

# Learning and experiences from the Individual Budget Pilot sites

Sharing practice from the **Individual Budget pilot** sites

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Kate McAllister and Shaun Bennett  
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# Introduction

## **Aim of the guide**

The information in this document is based on the experience of the 13 pilot sites who took part in the Individual Budget Pilot exercise, which ran for 2 years from December 2005 to December 2007. Representatives from the majority of the 13 sites attended a workshop in May 2008 and the key points and suggestions which follow are based on discussion and collective recommendations from that event.

The aim is to provide practical information and sample documents to support Supporting People Administering Authorities<sup>1</sup> who wish to develop personalisation and choice in their local communities by including Supporting People funding within Individual Budgets (IBs).

The guide is based on real experiences – and the examples used are drawn from work that has already achieved positive results and outcomes. There is a focus not only on what was successful, but on how it was done and what else needed to be in place for it to work, and what the pitfalls and obstacles were that needed to be overcome. Wherever possible we have included examples of working practices used by the pilot sites and by non-pilot authorities who have worked on IBs outside the remit of the pilot.

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<sup>1</sup> From April 2009, with the removal of the Supporting People ring-fence all local authorities will have increased flexibility to enable them to include SP in Individual Budgets if they wish to do so.

# Background

## **What is an individual budget?**

The main aim of an Individual Budget is to put an individual who needs support in control of deciding what support or services they receive.

### **Individual Budgets:**

- Give people a clear, up-front idea about how much money is available to pay for their support
- Aim to simplify assessment and empower users to participate fully in those assessments.
- Bring together support and funding from more than one agency (see below for which income streams are included)
- Should enable people to keep existing commissioned services, if they are happy with them, alongside a range of options for building up more individually tailored support

The individual receives an integrated budget which is intended to purchase services to achieve the goals identified. Some of these goals may require housing related support while others may be Social Care or other goals. From an individual's perspective there is no distinction between the various funding streams and this enables them to purchase services from a single provider, if they wish to do so. As such this process can be very effective in delivering joined-up services.

## **The Individual Budget Pilot**

The Individual Budget Pilot Programme began in December 2005 and ended on 31 December 2007. It consisted of a partnership between The Department of Health, CLG, The Department for Work and Pensions and The Office for Disability Issues.

The following 13 Local Authorities were chosen to take part in the pilot:

- Gateshead
- Coventry
- West Sussex
- Manchester
- Oldham
- Barnsley
- Lincolnshire
- Barking and Dagenham
- Kensington and Chelsea
- Leicester
- Bath and North East Somerset
- Essex
- Norfolk
- Barking and Dagenham
- Kensington and Chelsea

The following income streams were included:

- Local Authority Social Care for adults
- Access to work
- Supporting People
- Independent Living Fund
- Disabled Facilities Grant
- Integrated Community Equipment Services

## What the pilots were asked to do

Each of the sites tested Individual Budgets in different ways, involving a range of client groups and approaches. The table<sup>2</sup> below shows the mix of client groups offered Individual Budgets by each site at the start of the pilot.

Site	Who will they be trying Individual Budgets for?
Gateshead	People with learning disabilities, people with physical disabilities, people with sensory impairments and people who use mental health services at times of transition from childrens services to adult services, and from adult services to older peoples services
Coventry	People with learning disabilities, people with physical disabilities, people with sensory impairments and people who use mental health services. They will all be people who are going through big changes in their lives - eg growing up, moving from education to employment, leaving a family or other 'supervised' home to live more independently, moving from hospital or rehab to living in the community or at home, and people who are coming home from living in an 'out of city' placement.
West Sussex	Older people
Manchester	Older people - people with neurological illness, renal patients
Oldham	All adults including older adults
Barnsley	All adults including older adults and young people in transition.
Lincolnshire	Starting with older people, but later to include all adults.
Barking and Dagenham	Older people, people with learning disabilities and people with physical disabilities, and people who use mental health services
Kensington and Chelsea	Older people and people with physical disabilities
Leicester	People with learning disabilities, people with physical disabilities and people with sensory impairments. May include other people later in the pilot.
Bath and North East Somerset	People with a learning difficulty, older people and younger people with a physical or sensory impairment
Essex	People with learning disabilities, people with physical disabilities, family carers
Norfolk	People with mental health problems

The gateway for access to an Individual Budget during the pilot was to meet the FACS (Fair Access to Care Services) eligibility criteria. Therefore people mainly with critical or substantial needs were given the option of an IB.

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<sup>2</sup> Individual Budget Pilot site website (<http://individualbudgets.csip.org.uk/index.jsp> )

## Using Supporting People funding in Individual Budgets

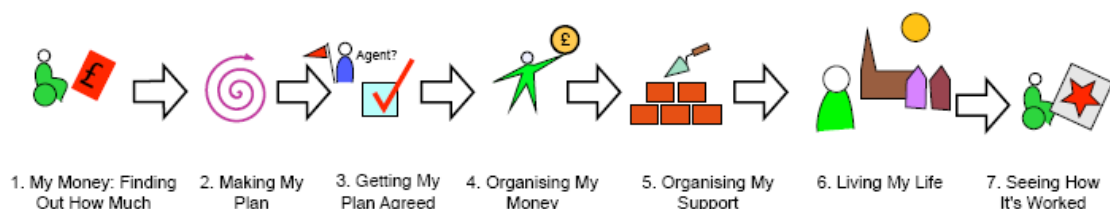
All the pilot sites included the option of allocating Supporting People funding within an IB (in most cases up to 10%<sup>3</sup> of the overall SP allocation), although in practice, take-up of Supporting People funding was slightly lower during the pilot period.

Individuals who were allocated an IB had the option of using their budget to purchase an individually tailored support package, or, if preferred, continuation of existing service.

## How does an Individual Budget work?

Individual Budgets are based on the principles of Self Directed Support. In 2003 the Department of Health (and other stakeholders) set up *In Control* to develop a new approach to Social Care based on these principles. This resulted in the seven steps<sup>4</sup> model of Self Directed Support:

- **Step 1** - Everyone is told their financial allocation - their Individual Budget - and they decide what level of control they wish to take over their budget.
- **Step 2** - People plan how they will use their Individual Budget to get the help that's best for them; if they need help to plan then advocates, brokers or others can support them.
- **Step 3** -The Local Authority helps people to create good Support Plans, checks they are safe and makes sure that people have any necessary representation.
- **Step 4** - People control their Individual Budget to the extent they want; there are currently 6 distinct degrees of control: from direct payment at one extreme and with to Local Authority control at the other.
- **Step 5** - People can use their Individual Budget flexibly: they can use statutory services, (the cost of which is taken out of the Individual Budget) and other forms of support; if they change their minds they can re-direct their Individual Budget to more appropriate forms of support.
- **Step 6** - People can use their Individual Budget to achieve the outcomes that are important to them in their context of their whole life and their role and contribution within the wider community
- **Step 7** - The authority continues to check people are okay, shares what is being learned and can change things if people are not achieving the outcomes they need to achieve.



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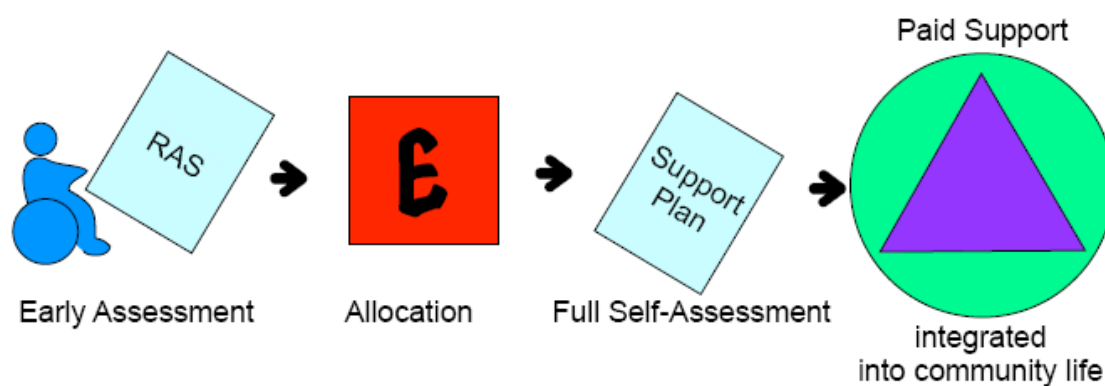
<sup>3</sup> The only Authority to have more than 10% was Oldham, with permission from the Secretary of State.

<sup>4</sup> *Individual Budget Integration*. Report for Dept Health by John Waters and Simon Duffy. July 2007.

## Using Supporting People funding in Individual Budgets

These principles have underpinned the IB pilots and the scope of IBs have been extended by the pilots to include revenue streams from sources other than Social Care.

The diagram<sup>5</sup> below set out the key stages involved in setting up an Individual Budget. This paper covers each of these stages in detail, with particular focus on Individual Budgets which include Supporting People funding.



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<sup>5</sup> *Individual Budget Integration*. Report for Dept Health by John Waters and Simon Duffy. July 2007.

# Suggestions and plans to take forward learning post evaluation

Following the pilot exercise, all sites remain committed to the concept of Individual Budgets. There are many positive stories about how Individual Budgets have made a real difference to peoples' lives, enabling true person-centred support and informed choices about integrated packages of care and support.

There were also impressive examples of creative joint working at site level, with sites adopting pragmatic solutions and working round obstacles wherever possible.

All sites can provide examples of the success of the Individual Budget pilots in enabling empowered decisions over future support arrangements and there is no doubt about their potential benefits in contributing to the government's personalisation and choice agenda. For more details about successes to date visit the Individual Budgets Pilot Programme website at <http://individualbudgets.csip.org.uk/index.jsp>

## **Supporting People implications**

The take-up of Supporting People for Individual Budgets during the pilot period was relatively limited, except in one authority, Oldham, where IBs were offered to all people subject to Fair Access to Care Assessments. 40% of Oldham's total Supporting People budget was eventually made available as potential Individual Budgets during the pilot period, with any efficiencies found re-invested into the SP socially excluded client groups, who were mostly ineligible under FACS.

Based on experiences to date, all the pilot sites feel that IBs have a key role to play, but that they should not be considered as the only option for personalising housing related support services and increasing choice. Commissioned SP services can be responsive and person centred, as well as providing consistent coverage over large geographical areas, and some authorities consider that commissioned SP service can work alongside IBs and promoted this model as a viable alternative. More work is needed to better understand how IBs can work together with commissioned services to deliver a seamless service.

## ***Using Supporting People funding in Individual Budgets***

Although practice varies considerably from one site to another, some common themes have emerged and all pilot sites agree on the key importance of the following issues, which are summarised below and covered in more detail in subsequent chapters.

- Access routes for an Individual Budget.
- How to assess all potential needs.
- The Resource Allocation process - how best to tailor to Supporting People.
- IB Outcomes – how to measure, how to integrate existing outcome frameworks and how to feed into targets specified by Local Area Agreements.
- The way forward for SP quality and performance monitoring and risk management.
- Supporting People contracting, charging and future procurement – IB implications.

## **Relevant information from the pilot sites**

In a separate document we have included a selection of policies, procedures and other information which may be of interest, kindly donated by the pilot sites and other authorities.

