Agenda Item 7

Report to:	**Adult Social Care Scrutiny Committee**
Date:	**26 March 2009**
By:	**Director of Adult Social Care**
Title of report::	**'Putting People First' Update report**
Purpose of report:	**To provide an update on the change programme in Adult Social Care, including an indicative budget for the Social Care Reform Grant**

RECOMMENDATIONS:

Adult Social Care Scrutiny Committee is recommended to:

1. Consider and comment on the 'Putting People First' (PPF) programme brief attached.

2. To note regional and national developments in respect of 'Transforming Social Care' particularly the outcome of the national Individual Budget pilot programme.

1. Financial Appraisal

1.1 Department of Health funds have been provided nationally to support the PPF change programme through a Social Care Reform Grant. The SCRG allocation to East Sussex is: £0.861m in 2008/9; £2.021m in 2009/10; and £2.502m in 2010/11. An indicative budget was provided to Lead Member in November 2008.

1.2 Some costs associated with PPF are difficult to anticipate, these include:

- The impact of a shift from reactive to preventive care interventions on medium term financial planning.
- Cost of offering advice and information to local people irrespective of their eligibility to receive an ASC funded support package.
- Cost of engaging local people and making best use of 'social capital' i.e. caring communities, volunteering and support for carers.

2. Background

2.1 A PPF Programme has been established in East Sussex, the Programme Brief is attached at Appendix 1. A Project Initiation Document (PID) is being developed. The PPF Programme structure has been recently strengthened by the addition on the PPF Board of the Deputy Director of Corporate Resources, the Director of Policy Management and Communication, and the Assistant Director - Planning, Performance and Engagement, Adult Social Care.

2.2 A regional structure supporting 'Transforming Social Care' has been established with the following features:

- A National Director for 'Transforming Adult Social Care', Jeff Jerome.
- A network of Regional Deputy Directors to support the transformation programme, working closely with the Joint Improvement Partnership (JIP) – two posts in the South East.
- Lead officers for Transforming Social Care, across the region, meet regularly under the guidance of the Association of Directors of Adult Social Services (ADASS).
- The South East ADASS Branch have a number of standing committees, e.g., older people, mental health, supporting people, finance. This network includes

representatives from East Sussex and their work programme for the next two years will reflect a focus on PPF and the transformation agenda.

2.3 Nationally, concerns about the impact of PPF on medium term financial planning are being addressed at a meeting at the end of March to be chaired by John Bolton, Director of Strategic Finance, Department of Health. East Sussex will be represented at that meeting. John Bolton is also visiting East Sussex to discuss efficiencies within PPF.

2.4 A National Pilot of 'Individual Budgets' was completed in October 2008 and a summary of the outcome is attached as Appendix 2.

3. Public Engagement / consultation and PPF

3.1 A significant number of local authorities, nationally and regionally, are undertaking public consultations on the possible local impact of PPF and transforming social care.

KEITH HINKLEY
Director of Adult Social Services

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Local Member(s): All

Background documents:

Appendix 1 – PPF Programme Brief

Appendix 2 – National evaluation of the Individual Budgets programme

Project Brief	**PPF Programme**
Project Title	Putting People First
Workstream	Programme Management
Sponsor	Keith Hinkley
Author	David Liley
Date	30/10/08
Version	1.2

This document sets out the key aims of the project for approval by the Sponsor before work on the more detailed Project Initiation Document (PID) begins.

To complete this document overtype the guidance notes in *italics.*

1. Background to the Project

Across Government, the shared ambition is a radical reform of public services, enabling people to live their own lives as they wish, confident that services are of high quality, are safe and promote their own individual needs for independence, well-being and dignity. Those ambitions have been expressed in a range of health, social care and housing policy published over the last 2 years, including:

- ‘Our Health Our Care Our Say’ [2006], White Paper [Department of Health]
- ‘Our NHS, our Future’ [2007] NHS Next Stage Review, [Department of Health]
- ‘Independent Living Strategy’ [2008] [Office for Disability Issues]
- ‘Lifetime Homes, Lifetime neighbourhoods’ [2008] [Communities and Local Government]

There is close resonance between this national agenda, the ESCC Plan, and the Adult Social Care Three Year Plan. There is also some evidence, from comparative public surveys, that older people in East Sussex have been getting more involved and becoming better informed about social care and long term health conditions. See the POPP public survey – POPP archive ASC.

