budgets as improving outcomes but indicates ‘The problem is not personal budgets but rather their poor delivery in too many places’.

Comments

Information from these reports provides helpful information for those responsible for planning and delivering personal budgets.

The current financial situation stalks the reports like a spectre. This is a hugely challenging environment in which to achieve major cultural and systemic change. The introduction of care management which involved a similar shift in culture and expertise happened in a better financial context and took many years to embed. And yet, arguably unlike care management self directed support is fundamental to the values of social care. The challenge is to reconcile what is basically good practice with robust financial management. One of the most important elements of the next stages of TLAP’s work will be to understand and share best practice in budget management and streamlined systems.

That some areas are achieving progress shows that it is possible. While acknowledging the difficulties, areas that are making slower progress would benefit from considering the TLAP report at a senior level to identify whether they have considered all the measures that are set out in the lists of good practice suggestions in the report.

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The government agreed to reduce the earlier goal of 100 percent of people to receive personal budgets by April 2013 to 70 percent, following a review of technical feasibility which indicated, for example, that some services such as reablement were not appropriate for personal budgets. However, the intention remains for all eligible people to receive a personal budget. All local authorities will need to continue to move forward because the policy of self directed support is being developed through the Care and Support White Paper and the draft Care and Support Bill. For example, the requirement on local authorities to develop and maintain a diverse range of high-quality providers so people have choice. This measure has considerable potential – supporting the development of micro-providers providing flexible support in small geographical areas is likely to be a cost effective approach and all local authorities should consider this.

While the fundamental idea of personal budgets and direct payments is sound, many issues have not been resolved. Because social care has only recently risen to the top of the media agenda and is largely considered in terms of funding, care scandals, carers and dementia, there has been very little public discourse about what is appropriate for the role of the state.

The barriers to choice review indicates that 'quite reasonably local authorities are nervous about challenge by the media’ on direct payment choices. One of the reasons for this is that there is little understanding of direct payments in the general public and little consensus about the role of social care.

For example, we can question whether people should be allowed to use their direct payment to buy a pet. Does anyone have a substantial and critical need for a Jack Russell? Possibly, if having a pet avoids potential hospitalisation through mental health breakdown. But what about the person down the road whose life would also be improved by a canine companion? When does social care become a response to poverty? With criteria largely set at substantial and critical how far can it address issues of quality of life? With such basic issues not properly discussed let alone resolved, it is little wonder there is not absolute clarity of approach in the social care community.

The barriers review makes an interesting point that the underlying issue is ‘how to make a system with finite resources more humane’.

**Related policy briefings**

- Caring for our future: care and support white paper
- Draft care and support Bill

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