These documents have been offered in the spirit of supporting and encouraging others to explore the possibilities offered by IBs and of preventing colleagues from 'reinventing the wheel.'

Although offering practical information for any authority or service provider looking to introduce Individual Budgets including SP funding, none of the information which follows is officially badged as 'best practice' however, for the following reasons:

- Some may be appropriate for one authority but may need amendment before being applied across the board.
- Some are at initial draft stage and may be subject to revision.
- Some may have been amended.

# Access routes for an Individual Budget

## Introduction

This section explores the likely routes via which an individual can access an Individual Budget and examines the links between directly commissioned services and IBs.

## Findings from the pilots

Up to now, the only access route for an IB has been via the local Fair Access to Care (FACS) assessment. During the IB pilot, if someone met the FACS criteria and was from one of the client groups covered by the local pilot, then they would be offered the option of an IB. In many authorities, only people with critical and substantial needs, as outlined below could be entitled to Social Care<sup>6</sup>.

16. The eligibility framework is graded into four bands, which describe the seriousness of the risk to independence or other consequences if needs are not addressed. The four bands are as follows :
- Critical – when**
- life is, or will be, threatened; and/or
  - significant health problems have developed or will develop; and/or
  - there is, or will be, little or no choice and control over vital aspects of the immediate environment; and/or
  - serious abuse or neglect has occurred or will occur; and/or
  - there is, or will be, an inability to carry out vital personal care or domestic routines; and/or
  - vital involvement in work, education or learning cannot or will not be sustained; and/or
  - vital social support systems and relationships cannot or will not be sustained; and/or
  - vital family and other social roles and responsibilities cannot or will not be undertaken.
- Substantial - when**
- there is, or will be, only partial choice and control over the immediate environment; and/or
  - abuse or neglect has occurred or will occur; and/or
  - there is, or will be, an inability to carry out the majority of personal care or domestic routines; and/or
  - involvement in many aspects of work, education or learning cannot or will not be sustained; and/or
  - the majority of social support systems and relationships cannot or will not be sustained; and/or
  - the majority of family and other social roles and responsibilities cannot or will not be undertaken.

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<sup>6</sup> Fair access to care services - guidance on eligibility criteria for adult social care. Dept of Health. 2003.

## ***Using Supporting People funding in Individual Budgets***

Therefore there was no access to IBs for people with lower care and support needs during the pilot period. This had a big impact on the sites' ability to evaluate potential for including Supporting People in IBs, since many people requiring housing related support have low to moderate support needs.

Because all potential IB recipients were already entitled to Social Care, all but one of the IB sites (Coventry being the exception), decided to build on their existing social care management infrastructure (i.e. the systems for initial self-assessment, allocation of resources, monitoring and brokerage) to administer IBs. Most of the pilots have extended and adapted the [In Control](#)<sup>7</sup> systems, which are used to administer self-directed support for people with higher care needs.

There is however no such infra-structure in place to support Individual Budgets which does not include Social Care funding. It may therefore be resource intensive to implement IBs for people with lower needs, or who were not eligible for Social Care for other reasons.

The sites felt that unless resources can be identified for alternative methods to assess needs, allocate resources, monitor budgets and provide access to brokerage, IBs may only be offered to people with substantial or critical needs (i.e. those who meet the local FACS eligibility criteria) and to those already accessing existing statutory frameworks.

### **Suggestions from the pilots**

#### IBs which do not include Social Care funding

If authorities wish to offer IBs to people with lower needs, below the FACS thresholds, they will need to set up alternative systems to monitor and administer IBs from their existing resources.

There are therefore two potential options available to authorities wishing to offer Individual Budgets to individuals who fall outside the FACS criteria:

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<sup>7</sup> [www.in-control.org.uk](http://www.in-control.org.uk)

## ***Using Supporting People funding in Individual Budgets***

- a) Local Authorities would need to put resources into funding an SP-related assessment service, although this could be as part of a wider Social Care assessment – if Housing Related Support trigger questions were on a single assessment form.
- b) Disaggregate assessment and planning from support delivery within the existing services/provider market. One option would be to use other funds (e.g. SP programme grant, Area-Based Grant or Regional Specific Grant), to commission brokerage services for these groups, to carry out assessments and help individuals access existing housing related support services. (This is explored in more detail in the chapter covering implications for contracting, charging and future procurement.)

Now that the Supporting People funding ring-fence will be removed from next financial year there may be opportunities for integrating any framework for assessing support needs into the Social Care assessment frameworks. Furthermore, with the introduction of brokerage services by Social Care there may be scope to integrate any SP commissioned brokerage services.

As FACS is currently being reviewed there may be opportunities to create a framework that can take into account the assessment of lower support needs as a means of preventing people from requiring high care services - although this will depend upon the scope of the review.

### **SP Commissioned services**

The pilot sites agreed that there will continue to be a role for commissioned services for housing related support. These services are most likely to be commissioned for socially excluded groups (i.e. for those who require a fast response service) and potentially for individuals who want greater choice but not the added responsibility of managing the funding associated with their own budget.

## ***Using Supporting People funding in Individual Budgets***

However, commissioned services will need to be increasingly personalised, with access to these services involving:

- Referrals being made to a commissioned service with individuals being assessed by the provider against the eligibility criteria for the service (as is currently the case with most SP services);
- An authority carrying out an initial assessment and making referrals through a one stop shop process to a commissioned service;
- Individuals accessing commissioned housing and support services (through the above processes) in parallel to receiving an IB for Social Care;
- Individuals receiving a virtual IB to access a commissioned housing related support service and also receiving an IB payment for Social Care

### Other approaches

Other approaches are also being considered by authorities. For instance commissioned services (both Social Care and Supporting People) may be required initially (e.g. to help an individual recently discharged from hospital). Once the initial service has achieved its objectives, then an individual can be assessed for an IB to provide a longer term service to prevent them being re-admitted to hospital – again this could include one or a number of funding streams such as Social Care or Supporting People.

## **Examples from the pilot sites**

Although not an Individual Budget pilot, Brighton has set up a one stop shop for assessing single homeless people that require housing and support services. This service is based in the housing department and involves an assessment and referral process to Supporting People services. Nottingham and Stoke on Trent have also developed their own single assessment process.

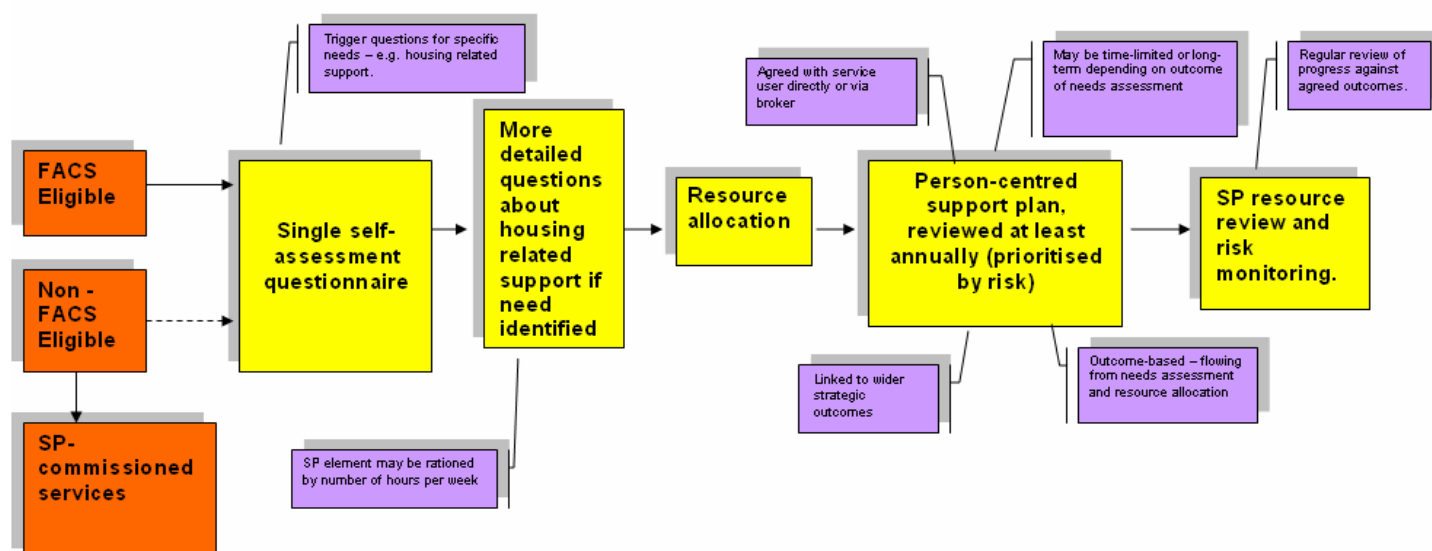
## **The pilot sites' suggested way forward**

The flow chart below was drawn up by those representatives from the pilot sites who attended the May 2008 CLG workshop. It is an attempt to crystallize all the discussions about the best way forward in terms of IBs which include Supporting People funding. It

## Using Supporting People funding in Individual Budgets

should be remembered that this approach is not prescriptive or in any way considered to be the only way forward for authorities.

The 1<sup>st</sup> stage of the IB process, covered in this section, is highlighted in orange. It demonstrates how all FACS-eligible individuals should be automatically signposted to the IB self-assessment questionnaire. Non-FACS eligible people could not be automatically signposted, because there is currently no infra-structure in place in the pilot sites to enable this. There should ideally be an alternative route in place to enable these people to access an IB self-assessment questionnaire. There is also an option for them to self-refer or be referred to existing SP commissioned services, so that they do not fall through the net.



The remaining stages in this 'suggested way forward' are covered in detail in subsequent sections.

# Assessing all potential needs

## **Introduction**

All the pilots developed single assessment processes which combined the assessment of social care and housing related support needs alongside any other related programmes included in Individual Budgets. These assessment processes were integrated with, or linked to, a *Resource Allocation System* (RAS) which involves assessing the allocation of resources to an individual to deliver their support plan.

## **Findings from the pilots**

All pilot sites used a self-assessment questionnaire as the initial gateway to an IB. Most adapted the standard *In Control* questionnaire to some degree so that it could be used to assess needs in terms of the various potential funding streams which can be included in an IB. *In Control* have produced a number of model self-assessments, with linked score sheets to enable resource allocation.

Although local practice varied across the pilots, the overall approach can be summarised as follows:

- An individual completed a self assessment questionnaire which included trigger questions for housing related support services.
- A care coordinator may also complete a separate questionnaire for comparison.
- The RAS calculated the resources required to meet the assessed needs, including the resources for housing related support services.
- The individual worked out a support plan (with assistance if required).
- The care co-ordinator signed off the support plan.

The approach adopted by most of the pilot authorities was to include housing related support trigger questions in the assessment questionnaire.

## ***Using Supporting People funding in Individual Budgets***

To assess the need for housing related support, some pilots added a few simple questions to the standard *In Control* questionnaire, such as:

- Do you need to move?
- Do you need help to settle in?
- Is your tenancy under threat?
- Do you need help to manage your finances?

If the answer to any of the questions was 'yes', the individual was referred for a more detailed assessment of their need for housing related support.

Coventry, the one pilot site to take a different approach, produced a tailored self-assessment questionnaire, which is linked to social care ([CSCI](#))<sup>8</sup> outcomes.