2. Required Outcome

‘Putting People First’ [PPF] is a Department of Health initiative, set out in the Local Authority Circular [LAC 2008, 1] and the ‘Putting People First Concordat’ [attached as Appendix 3 and 4]. The concordat outlines a vision for a single community based support system focussed on the health and wellbeing of the local population – with the citizen at the centre.

The main changes required by ‘Putting People First’ are:

- ASC taking lead responsibility for helping local people plan and arrange social care services – irrespective of their eligibility for public funding, and including carers
- Self assessment and self directed support (SDS) becoming routine and mainstream

- People eligible for publicly funded services having direct control over the budget to purchase their services – a 'Personal Budget'
- ASC making a significant shift from urgent and emergency interventions to prevention and promoting independence.

3. Project Justification

There are a number of key drivers for the PPF programme:

Regulatory: Direction clearly set by DoH and other agencies in PPF Concordat
Best practice: SDS and promoting independence has been accepted best practice in social work and nursing since the 1970's. PPF provides a vehicle for implementing improvements in service delivery recommended in recent inspections. Assessment and Care management change programme preceded PPF and indicated opportunities to improve efficiency and improve practice – see ACM Business Case [2008]
Demographics: Increasing older population and working age adults requiring long term support also increasing. Significant demand management issues to be resolved over the next 5 years.
Financial: Funding has grown in recent years but this level of growth will not be sustained over the next 5 years. Current service delivery methods are likely to be financially unsustainable, given likely future demand.
Public Expectations: Many local people fund and arrange their own social care and the social care for members of their family. There is an increasing public expectation that the local authority will help families with high quality information and guidance and not restrict help to people entitled to public funding support [see POPP Public and Staff Surveys – ESCC POPP archive 2008]. As part of managing future demand the authority will be driven to consider prevention and promoting independence. This will attempt to divert demand away from urgent and emergency response services.

Consequences of not engaging with a PPF change programme:

- Authority would be ill prepared to deal with future demand and public expectations
- Authority would likely face criticism for not promoting established best practice and failing to implement government policy for social care.

4. Other Key Information

a) The programme:

- To be delivered over a three year period; note that many local authorities are considering this a five year programme of change.
- There are likely to be a number of options for arranging staff, systems, structures and delivering the objectives of PPF these will be explored in the business planning process, through projects, pilots and prototyping.
- Key dependences are yet to be scoped but are likely to be present for workforce, ICT, information, engagement and communications training, and organisation development
- Funding: Department of Health funds have been provided nationally to support the PPF change programme through a Social Care Reform Grant. The SCRG allocation to East Sussex is: £0.861m 2008/9; £2.021m 2009/10 and £2.502m 2010/11

b) Next steps:

- No significant risks to proceeding to a PID for this programme.

- Outline PID prepared by Programme Manager as a working tool to set up the programme in June 2008. Full PID prepared and will be presented to PPF board for approval November 2008
- Programme to be managed using the Gateway process as recommended by ESCC and the OGC [Office of Government Commerce] and using MSP [managing successful programmes] and the ESCC project toolkit as guides.
- ESCC corporate audit to be involved in the programme management board at an early stage.

5. Agreement by Sponsor

I confirm that this information fairly reflects what is required and the project can progress to the next stage – Production of the PID.

Name:

Date:

Signature:

ibsen

October 2008

The national evaluation of the Individual Budgets pilot programme

The Individual Budgets (IBs) pilot programme tested new ways of giving people who use social care services a greater say in the assessment of their needs; better understanding of how resources are allocated to meet those needs; and greater flexibility in using resources to meet individual needs and priorities. The evaluation found that IBs were generally welcomed by users because they gave them more control over their lives, but there were variations in outcomes between user groups.

- IBs were typically used to purchase personal care, assistance with domestic chores, and social, leisure and educational activities;
- People receiving an IB were more likely to feel in control of their daily lives, compared with those receiving conventional social care support; satisfaction was highest among mental health service users and physically disabled people and lowest among older people;
- Little difference was found between the average cost of an IB and the costs of conventional social care support, although there were variations between user groups;
- IBs appear cost-effective in relation to social care outcomes, but with respect to psychological well-being, there were differences in outcomes between user groups.
- Staff involved in piloting IBs encountered many challenges, including devising processes for determining levels of individual IBs and establishing legitimate boundaries for how IBs are used; there were particular concerns about safeguarding vulnerable adults;
- Despite the intention that IBs should include resources from different funding streams, staff experienced numerous legal and accountability barriers to integrating funding streams; at the same time there was frustration that NHS resources were not included in IBs;
- IBs raise important issues for debate, including the appropriate principles underpinning the allocation of resources to individuals and the legitimate use of social care resources.