### **Limitations of existing approaches**

The latest *In-Control* RAS4 self-assessment questionnaire for older people runs to 10 pages and contains 39 questions. The one for younger adults is very similar. This is before any extra questions are inserted about an individual's additional need for housing related support, disabled adaptations, transport, etc.

The complexity and detail in this type of initial self-assessment can deter people from applying for an Individual Budget, particularly if they do not have ready access to a broker.

### **Support plans and review of support plan**

Once an assessment was completed and resources allocated, an individual created their own support plan, with help where required. This support plan was then signed off by the care co-ordinator. The support that individuals received to develop their support plans included friends and family, an independent agency or their care co-ordinator.

### **Need for assessors to understand the scope and benefits of housing related support.**

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[www.csci.org.uk/professional/care\\_providers/nurses\\_agencies/inspection/how\\_we\\_inspect/outcomes](http://www.csci.org.uk/professional/care_providers/nurses_agencies/inspection/how_we_inspect/outcomes).

## ***Using Supporting People funding in Individual Budgets***

Using a detailed questionnaire of this nature as an initial assessment tool, also requires a skilled assessor, since they require a good understanding of all areas covered in order to adequately assess someone's overall needs. All sites emphasised that they felt that many more Individual Budgets including Supporting People funding would now be in place, if Social Care assessors had more understanding of the SP programme and what it can offer.

Some felt that a 'cultural change' was needed within some Social Care departments, such as assessors being encouraged to act as facilitators (bringing funding streams together) rather than as funding gatekeepers. (Individual Budgets may provide the required trigger for a truly person-centred approach, with social care working with SP and other funding streams to meet the needs of an individual.)

They also pointed to the need to encourage Social Care assessors to refer people to a Supporting People funded service, particularly those who fail to meet the Fair Access to Care eligibility criteria, but who may qualify for a housing related support service.

Awareness needs to be raised with care managers, so that they understand that some housing related support intervention can be time limited. If this is not made clear, there is a risk of SP funding being used inefficiently, with people remaining in expensive short term services for longer than they need.

There is no current requirement for any of the above points, and no infra-structure. The pilot authorities have a concern that a considerable number of people are not benefiting from Individual Budgets as a result of this.

## **Suggestions from the pilots**

### **Simple initial self-assessment questionnaire**

In discussion, the pilot sites felt that the best starting point for an IB is a self-assessment questionnaire with a simple, easy to access 'front-end' - guiding the individual (and, if appropriate, their advocate) through a number of key trigger questions to identify their specific support needs, (e.g. need for support with housing, transport, adaptations, personal care).

## ***Using Supporting People funding in Individual Budgets***

Individuals then only need to answer more detailed questions about the areas in which they need support. The self-assessment questionnaire would lead to a person-centred support plan which would list the individual's desired outcomes and also enable funders to track which wider strategic outcomes are being met.

### **More detailed follow-up assessment**

Assessors experienced in the particular needs areas identified by the individual could then carry out a more detailed assessment at a later stage. There would still however be a need for Social Care or possibly health professionals to gain a better understanding of Supporting People, through further training, such as by visiting SP-funded services.

In East Lindsey, Lincolnshire used some of the SP funds set aside for Individual Budgets to hire an SP support worker who has spent time with Social Care assessors to brief them about Supporting People and talk through processes. As a result, the authority eventually created a pool of trained assessors who understand Supporting People. This approach ensures that there is a clear link between housing circumstances (which Social Care services cannot address) and the allocation of housing related support funding.

### **Housing related support?**

One of the lessons emerging from the pilots is the need to have some clarity about what housing related support can be.

The pilots have pointed out that some of the questions used by the single assessment process have the potential to allocate SP funding to individuals who simply require Social Care services and not housing related support. Trigger questions on the assessment form such as *'help with living independently'* can result in housing related support resources being allocated to an individual who may not require any help related directly to their housing needs. For example, at this time someone identifying a need for ongoing help in getting to and from the shops would not usually be eligible for housing related support, whereas someone who needed support in terms of budgeting and basic life skills training as part of a tailored support plan is likely to be.

## ***Using Supporting People funding in Individual Budgets***

Authorities have tried to address this issue in a number of ways. The common theme running through these approaches is the need to add value to a care package to enable an individual to address their housing circumstances. This requires a non-prescriptive description of housing related support within the self assessment form, to act as an initial 'filter' to identify individual with a housing need or as part of the initial broad brushed assessment.

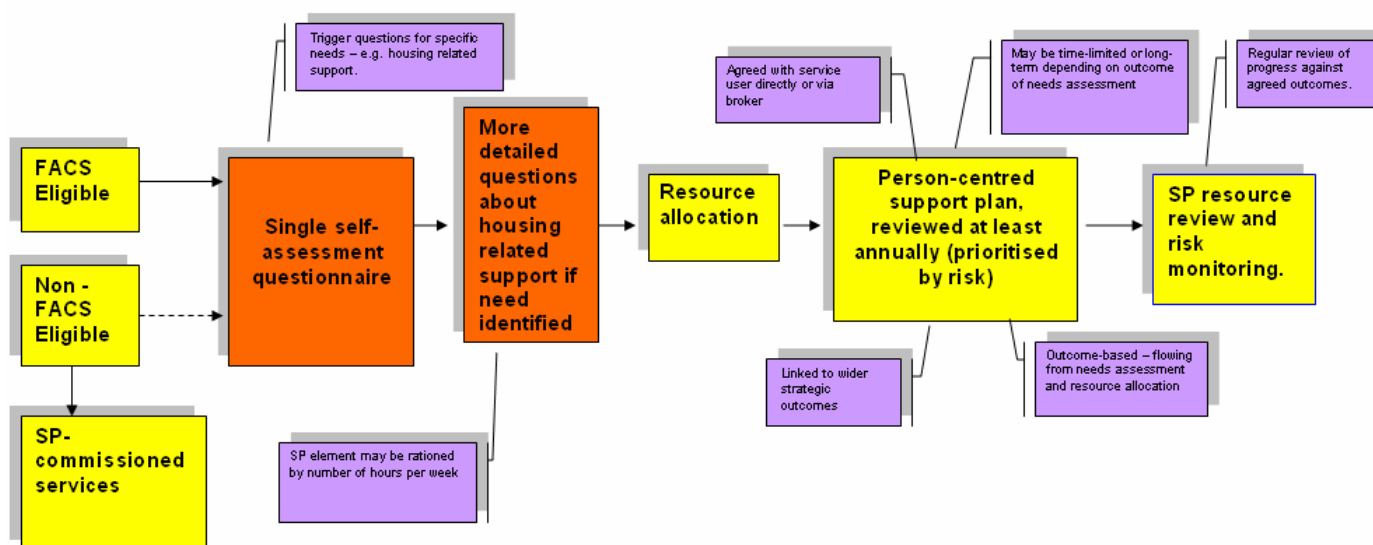
### **Potential cost savings**

Within the context of a holistic needs assessment, the housing related support element needs to be focused on prevention and lower level intervention which could be time limited. This might save overall resources, both in terms of preventing the need for some Social Care interventions, but also enabling housing related support services to be used for other individuals once the relevant outcomes have been achieved. Furthermore this could alert Social Care professionals to the value of the funding offered by housing related support.

## The pilot sites' 'suggested way forward'

The flowchart below was drawn up by those representatives from the pilot sites who attended the May 2008 CLG workshop. It is an attempt to crystallize all the discussions about the best way forward in terms of IBs which include Supporting People funding. It should be remembered that this approach is not prescriptive or in any way considered to be the only way forward for authorities.

The 2<sup>nd</sup> stage of the process, covered in this section, is highlighted in orange. It highlights the need for a single self-assessment questionnaire, with 'trigger questions' for specific needs, leading to more detailed assessment where required. This detailed assessment will help to inform the number of housing related support hours to be included in the IB.



# The Resource Allocation process – how best to tailor to Supporting People.

## **Introduction**

The *Resource Allocation System* (RAS) is closely linked to the single assessment process. Essentially resources are allocated using a formula to meet the needs identified, or the outcomes that need to be achieved by the assessment process. This section therefore discusses the links between the single assessment process and the way in which resources are allocated.

## **Findings from the pilots**

Many of the sites adapted existing *Social Care Resource Allocation Systems* (RAS), to take into account Supporting People requirements.

## **Resource allocation**

The way in which Supporting People funds were allocated to Individual Budgets varied across the pilots. The various methods included:

- A points system where a monetary value was allocated to each point, resulting in an allocation of resources for housing related support, based on the value attributed to the SP trigger questions in the RAS.
- Allocation of hours based on the level of support required, for example banding of hours in terms of high medium and low with standard hourly rates based on local averages for the client group. Some sites reported that this approach provided a more accurate budget, particularly in terms of Supporting People services.

The *Resource Allocation System* adopted by each authority aimed to create a distinction between the assessment of the need for Social Care, and that for housing related support. Although such a distinction can be made, it does rely on the skills of the social

## ***Using Supporting People funding in Individual Budgets***

worker to identify these different support needs in the review of the ongoing support plan.

One of the challenges was to clearly define the tasks that should be undertaken by Social Care and those that should be undertaken by Supporting People. Although a lot of work was undertaken to make the RAS more sensitive to these issues, there remains a need to refine the process and a need for Social Care professionals to gain a fuller understanding of housing related support services.

### **Hourly rates**

The RAS process for some authorities has resulted in two hourly rates being allocated to an individual, one for Social Care and one for Supporting People. This is because the hourly rates for SP housing related support have been based on current contracts or recent tenders. Therefore these rates reflect those for the current market.

Some authorities made the point that the hourly rates for housing related support have been based on legacy funding arrangements, and that with the introduction of individual budgets it is possible for individuals to purchase housing related support services at a much lower hourly rate. Some hourly rates for SP funded support were quoted between £8 and £11 per hour, (compared to more standard SP hourly rates of between £15-£18 per hour). These services were either provided by domiciliary care providers, or new entrants to the market such as existing supported housing staff setting up their own agency.

There were, however, some concerns about driving down the hourly rates for housing related support, for the following reasons:

A lower hourly rate may result in a loss of expertise in the provider market, particularly for some of the complex issues associated with providing housing related support e.g. an understanding of how to access accommodation and housing benefit related issues, together with an ability to deliver enabling and creative support aimed at maximising independence.

The use of IBs means that individuals can purchase housing related support services from personal assistants, including family and friends. These individuals would not be subject to any regulation and as such could charge lower prices. Providers that have

## ***Using Supporting People funding in Individual Budgets***

met high housing related support standards (e.g. through the QAF) may not be able to compete in the IB market.

The evidence from some of the pilots suggests that the hourly rates for housing related support and for Social Care are becoming aligned, where individuals use IBs to purchase integrated services from the same provider. This is mainly because these services are being provided by the domiciliary care market.

In future, the pilots felt that there is likely to be a contrast between a deregulated housing related support market that can deliver housing related support services at lower hourly rates within an IB, and a more regulated and quality assured market that delivers more specialised commissioned housing related support services. As providers compete in a more competitive commissioned market then the hourly rates for this market may also reduce.

### **Less SP for socially excluded groups**

The pilots expressed some concerns about the potential for housing related support activities to subsidise Social Care activities and for the RAS process to divert housing related support funding away from socially excluded groups. Many of these concerns relate to moving SP funding away from fast response prevention services and embedding this funding in long term services that maintain people in the community.

## **Suggestions from the pilots**

### **Time limited support**

One of the issues emerging from the pilots is that individuals who require long term Social Care may only require a time limited housing related support intervention. For instance an individual may need help with settling in, dealing with their landlord, organising housing benefit and connecting utilities.

The way in which the RAS process is structured results in support plans being reviewed by care managers once every three months and sometimes less frequently (e.g. annually). This may result in resources for housing related support being allocated for a much longer period than is necessary.

## ***Using Supporting People funding in Individual Budgets***

There are a number of ways authorities have thought about addressing this concern, including the following:

- Developing a single assessment process that can identify the need for time limited support. This can be fed through to the RAS so that the resources that are allocated are only for a specific period of time;
- Building in a diminishing level of housing related support resources to all IBs in receipt of this funding on the basis that the need for housing related support should reduce over time;

In Norfolk the level of input is assumed to diminish over time. For example, where low to medium housing related support needs are identified then 3 hours per week are allocated for 4 weeks, then 2 hours for 10 weeks, followed by 1 hour for 38 weeks. The hourly rate is calculated at £18 per hour resulting in a resource allocation of £1,260 per annum.

## **Examples from the pilot sites**

### **Bath & North East Somerset**

The example shows the allocation process developed by Bath and North East Somerset based on the number of hours of housing related support required

	<b>Allocation if in secure or assured tenancy</b>
1. No support needed	0 hours per week
2. A low level of support is needed	1-2 hours per week
3. A medium level of support is needed	3-4 hours per week
4. A high level of support is needed	5-7 hours per week
5. A very high level of support is needed	8-10 hours per week

Other authorities have adopted variations on the approach above. For instance Essex has developed a matrix that is intended to deliver housing related support to people with low levels of need, on the basis that Supporting People is intended to prevent people from requiring high care services. This matrix informs the resource allocation process.

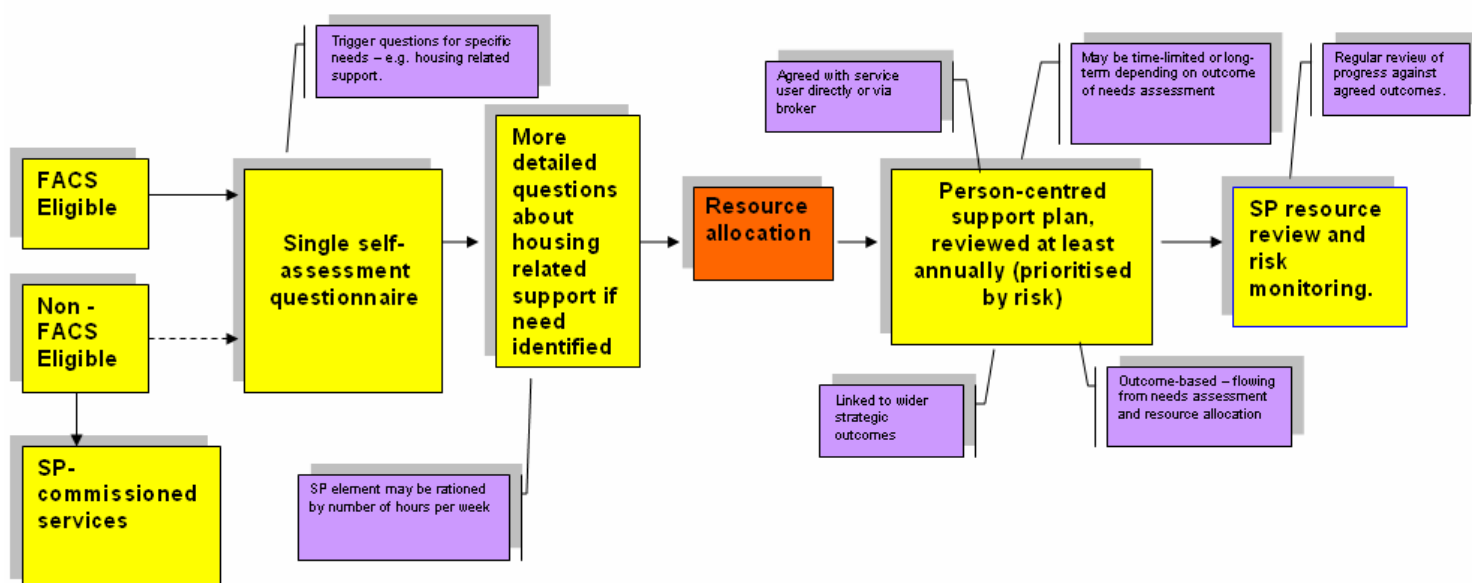
**Using Supporting People funding in Individual Budgets**

<b>Level of individual need</b>	<b>Number of housing related support hours</b>	<b>Number of care hours</b>	<b>Tenure</b>
Vulnerable adult with learning difficulties	10-15	0	Independent Housing
Mild learning difficulties	8-10	0-10	
Moderate Learning Difficulties	5-7	11-20	Accommodation based services
Severe Learning Difficulties	0-2	21-40	
Severe Learning Disability & Complex Needs	0	24/7	

## The pilot sites' suggested way forward

The flowchart below was drawn up by those representatives from the pilot sites who attended the May 2008 CLG workshop. It is an attempt to crystallize all the discussions about the best way forward in terms of IBs which include Supporting People funding. It should be remembered that this approach is not prescriptive or in any way considered to be the only way forward for authorities.

The 3rd<sup>d</sup> stage of the process, covered in this section, is highlighted in orange.



# IB Outcomes – how to measure, integrate existing outcome frameworks and feed into targets specified by Local Area Agreements.

## **Introduction**

All sites agreed that an approach to needs assessment and resource allocation which is person-centred and outcome-focused works best. We discuss:

- Existing examples of outcome-based needs assessment.
- The logical flow between initial needs assessment, resource allocation, support planning and achievement of outcomes.
- Ways to link personal outcomes to wider outcomes, and the linkages between various outcome frameworks and wider local authority targets.

## **Findings from the pilots**

Whilst the *In-Control* style self-assessment questionnaires are person-centred, the support plans resulting from the *In Control* self-assessment focus on identified needs, rather than on the outcomes which the individual would like to achieve. Only one of the pilot sites (Coventry) has adopted an outcome-based self-assessment questionnaire, including Social Care outcomes. Their outcomes model is based on the model produced by York University's Social Policy and Research Unit (SPRU).

(<http://www.york.ac.uk/inst/spru/pubs/rworks/nov2000outc2.pd> ).

Other than this example, none of the pilot sites (at this time) have yet produced a self-assessment questionnaire which links the individual's desired outcomes to wider strategic outcomes and targets, including Supporting People outcomes. However, all those who attended the May workshop agreed that such an approach would be very beneficial – in that it would enable the individual to track the progress they were making towards their personal outcomes, whilst also providing key stakeholders and funders

## Using Supporting People funding in Individual Budgets

with key data about the overall success of Individual Budgets in helping them to meet wider strategic objectives, including those in the Local Area Agreement.

Although it may take some time at local level to agree the key questions to be included in such a self-assessment questionnaire - and the wider outcomes and targets to be tracked, the overall result would be of great assistance to a provider, administering authority or even central government in evidencing the effectiveness of Individual Budgets and the resulting level of overall benefit realisation.

The example below shows how a standard Supporting People individual needs assessment questionnaire has been linked to the Supporting People outcomes framework.

Needs assessment			
Does the service user require support from a warden or scheme manager in any of the following areas? (Needs identified as presenting high risk to the service user if not met are highlighted in red. Medium risk areas are highlighted in orange and low risk areas are highlighted in green.)			
<b>1. Living in the Scheme:</b>	Advice and support to use alarm equipment <span style="background-color: #d9ead3;">Stay Safe 4c iii</span> (Support to minimise harm/risk of harm from others) <span style="background-color: #f4cccc;">Be Healthy 3d</span> (Need for assistive technology/aids and adaptations to help maintain independence)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Advice and support to use door entry system <span style="background-color: #d9ead3;">Stay Safe 4c iii</span> (Support to minimise harm/risk of harm from others) <span style="background-color: #f4cccc;">Be Healthy 3d</span> (Need for assistive technology/aids and adaptations to help maintain independence)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
	Advice and support to report repairs <span style="background-color: #d9ead3;">Stay Safe 4a</span> (Support to maintain accommodation and avoid eviction)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
	Advice and support to get to and from the communal areas	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Advice and support to understand the complaints procedure <span style="background-color: #d9ead3;">Make a Positive Contribution 5</span> (Support in developing confidence and ability to have greater choice and/or control and/or involvement)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Advice and support to keep themselves and/or their home safe and secure <span style="background-color: #d9ead3;">Stay Safe 4c iii</span> (Support to minimise harm/risk of harm from others)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
	Support to maintain accommodation and avoid eviction <span style="background-color: #d9ead3;">Stay Safe 4a</span> (Support to maintain accommodation and avoid eviction)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
	Support to comply with statutory orders and related processes re offending behaviour <span style="background-color: #d9ead3;">Stay Safe 4b</span> (Support to comply with statutory orders and related processes re offending behaviour)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
	Total <b>high risk needs</b> identified for this area		
Total <b>medium risk needs</b> identified for this area			

The linked outcomes were hidden in the service-user version of this questionnaire.

<b>Needs assessment</b>			
<b>We would like to know if you require support from the warden in any of the areas listed below. Please tick any which apply:</b>			
<b>1. Living in the Scheme:</b>	Do you need help from the warden to use the alarm equipment?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Do you need help from the warden to use the door entry system?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Do you currently need help from the warden to report or chase up repairs?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Do you need help from the warden to get to and from the common room and other shared areas?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	If you have to make a complaint about anything would you need support from the warden to do so?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Are you currently able to lock up on your own at night or does the warden need to remind you?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Is the warden currently offering you support to keep your tenancy (e.g. because of rent arrears or disruptive behaviour?)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	Do you need help from the warden to help you to comply with any court orders?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>Details of any need for extra help in this area (Tick any that apply)</b>	<input type="checkbox"/> handyperson services		

## Suggestions from the pilots

### Defining and agreeing wider outcomes to be achieved

The pilot sites attending the CLG away-day felt that, ideally, any outcome-based approach to IBs should be under-pinned by agreement from all key commissioning partners on the wider outcomes and corporate targets to be achieved via Individual Budgets.

Wider outcomes are likely to include the following:

- The Supporting People outcomes framework, which is underpinned by the Every Child Matters outcome framework.
- The Health and Social Care outcomes and Accountability Framework.

## ***Using Supporting People funding in Individual Budgets***

- Key targets incorporated in the Local Area Agreement and the new performance framework for local government.

### **Getting the balance right - Outcomes for high needs groups and the different drivers for other groups**

The pilots highlighted the need to balance the Social Care tradition of focusing on individual need and softer outcomes (ensuring people stay 'happy, safe and well') against the quite different drivers for other groups, particularly socially excluded people, where there are government targets to reduce, for example, the numbers of people on benefits and return them to work.

They felt that these different drivers should impact at least to some degree on an individual's personal support plan, and on the activities and desired outcomes funded by their Individual Budget, and that this needs to be taken into account in the self-assessment questionnaire and also in the final support plan. This emphasises the need for a self-assessment questionnaire sensitive enough to identify where outcomes can remain person-centred, and where wider targets may have an impact.