Background

Individual budgets (IBs) were piloted as a new way of providing support for older people, disabled adults and adults with mental health problems eligible for publicly-funded social care. IBs are intended to give greater clarity about the resources available and more choice and control over how needs are met. IBs aim to bring together the resources from several funding streams for which an individual is eligible; these can be used flexibly according to individual priorities and desired outcomes.

The Department of Health set up IB pilots in 13 English local authorities, running from November 2005 to December 2007, and commissioned a national evaluation.

Findings

Who got what from IBs?

To simplify implementation, most pilot sites started by offering IBs to only one user group – typically people with learning disabilities or physical disabilities/sensory impairments. By the end of the pilot period, all sites were offering IBs to a wider range of user groups. Across the 13 projects, IBs were piloted with older people, working age adults with physical, sensory and/or learning disabilities, people with mental health problems and young people in transition to adult services.

IB resources were typically used to pay for personal care, domestic help and social, leisure and educational activities. Although there were some examples of IBs being used in innovative ways, most people chose to purchase conventional forms of support. Few people understood how their IB had been calculated.

Outcomes

People receiving an IB were significantly more likely to report feeling in control of their daily lives, welcoming the support obtained and how it was delivered, compared to those receiving conventional social care services. However, there were differences between groups.

- *Mental health service users* reported significantly higher quality of life;
- *Physically disabled adults* reported receiving higher quality care and were more satisfied with the help they received;
- *People with learning disabilities* were more likely to feel they had control over their daily lives;
- *Older people* reported lower psychological well-being with IBs, perhaps because they felt the processes of planning and managing their own support were burdens.

People who had higher value IBs had better social care outcomes – but so did people receiving higher value conventional services. Overall, holding an IB was associated with better social care outcomes, including higher perceived levels of control, but not with overall psychological well-being in all groups. We will be undertaking further DH-funded research into the longer-term costs and outcomes of IBs for older people.

> ***I can choose my own respite facilities, checking them out first to make sure they meet my needs as a disabled person. I can control where I go and pay for it with the IB money. You are the best judge of your own needs – not a social worker.*** *(Adult with a physical disability)*

Costs and cost effectiveness

Very little difference was found between the costs of IBs and a comparison group receiving conventional social care support. The average weekly cost of an IB was £280, compared to £300 for people receiving conventional social care.

However, average IB costs varied considerably between user groups. Costs were lowest for mental health service users (average £150 per week); middling for older

people (£230) and physically disabled people (£310); and highest for people with learning disabilities (£360). Not surprisingly, the costs of IBs were higher for people with greater needs, whether because of problems with daily living activities or cognitive impairments. Costs were lower for people living with a family carer and those in paid work. IB holders also reported higher use of health services; and more contact with a social worker/care coordinator, reflecting the demands of support planning.

IBs appeared cost-effective for social care outcomes – i.e. they produced better outcomes for the costs incurred, compared with standard care – but not for psychological well-being, with some differences between groups. IBs were cost effective for *mental health service users* and *physically disabled people* with respect to both social care and psychological well-being outcomes. For *people with learning disabilities*, IBs were cost-effective with respect only to social care. For *older people*, there was no difference in social care outcomes, but standard care arrangements remained slightly more cost-effective and people receiving these felt happier.

Eligibility, assessment and resource allocation

Formal eligibility criteria for social care support remained unchanged in the pilots, but care coordinators took other factors into account when offering IBs such as an individual's ability and willingness to make changes, manage money or understand new processes. Assessment processes did not necessarily change greatly, although there were greater emphases on self assessment and outcomes.

Developing systems for assessing needs and deciding the resources to be allocated to IB holders went hand-in-hand. The former entailed integrating information from self-assessments and professional-led assessments. In most pilot sites, the sum of money allocated was determined through a Resource Allocation System (RAS). This itemised the help needed by an individual and resulted in a score that translated into a sum of money – the IB. The RAS was seen as clear and equitable by some staff, but too simplistic by others.