It also reinforces the requirement for skilled and experienced assessors and brokers, who can interpret varying needs and aspirations, and ensures that any resulting support plan both reflects individual needs and where necessary, incorporates wider strategic targets.

Some pilots felt that if hard outcomes are required - and the individual is not achieving these, then this should be addressed at review stage – and ultimately, if progress is not being made, then the authority should consider withdrawing funding.

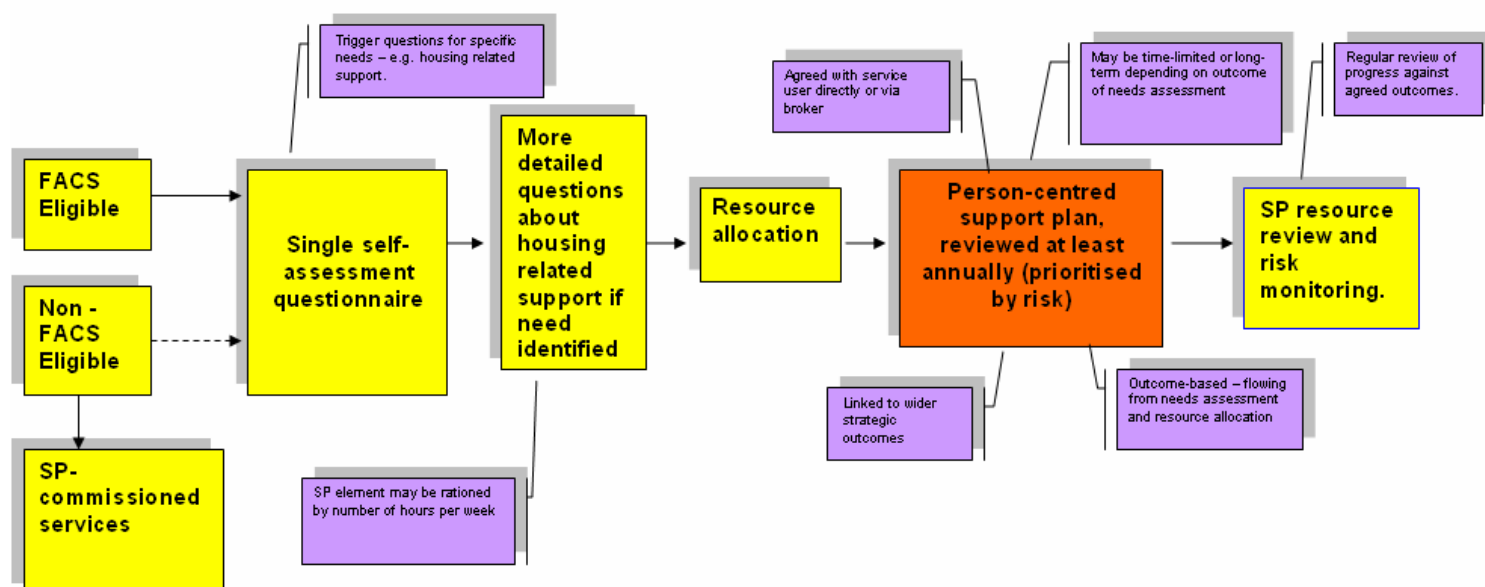
### **Examples from the pilot sites**

Some of the pilot authorities have already begun to link wider outcomes to person-centred plans in term of higher needs groups. For example, one authority is producing an electronic self-assessment form, which is linked to all Social Care outcomes.

## The pilot sites' 'suggested way forward.'

The flow chart below was drawn up by those representatives from the pilot sites who attended the May 2008 CLG workshop. It is an attempt to crystallise all the discussions about the best way forward in terms of IBs which include Supporting People funding. It should be remembered that this approach is not prescriptive or in any way considered to be the only way forward for authorities.

4th stage of the process, covered in this section, is highlighted in orange. It highlights the need for a regularly reviewed, person-centred and risk-based support plan, which has been agreed either directly with the individual or their support broker, is linked where appropriate to wider strategic outcomes as well as to the individual's stated personal objectives, and has an agreed duration, linked to the individual needs assessment.



# The way forward for SP quality and performance monitoring and risk management.

## **Introduction**

The Supporting People programme introduced new and effective ways of monitoring quality, risk and performance – and as a result standards have improved steadily across the SP provider market.

However current systems were not designed for Individual Budgets and even ‘lite’ versions can appear a touch too cumbersome.

We discuss the various options available and share examples of existing practice.

## **Findings from the pilots**

Although there is a collective desire to change the relationship between the local authority and service users (to empower people to make informed choices is a fundamental principle of Individual Budgets), the sites agreed that there is a need for some kind of ongoing oversight of service quality and monitoring of potential risk.

There are 2 key drivers for this:

- a) Authorities have an on-going responsibility to monitor the appropriate use of public money and individuals are potentially more vulnerable to abuse as they take responsibility for their own budget and, in many cases, the actual cash which funds their support. Although an authority has a duty of care to an individual who is eligible for services, this duty of care can be met by providing funding for personalised services.
- b) Staff could be potentially at higher risk of poor employment practice if employed directly by individuals who do not have an understanding of employment law and good practice.

## ***Using Supporting People funding in Individual Budgets***

The focus should be on identifying potential risk, to the individual; to the framework for ongoing service delivery; to the appropriate use of public funds or to individual members of staff.

The current approach to monitoring quality and risk within Supporting People funded services is not felt to be appropriate for Individual Budgets – and even the QAF lite, intended as a quality monitoring tool for sole providers and other very small organisations, does not fit well with the ethos of self-directed support.

However the QAF lite is currently being reviewed, with a view to launching it in April with the main QAF. In its new form it should still be very helpful for community alarms and low cost/low risk or sole providers.

Some authorities provide advice to individuals, such as strongly recommending CRB checks. Others go so far as checking provider's financial details and limiting choice to their own list of accredited providers.

### **Resource implications**

None of the monitoring and review activities set out above are cost neutral and the pilots felt that there will be potential resource implications to local authorities as Individual Budgets grow. This is mainly because there is currently no infrastructure in place to monitor quality and risk in Individual Budgets which do not include Social Care funding.

The sites have also highlighted a current lack of skills in this area. There is a need for trained care managers, with experience of direct service delivery, rather than the case management approach in place at present. Any review of an Individual Budget should ideally include a review of financial arrangements, quality of provision and any potential risk. If SP is involved, at least a working understanding of what the funding is for and what it hopes to achieve should be in place.

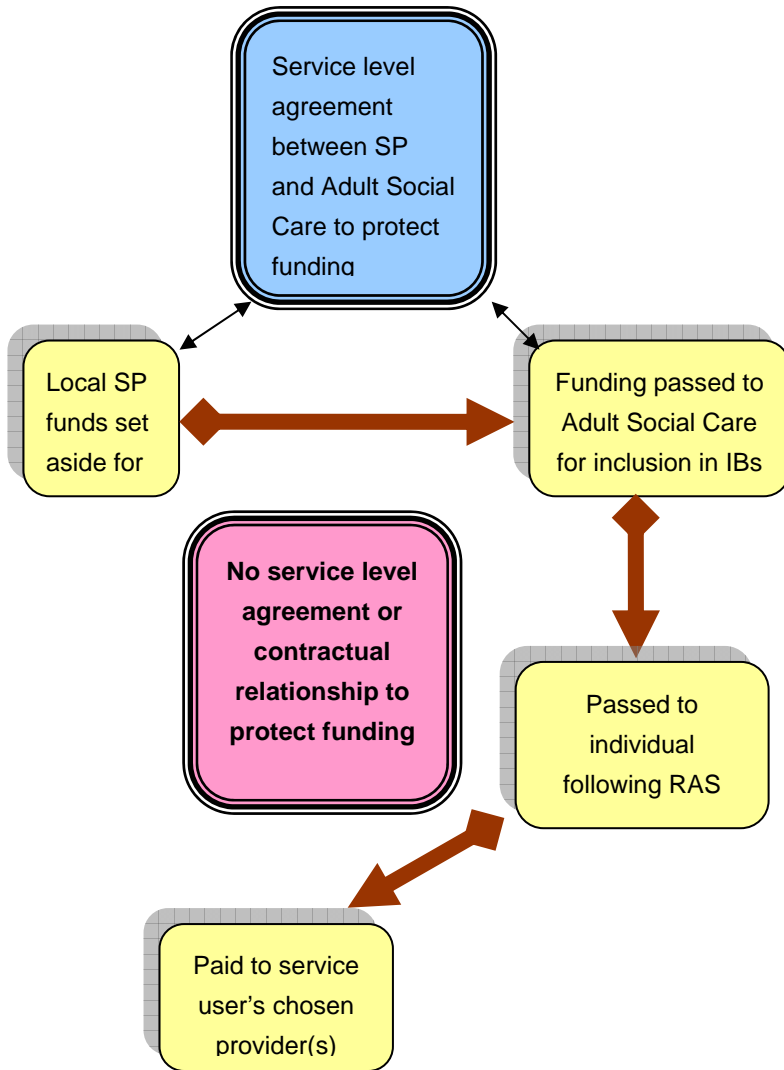
### **Ability to prescribe action**

There is considerable discrepancy from one site to another in terms of the relationship between the authority and the individual and how much the local authority can enforce necessary improvements in terms of service quality and risk. On one hand one authority

**Using Supporting People funding in Individual Budgets**

suggested that a contractual relationship exists between themselves and the individual, while on the other hand legal advice suggests that Direct Payment legislation allows complete freedom of choice.

The diagram below represents what could be the contractual position in terms of most Individual Budgets.



## ***Using Supporting People funding in Individual Budgets***

This has the following potential implications:

- SP and Adult Social Care have no contractual control over how the service is delivered.
- Even if quality and risk are assessed – it would be difficult to enforce any changes given lack of direct contractual relationship.
- No formal ability to ensure VfM and overall outcomes.

### **Suggestions from the pilots**

The pilot sites suggest the following overall approach to ongoing quality, monitoring and risk management: The focus should be on risk enablement rather than risk aversion.

The individual should be encouraged to make their own decisions, with support from family members or an experienced broker or advocate, as appropriate. Key questions to ask when agreeing the Individual Budget may be:

- What do you want from your Individual Budget?
- How are you going to purchase it?
- What risks might that entail?
- How are you going to manage those risks?

Agreed rights and responsibilities in terms of risk should be defined in the person-centred support plan – and monitored as part of the review process.

Authorities are advised to get involved on regional direct payments groups where they exist, as they are a source of good information and best practice in this area.

Some authorities are considering establishing registers of Personal Assistants. This could be either an approved list of accredited personal assistants or simply a list of personal assistants that could provide evidence of CRB checks (without the authority specifying their quality).

## **Examples from the pilot sites**

The pilot authorities have adopted a number of different approaches in this area.

Gateshead has set up a new self-directed support team, incorporating the councils' direct payments team. This draws on existing good practice in terms of monitoring quality and risk in terms of direct payments.

The team are currently producing a guide to self-directed support with separate –colour coded sections for individuals, providers, etc.

Oldham also publishes a star rating for providers on their website to encourage choice and ownership.

The individual still has a choice about which provider they choose, although they are strongly encouraged to use the approved list of providers.