Planning support arrangements with the IB

Deciding how to use an IB was challenging for service users. Care coordinators helped individuals to set priorities and identify potential ways of meeting them. Support planning was often judged to be person-focused and accessible. However, some concerns were raised over the amount and complexity of paperwork and the general slowness of the support planning process. External support planning organisations or advocates were sometimes involved. Common concerns of front-line staff were judging what expenditure could be viewed as legitimate or appropriate for social care; and managing potential risks – for instance paying family members or neighbours (with no Criminal Records Bureau checks) to provide support. Staff were also uneasy about potential harm or risks of financial exploitation arising from users' choices.

> ***He is a very proud man and doesn't want personal care. What he wants is other things, so that, when he is up and dressed and tired out, somebody will be there to do other things for him like [keep] a house tidy.*** *(Team Manager, Physical Disabilities)*

Social care staff experienced major shifts in their roles and responsibilities. Some welcomed these, though others felt their skills were being eroded. Supervision and training in implementing the new IB approach were considered essential.

Integrating funding streams

IBs were expected to include money from several funding streams to enhance flexibility and choice. Pilot site senior managers were enthusiastic about this, but gains were very limited. Barriers included incompatible eligibility criteria; legal and other restrictions on how resources could be used; and poor engagement between central and local government agencies.

Integrating into IBs the assessment, resource allocation and review processes for other funding streams was thought by IB managers to have been most successful in respect of Supporting People. Integrated Community Equipment Services funding formed part of general social care expenditure rather than being separately identified and allocated. However, much less progress was made in aligning or integrating Access to Work, Disabled Facilities Grants and the Independent Living Fund.

NHS funding was excluded from the IB pilots, despite the prevalence of joint commissioning and service delivery arrangements. IB staff were frustrated by this exclusion, which was considered incompatible with the holistic IB philosophy. They thought it would have been easier, and better for users, to have NHS resources integrated into IBs rather than some of the other funding streams. Priorities for inclusion were NHS continuing healthcare and mental health services.

Implications for policy and practice

Devising new processes for allocating resources to individuals was particularly challenging and no consensus was reached on the best methods. There is a need for national debate on the principles and processes for allocating resources, with particular attention to issues of transparency and fairness.

Clarity is needed on the appropriate uses of IBs and on the legitimate role of adult social care funding, given the twin pressures of responding creatively to individual needs on the one hand and safeguarding vulnerable adults on the other. Monitoring and review systems for support plans, both initially and on an on-going basis, will be required.

Decisions are needed as to whether IBs should incorporate additional funding streams as originally proposed. Despite their enthusiasm, staff were ultimately frustrated by significant legislative and accountability barriers which could only be removed by national policy action. Decisions are also needed about boundaries with the NHS.

Implementing IBs required major shifts in staff and organisational culture, roles and responsibilities. Intensive support and extensive training will be needed, particularly in developing specialist support planning and brokerage skills. Greater capacity in managing budgets flexibly within care management will also be needed.

Although little use was made of new options for spending IBs, in the longer term a wider range of creative responses to individuals' priorities are likely to develop. Changes to patterns of service provision during the pilots were also limited by block contracts with service providers. Future changes in patterns of demand may have sizeable implications for local service providers; for the roles of councils in stimulating new types of services; and for service costs if the bulk discounts of large block contracts disappear.

Methods

The study was the first robust UK evaluation of the implementation of personalised approaches to social care and the impact on users, support processes, workforce, commissioning and providers. The evaluation included a randomised controlled trial examining the costs, outcomes and cost-effectiveness of IBs compared to conventional social care. Almost 1000 people were interviewed about their experiences and outcomes 6 months after being offered an IB (or using conventional services). The support plans of people receiving IBs were analysed. In-depth interviews with a sub-sample of 130 people recently offered IBs explored their early experiences.

Interviews were held with service providers, commissioning managers and staff involved in implementing IBs, including senior managers, first-tier managers and front-line staff, about workloads, job satisfaction, training needs and adult safeguarding. We are grateful for the time and help given by the staff and service users who took part.

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Individual Budgets Evaluation Network

Further Information

The evaluation of the Individual Budget pilot programme was funded by the Department of Health.

The evaluation team were:

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Summary and full reports of the evaluation can be downloaded from the following websites:

www.york.ac.uk/spru

www.pssru.ac.uk

www.kcl.ac.uk/research/groups/healthsoc/scwru.html