They are considering spot checks with a formal review at least every 3 years and ideally an annual check of each IB (depth of check depending on perceived risk and amount of money involved)

In Oldham, the overall aim of the support plan is to keep people healthy, safe and well. If it is felt that the individual's proposed support plan will not achieve this, the case is referred to a risk enablement panel, which meets on a weekly basis (about 5% of cases are referred to the panel.) There is also an appeals process if individuals don't agree with the decision of the risk panel. The risk enablement panel is open to individuals, providers, PA's (anyone who has any concerns about potential risk to an individual.)

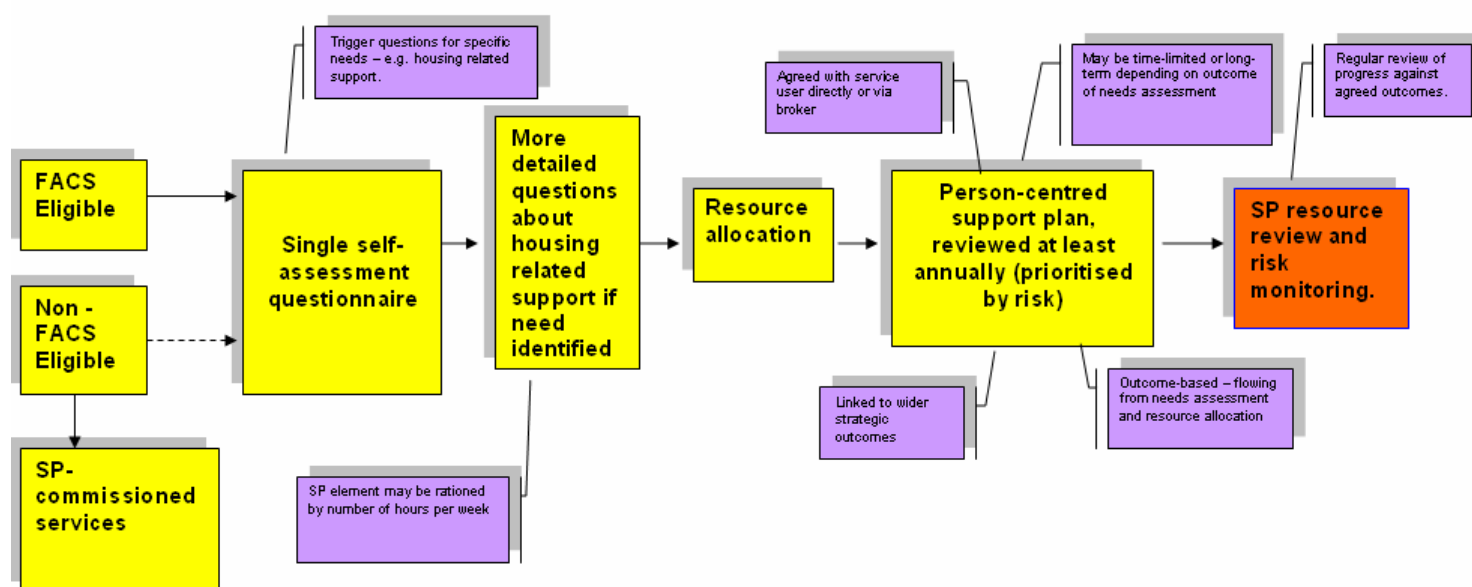
Other authorities such as Manchester are considering adapting the SP QAF, particularly Core Service Objective 1.3 (security, health and safety) - to use as a basis for regular 'light touch' visits to Individual Budget holders. The regularity of the visits will depend on the size of the budget and the level of risk assessed at the last review or when the IB was first allocated.

Some authorities (including Barnsley) currently offer a range of training to personal assistants.

## The pilot sites' 'suggested way forward.

The flow chart below was drawn up by those representatives from the pilot sites who attended the May 2008 CLG workshop. It is an attempt to crystallise all the discussions about the best way forward in terms of IBs which include Supporting People funding. It should be remembered that this approach is not prescriptive or in any way considered to be the only way forward for authorities.

The final stage of the process, covered in this section, is highlighted in orange. It highlights the need for an ongoing review of the Supporting People resources within an Individual Budget, which takes into account all the issues raised in this section.



# Implications for SP contracting, charging and future procurement

## **Introduction**

In this section we cover the impact of Individual Budgets on future SP commissioning and procurement arrangements and examine the potential ways forward.

The pilots agreed that there are a number of commissioning and procurement issues that need to be addressed where IBs include Supporting People funding. These include the following:

- The balance between commissioned housing related support and the use of IBs that include SP funding.
- The way in which IBs that include SP funding are deployed for individuals, e.g. as payments.
- The scope for using SP funding only for IBs in particular circumstances.
- The impact of IBs on the housing related support provider market.
- The implications of charging arrangements.

## **Findings from the pilots**

The emerging view from the SP teams in the pilots is that IBs have primarily been developed to make Social Care services more responsive to needs. IBs are perceived to be the main mechanism for personalising Social Care services and for providing individuals with greater control. As such the integration of Supporting People into an IB can help an individual achieve their housing related support objectives as well as their Social Care objectives.

However, there is also a view that preventative services for those that are not eligible for statutory Social Care services can offer an alternative approach to personalisation. Whilst Social Care services have become increasingly rationed to those with substantial and critical needs, preventative services are focused on those with lower support needs to prevent or delay them requiring Social Care services in the long-term. These types of

## ***Using Supporting People funding in Individual Budgets***

services can provide a person centred approach and adopt a holistic approach to meeting needs, in the same way as more intensive care services, but at a lower cost.

There is a tension between drawing SP funding into IBs, for those with statutory eligibility for Social Care services, and commissioning preventative services to prevent an individual from potentially requiring Social Care services in the first place. Essentially a commissioned service can provide a fast response and intervene to prevent the need for other services, for instance preventing an older person from requiring admission into hospital (and then potentially being discharged into residential care) or preventing loss of a tenancy (which may lead to homelessness and physical or mental health problems). IBs cannot respond swiftly to such needs, many of which can be outside the Social Care eligibility criteria.

### **Different funding routes for IBs**

The authorities have adopted a number of different approaches in delivering IBs to individuals. These approaches are summarised below.

- **Payments to Individuals**

This involves an IB payment to individuals so that they can purchase their own services. An individual may choose to employ a personal assistant or may decide to purchase services from an existing social care agency.

- **Managed Budgets**

A relative can manage an IB on behalf of an individual or the individual can use a supported managed account. A supported managed account involves an agency managing the IB on behalf of the individual for a fee.

- **Virtual Budgets**

A virtual budget involves giving individual control over which services they receive, although the actual contractual arrangement is between the provider and the authority. Some authorities are using preferred lists of providers, where individuals can use their virtual budgets to choose the services they want.

## **Suggestions from the pilots**

### **Future Commissioning and procurement of housing related support services**

The general consensus from the pilot sites about the future commissioning of housing related support services suggests that Individual Budgets should form part of a portfolio of service provision, which has an overall emphasis on personalisation and choice.

Future provision could consist of a range of services, some still commissioned directly, some delivered within an Individual Budget framework, and others through a direct budget consisting of Supporting People funding only.

The pilots felt that the precise mix of service provision should reflect the following:

#### **a. Individual Budgets**

Whilst the current Fair Access to Care criteria are in place, IBs may be limited to those individuals that meet the FACS criteria. This is partly because the personalisation agenda is driving Social Care services towards IBs and partly because there is an infrastructure to assess these needs on an individual basis through the care management system.

At present, only those with substantial and critical needs will fall within the FACS criteria and be eligible for Social Care services. This includes people with learning difficulties, older people, people with mental health problems and people with physical and sensory impairment. Some of these individuals will also require housing and support services in addition to social care. [See appendix 1 which categorises the SP client groups.]

Individuals may use their IBs to purchase services in a number of different ways including directly, or through virtual budgets. Increasingly individuals are likely to use their IBs to purchase services from personal assistants, as well as from relatives or carers. Where housing related support is allocated as part of an IB then these providers may also be delivering housing related support services as part of an integrated package.

**b. Commissioned services**

From a prevention perspective, commissioned services are able to respond swiftly to a crisis and can provide time limited support to individuals following a crisis. Authorities are likely to continue to commission preventative Supporting People services most for individuals who are non FACS eligible.

Authorities that commission preventative services will want to use these services to prevent a crisis from occurring in the first place and to help achieve their LAA targets. Some authorities will also want to commission ongoing support services for those that are not eligible for statutory services, particularly those that require ongoing support following a crisis. These types of services are likely to be:

- Fast response floating support services
- Floating support services that can provide ongoing support following a crisis
- Refuges for women escaping domestic violence
- Hostels for single homeless people
- Short stay supported housing
- Specialist housing and support services

Some longer term housing related support services may also be commissioned as they can provide a flexible response to needs. However, some authorities may consider using SP direct budgets for these individuals provided that they can develop the necessary infrastructure to assess needs and monitor support plans.

There are a number of approaches that can be taken to personalising commissioned services and these can include:

- Achieving high QAF score (A and B scores require greater service user involvement and choice);
- Defining flexible service specification. For instance service users can be given greater choice over their support worker, the times for visits by support workers and issues such as house rules;

## ***Using Supporting People funding in Individual Budgets***

- Giving greater choice to service users from a preferred list of providers e.g. at referral stage the service user is given a choice over which commissioned service they would prefer.
- An outcomes-based approach to all commissioning
- More flexible eligibility policies, particularly in light of the removal of the SP ring-fence.

### **c. A mixed and matched approach**

The pilots found that there are a number of possibilities for mixing IBs with commissioned services. This can be done in a number of ways

- Commissioned services working alongside IBs.
- Core services commissioned with IBs on top.
- Using virtual IBs as a method for increasing the choice of commissioned services.

All these processes need excellent brokerage services and a clear assessment and support planning process

It is possible that many individuals, that are allocated an IB, may decide to remain with their existing commissioned service. However, an IB does fundamentally change the relationship between the provider and the service user as the user effectively becomes the customer. Furthermore, individuals have the option of opting for another service provider at a later stage, by using their IB to purchase a different service (and potentially moving from a virtual IB to an IB payment).

The options for mixing IBs with commissioned services are explored in more detail below:

#### Commissioned services working alongside IBs

This approach would involve an individual receiving both an IB for Social Care service as well as an SP commissioned service e.g. a floating support service. The floating support service could provide time limited support to deal with immediate housing related problems and then withdraw.

## ***Using Supporting People funding in Individual Budgets***

Another approach, which is similar to the concept of brokering, could involve a floating support service providing initial support to help a service user decide how they would like longer term support provided through their IB (which could include both social care and SP funding).

### Core services commissioned with IBs on top

This approach involves core services being commissioned (either Social Care or SP services or both) and then supplementary services being delivered through IBs. For instance this could involve an authority commissioning core services for an extra care housing scheme (using Social Care and SP funding), with individuals being allocated an IB where they require additional services. This approach could also work for learning difficult services, where a housing related support worker is commissioned to support service users, including helping them to use their IB for additional services.

### Using virtual IBs as a method for increasing the choice of commissioned services

This approach involves the use of virtual IBs to give service users greater choice. This would involve service users being allocated a virtual IB and being allowed to choose services from a preferred list of providers.

For instance a person with learning difficulties may want a single provider to supply an integrated Social Care and housing related support package and could draw down providers from a list that have been pre selected by the authority on the basis of quality and price (e.g. by using a framework agreement or preferred provider list). This approach could also work with groups of service users within a support living scheme, where the group is given the choice of which provider to use – this could result in different support providers being selected for each supported living scheme.

This approach mixes the commissioning process with the concept of IBs. Preferred providers are selected by an authority from which service users choose those that best meet their needs. The authority then directly contracts with the

## ***Using Supporting People funding in Individual Budgets***

provider to supply the services. This works most effectively for services users that require longer term services, as the arrangements would only need to be reviewed periodically. Ultimately, where service users are not satisfied with their provider they could change to another preferred provider.

There is a wide discrepancy between the levels of true personalisation and choice offered by the various options set out above. At the one extreme, service users could be described as having carte blanche to utilise their funding in whatever way best meets their support plan objectives. At the other end of the spectrum, particularly in the case of 'preferred providers' and virtual budgets, service user choice over how their money is spent is much more limited and the expenditure is likely to be more closely regulated.

### **d. Individual Budgets consisting only of SP funding**

The use of IBs consisting only of SP funding has not been tested by the pilots; however there has been a considerable level of debate about the extent to which IBs can be applied to housing related support services only.

As already highlighted, authorities do not have the SP infrastructure to assess and monitor housing related support needs at an individual service user level and may not wish to resource such an infrastructure. However without replicating a care management infrastructure for SP, there is possible ways in which a lighter infrastructure could be introduced, as explained below:

#### Brokerage

Authorities could commission an SP brokerage service to carry out individual assessments, help individuals broker access to services using SP direct budgets and then review support plans.

#### One stop shop assessment

Some SP authorities have created a one stop shop assessment and referral service and such services could be extended to include assessments for SP direct budgets (e.g. using an SP only RAS).

## ***Using Supporting People funding in Individual Budgets***

### Enhancing the care management framework

Care management could include a post to assess and review support plans of individuals who are non FACS eligible. This would need to be restricted to particular groups (i.e. independence with support groups) to manage the volume of work.

Virtual budgets could potentially play a prominent role in delivering IBs consisting of SP funding only as they would allow a combination of quality and choice. Quality would be defined by the authority, either through accredited providers or preferred lists of providers, with service users choosing which provider best suited their needs. Furthermore, those providers that are chosen by service users could be given the responsibility for reviewing support plans and achieving performance targets (e.g. in relation to turnover).

### **Impact on SP provider market**

The pilots are in no doubt that the introduction of IBs will have a considerable impact on the SP provider market.

There are a considerable number of domiciliary care providers that are ready to deliver housing related support in addition to Social Care services. These providers are increasingly providing services to individuals that have received an individual budget, either as a payment or as a virtual budget. The implications are that the hourly rates for housing related support services will be similar to those for Social Care.

One of the concerns of authorities is that there may be a loss of expertise where domiciliary care providers are commissioned, particularly for specialist services for socially excluded groups. Expertise in areas such as the recovery based approach for people with drug and alcohol problems and an understanding of complex housing legislation may no longer be available if these services are not commissioned.

Authorities perceive IBs having differing impacts on the following SP market segments:

#### People with higher needs requiring long-term care and support

Authorities consider that the main market for IBs will be for the care and support groups where many are FACS eligible. The types of IBs will vary with some

## ***Using Supporting People funding in Individual Budgets***

receiving direct payments, some virtual budgets and some managed funds. It is likely that this market will be mainly supplied by personal assistants and domiciliary care providers. However, there is also a view that existing SP providers may continue to be involved in providing some of these services where they adopt a radical approach e.g. setting up directly employed personal assistants or providing support to supported living through virtual budgets.

### **'Socially excluded groups'**

Authorities consider that existing SP providers will increasingly be restricted to being commissioned for 'socially excluded groups' (i.e. homeless people, those with drug and alcohol issues, ex offenders etc). The possible implication is that more providers will be chasing fewer contracts which will drive down prices. At the same time authorities will expect providers to deliver to a higher level of quality and as such these services will become more personalised (e.g. QAF As and Bs).

### **People wishing to maintain independence with support**

Some authorities are looking at whether they can deliver IBs to individuals that only require SP services. The most likely groups to whom SP only direct budgets would apply are the independence with support groups. These groups tend to require longer term support and include older people and people with mild learning difficulties. The extent to which these groups will be allocated SP only IBs may depend on whether authorities are willing to fund the infrastructure costs. However these services are more likely to be delivered through virtual IBs because this approach can provide greater choice to service users and at the same time require less monitoring.

The pilot sites are clear that authorities will want to retain some control over the SP provider market. Commissioning will allow authorities to develop the market and specify services that are required to achieve their Local Area Agreement targets. Some specialist housing related support services may be required to contribute to achieving particular outcomes e.g. reducing re-offending.

## **Contractual arrangements**

Where IBs are allocated to individuals the sites highlighted issues about fitting them into the existing SP contractual arrangements, where SP providers are chosen to deliver the housing related support element.

They are concerned that providers should not use their existing capacity to deliver housing and support services under an IB, as this would result in double funding. Authorities have been adopting the following approaches where existing SP providers have been used:

- The SP provider is required to increase the capacity of its services where it is delivering housing and support services under an IB;
- The SP contracted is abated where a provider delivers an IB using the existing capacity;
- Using a standard SP contract and setting aside a number of units for people on IBs to access.

The pilots have shown that the existing SP contracts used by authorities do not have the flexibility required for IBs. Furthermore, where IB funding has been bolted on to an existing contract there could be issues about ensuring fair access to services.

Although existing SP contracts, particularly block gross contracts, are likely to continue to be used for commissioned services, the pilots feel that there will need to be new contractual arrangements where virtual IBs are used. In these circumstances authorities may need to use cost and volume contracts, whereby authorities enter into a contract with selected providers and payment is made on the basis of the volume of services utilised (as a result of the number of virtual budgets used).

Where an individual receives an IB payment then they are free to use any provider they wish and existing SP providers may need to a clause within their existing contracts to take account of such payments (i.e. the service provider would need to increase the volume of service or terminate the contract).

## **Charging**

Individuals that are assessed for IBs are also assessed under the FACS system for charging. Therefore individuals who access housing related support as part of an IB may need to be charged for these services.

Most individuals who are eligible for FACS would normally access long term chargeable SP services (e.g. sheltered housing for older people or supported living for people with learning difficulties). However, some individuals may only require time limited support and would otherwise access a non-chargeable short term service e.g. a floating support service funding through a block gross contract.

It is therefore possible that some individuals who may only need short term interventions would end up being charged for housing related support services, where they are part of an IB, whereas had they received a commissioned service then they would not be charged. A simple solution to this issue is to adopt a mixed and matched approach as suggested in this section. Another option suggested by the one of the pilot sites is to:

- a) Make all IBs chargeable or
- b) To make all IBs free for the first 2 years and chargeable thereafter.

An approach such as this would have to be replicated across all commissioned services to make it equitable.

# Links

## **Useful Documents/Tools**

### **1. SITRA - A Provider's Guide to Procurement**

A SITRA publication designed to ease the process of procuring services for those working within the housing care and support sector was launched by Baroness Andrew at the NHF Housing Care and Support conference. The guide funded by the Department for Communities and Local Government offers readers a step-by-step analysis of the procurement process and offers helpful suggestions, insights and case histories from organisations who have tendered for services.

[http://www.spkweb.org.uk/Subjects/Capacity\\_building/Sitra+-+A+Providers+Guide+to+Procurement.htm](http://www.spkweb.org.uk/Subjects/Capacity_building/Sitra+-+A+Providers+Guide+to+Procurement.htm)

### **2. Hact - Collaborate Resource Kits**

This resource pack has been produced as one of the ways of sharing the learning from a year-long project which looked at how six groups of small providers have adopted various forms of collaborative approaches to tendering for SP contracts as a response to the changes they were facing. The leaflets cover in detail the various forms of collaboration which are most common and their pros and cons, how the commissioning and procurement processes work and how to influence them, developing a collaborative bid, and implementation.

[http://www.spkweb.org.uk/Subjects/Capacity\\_building/Hact+Collaborate+Resource+Kits.htm](http://www.spkweb.org.uk/Subjects/Capacity_building/Hact+Collaborate+Resource+Kits.htm)

### **3. Needs Analysis - Commissioning and Procurement for Housing Related Support**

This guide is intended for an audience of local authorities and their partners. It is particularly aimed at commissioners of housing-related support, adult services, health, and probation projects. It will also be relevant to corporate procurement teams,

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voluntary, user, and community groups and providers of housing-related support for information.

This guide describes the cycles of needs analysis, commissioning, and procurement when applied to housing-related support, and links to the processes used in social care and health commissioning.

[http://www.spkweb.org.uk/Subjects/Capacity\\_building/Needs+Analysis-Commissioning+and+Procurement+for+Housing+Related+Support.htm](http://www.spkweb.org.uk/Subjects/Capacity_building/Needs+Analysis-Commissioning+and+Procurement+for+Housing+Related+Support.htm)

### **4. Evaluation of the Individual Budgets pilot programme: final report**

The Individual Budgets pilot programme was a cross-government initiative led by the Department of Health working closely with the Department for Work and Pensions, and Communities and Local Government. The pilot was conducted over two years 2006-2007 involving 13 local authorities. The Individual Budgets evaluation report on the Department of Health pilot project was published on the Department of Health website on the 21st of October.

The evaluation found that the Supporting People programme, one of the six funding streams included in the IB pilots and managed by CLG, was identified by the IB managers as one of the most flexible of the funding streams. It is possible for a majority of Local Authorities to deliver IBs which include SP within the terms of the existing SP Grant Conditions and a number of non pilot authorities are starting to develop processes to do so.

[http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_089505](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_089505)

### **5. Making personal budgets work for older people: developing experience**

Paper on older people and Individual Budgets - reflecting on the evaluation findings and reporting progress made since the pilot. This paper explores the findings of the Individual Budget Pilot evaluation in the context of the experiences of older people and

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others. It sets out approaches to develop personal budgets to ensure they are attractive and useful to older people.

<http://networks.csip.org.uk/Personalisation/Topics/Browse/Olderpeople/?parent=2736&child=4536>

## **6. Funding Streams**

A report on progress made with some of the funding streams included as part of the Individual Budgets pilot, together with examples from the Pilot sites.

<http://networks.csip.org.uk/Personalisation/Topics/Browse/Fundingstreams/>

## **7. Support to IB pilots to deliver the objectives of Supporting People and DFG**

A report about the Individual Budget (IB) pilot sites on any issues specifically relating to Supporting People (SP) and Disabled Facilities Grant (DFG). The aim of the report was to identify and share good practice and to help overcome where possible, any obstacles to effective delivery in respect of these 2 key funding streams.

<http://www.spkweb.org.uk/Subjects/Individual+Budgets/Evaluation+and+Learning.htm>

## **8. Transition Package**

Ministers and the Department for Communities and Local Government are keen to ensure that the expertise developed and gains made in the programme since its inception in 2003 are not lost and that the risks and concerns identified by stakeholders during the Pathfinder project are managed. The link below gives you more detail on the package of work that we intend to take forward in this important transition year of 2009/10.

<http://www.spkweb.org.uk/NR/rdonlyres/4E3399E3-9262-43FE-A679-980B7DF90EA9/16043/081212TransitionPackage.doc>

## **9. Housing Care Support - A guide to integrating housing related support at a regional level**

The attached report outlines the findings of a research project commissioned by the Department for Communities and Local Government, the Housing Corporation and the Care Services Improvement Partnership (CSIP) to explore investment in housing-related support for vulnerable groups, within the context of the new regional framework.

[http://www.spkweb.org.uk/Subjects/Supporting\\_People\\_independent\\_review/Housing+Care+Support+A+guide+to+integrating+housing+related+support+at+a+regional+level.htm](http://www.spkweb.org.uk/Subjects/Supporting_People_independent_review/Housing+Care+Support+A+guide+to+integrating+housing+related+support+at+a+regional+level.htm)

## **10. SPLS Data Links**

SPLS data provides detailed information about **services** which is used to calculate National Indicators 141 and 142 performance data (formerly known as KPI 2 and 1 respectively). It is commonly used to identify the number of services and household units available for client groups at a national, regional and local level, and associated spend information.

<http://www.spkweb.org.uk/Subjects/Statistics/>

## **11. Client Records Data**

Client Records data provides detailed information about **clients who access housing-related support services** each year. It is commonly used to identify the profile of clients, their characteristics and the types of providers and services they access at a national, regional and local level.

<http://www.spclientrecord.org.uk/webdata/reports.cfm>

## **12. Outcomes Data**

Outcomes data provides detailed information about **clients who leave short-term SP services** each year, and **clients in long-term services** on an annual sampling basis. The data records how successful the services have been in meeting clients' identified needs at a national, regional and local level. It is commonly used to identify the needs and characteristics of each client group, how successful different housing support services are in meeting their needs, and the reasons why outcomes were not achieved.

<http://www.spclientrecord.org.uk/webdata/osreports.cfm> (short-term)

<http://www.spclientrecord.org.uk/webdata/olreports.cfm> (long-term)

## **13. NAVCA**

NAVCA is the national voice of local third sector infrastructure in England. It aims to ensure communities are well served by the local third sector by supporting its members and their work with over 160,000 local groups and organisations. NAVCA believes that local voluntary and community action is vital for healthy and inclusive communities.

In October 2008, NAVCA produced, '**Skilling Up for Stronger Voices - A skills framework for third sector representatives**' which is a summary of recent research from the Improving Local Partnerships project at NAVCA. It looks at the roles that representatives have in LSPs, the range of key tasks that they carry out and the types of skills and abilities they are using, and proposes a skills framework which divides skills and abilities into three simple themes: Partnership skills; People skills; Practical skills.

<http://www.navca.org.uk/publications/strongervoices>

## **Useful websites/organisations**

### **14. Office of the Third Sector**

A new performance framework for monitoring and regulating local government is set out in Chapter 6 of the Local Government White Paper: 'Strong and Prosperous Communities', October 2006. NI 7 will measure the contribution that local government and its partners make to the environment in which independent third sector organisations can operate successfully. All local authorities will report on their progress in achieving this, and 61 have adopted it as a priority indicator. A stronger third sector can be an asset to every local authority area and this indicator has been included as a government priority in the National Indicator set in recognition of:

- **The importance of the third sector to strong, active and empowered communities:** A vibrant, diverse and independent third sector is a vital part of a fair and enterprising society. It can help communities to be more cohesive and inclusive, and help individuals to have more say over issues that affect them
- **The value of the third sector to responsive and effective local government:** The third sector can help local statutory agencies to address a wide range of community concerns, from strengthening community cohesion; to increasing environmental sustainability; to tackling many of the causes and consequences of social and economic disadvantage.
- **The value of local government to the third sector:** Local statutory agencies can be influential in shaping the environment in which third sector organisations work. NI 7 is designed to capture the overall contribution made by local statutory agencies to the environment in which third sector organisations operate.

[http://www.cabinetoffice.gov.uk/third\\_sector/Partnership\\_working/local\\_government.aspx](http://www.cabinetoffice.gov.uk/third_sector/Partnership_working/local_government.aspx)

The Office of the Third Sector's focus is on investment in strategic, long-term programmes that improve the overall strength of the sector.

[http://www.cabinetoffice.gov.uk/third\\_sector/funding\\_finance\\_support/core\\_funding.asp](http://www.cabinetoffice.gov.uk/third_sector/funding_finance_support/core_funding.asp)

They do not offer direct funding assistance to individual projects, most of their funding is delivered through five key programmes, 3 of which are:

- **Capacitybuilders** aims to create a more effective sector by improving the support services available to third sector organisations. Regional Managers play a pivotal role as the communication link between Capacitybuilders' and the ChangeUp programme across the UK. Regional Managers are responsible for establishing and managing relationships with a range of organisations.

<http://www.capacitybuilders.org.uk/>

- **Futurebuilders** is a programme set up to assist front-line third sector organisations to build their capacity to increase the scale and scope of their public service delivery.

<http://www.futurebuilders-england.org.uk/>

- Details of the £130 million **Grassroots Grants** programme to boost local community organisations with much-needed access to small grants and long-term financing through an endowment fund.

[http://www.cdf.org.uk/bfora/systems/xmlviewer/default.asp?arg=DS\\_CDF\\_TECHART\\_23/page.xsl/27&xsl\\_arg=//BF%5FCDF%5FPRA%5FGRT/&xsl\\_argx=3](http://www.cdf.org.uk/bfora/systems/xmlviewer/default.asp?arg=DS_CDF_TECHART_23/page.xsl/27&xsl_arg=//BF%5FCDF%5FPRA%5FGRT/&xsl_argx=3)

## **15. Other sources of funding and finance guidance**

- The Office of the Third Sector publishes details of grant programmes, when they are available, on the Government Funding website. The online portal that shows various central government department grants available for third sector organisations, and allows you to register to receive regular email updates of new grant rounds.

<http://www.governmentfunding.org.uk/Default.aspx>

- The Government's website has some useful information for third sector organisations looking for funding, including where to look locally, and information about the Big Lottery Fund and Grantnet.

[http://www.direct.gov.uk/en/HomeAndCommunity/Gettinginvolvedinyourcommunity/Charitiesandcommunitygroups/DG\\_10025966ectgov](http://www.direct.gov.uk/en/HomeAndCommunity/Gettinginvolvedinyourcommunity/Charitiesandcommunitygroups/DG_10025966ectgov)

- This is the national business advice service which offers support and advice to small businesses and supports social enterprises in their business plans. The website provides straightforward information for business, access to a wide network of business support organisations and includes a directory of sources of finance. The Office of the Third Sector has provided Business Link with six million pounds of funding to provide support to social enterprises and related organisations. Business link is also able to access additional funds for organisations with an innovative income-generating proposal.

<http://www.businesslink.gov.uk/bdotg/action/home?domain=www.businesslink.gov.uk&target=http://www.businesslink.gov.uk/nk>

- The website of the leading membership association for grant-making charities in the UK lists useful information regarding various grant providing trusts and foundations.

<http://www.acf.org.uk/>

- Communitybuilders is a £70m investment fund which takes forward a commitment within the CLG Communities in Control: real people, real power White Paper (July 2008) to build more cohesive, empowered and active

communities. The fund, which is jointly run by CLG and the OTS, is designed to empower citizens and communities by strengthening the resilience of multi-purpose community-led organisations across England through a mixture of financial and advisory support.

[http://www.cabinetoffice.gov.uk/third\\_sector/community\\_action/communitybuilders.aspx](http://www.cabinetoffice.gov.uk/third_sector/community_action/communitybuilders.aspx)

## **16. Social investment**

As well as OTS grant schemes, there are other possible sources of investment for third sector organisations such as social investment, this is investment made for a social purpose in organisations committed to delivering benefits to society and the environment. This investment – whether from grants, loans, equity investments or other emerging forms – can enable third sector organisations, to develop their operations and become more sustainable.

[http://www.cabinetoffice.gov.uk/third\\_sector/funding\\_finance\\_support/social\\_investment.aspx](http://www.cabinetoffice.gov.uk/third_sector/funding_finance_support/social_investment.aspx)

## **17. The Compact**

Established in 1998, the Compact is an agreement between Government and the voluntary and community sector in England. It recognises shared values, principles and commitments and sets out guidelines for how both parties should work together.

Although the Compact is not legally binding and is built on trust and mutual goodwill, its authority is derived from its endorsement by government and by the voluntary and community sector itself through its consultation process.

<http://www.thecompact.org.uk/>

## **18. Train to Gain**

Train to Gain is the government's flagship skills service, it already offers all third sector organisations support for training to GCSE and A level equivalent,

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in addition third sector organisations will soon be eligible for an extended leadership and management programme through Train to Gain.

From January 2009, funding rules will be relaxed so that third sector employees will also be able to access more flexible training support, delivered when and where they need it, including:

- Stand-alone accredited training modules and part-qualifications in essential areas like business systems, communications, sales and marketing, information technology, customer service, new product design, finance and credit, cash flow and profit management, and risk management;
- Fully funded Level 2 qualifications and subsidised level 3 qualifications, regardless of whether the employee already has a qualification at this level.

<http://www.traintogain.gov.uk/>

## **19. IDeA training**

The Improvement and Development Agency (IDeA) is managing the 'National Programme for Third Sector Commissioning'. The programme is a critical strand of 'Partnership in public services: an action plan for third-sector involvement'. Providers can influence/challenge their local commissioners to attend this training. Some of the larger housing associations have attended in their own right as commissioners of services. The five outcomes of the programme are:

- co-ordinated specialist guidance and support on commissioning services from the third sector
- increased understanding of the third sector among commissioning and procurement officers
- provision of awareness training for councillors and public sector officers on the benefits of third-sector involvement in the shaping and delivery of public services
- provision of awareness and skills training for the most significant 2,000 commissioners concerned with correctional services, employment services,

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children's services, education and training, health and social care services, and other local services

- improved third-sector bidding capacity, particularly among smaller organisations.

[http://www.cabinetoffice.gov.uk/third\\_sector/public\\_services/commissioning.aspx](http://www.cabinetoffice.gov.uk/third_sector/public_services/commissioning.aspx)

## **20. Third Sector Skills Body**

This new, independent, body will identify and address the skills needs of the sector, working closely with the Sector Skills Councils. And it will promote skills opportunities to the sector.

Third Sector organisations play a vital role at the heart of communities and they need people with the right skills to deliver for their beneficiaries and maximise their impact. It is also vital that those who work in the third sector have the opportunity to gain the skills they need to develop successful and rewarding careers. The formation of the new Third Sector Skills Body will be a big step forward in helping to invest in and improve the skills base of the Third Sector workforce including both employed staff and volunteers. The organisation should be operational at the third quarter of 2009.

# Appendix 1

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## Client group categories

### **Care and Support groups comprise:**

- severe learning disabilities
- severe mental health problems
- physical and sensory disabilities
- older people with dementia

### **Socially Excluded groups comprise:**

- single homeless people
- drug and alcohol users
- ex-offenders
- women escaping domestic violence
- young people at risk or leaving care
- homeless families
- teenage parents
- refugees
- travellers

### **Independence with Support groups comprise:**

- older people
- people with HIV
- people with mild learning disabilities
- people with mild mental health problems