

Oxfordshire County Council

Policy for the operation of Personal Budgets for Adult Social Care

September 2010

Introduction

This document is designed to set out the policies for operating personal budgets within Oxfordshire. This will cover:-

- How eligibility is determined – Fairer Access to Care Services (FACS)
- How the amount of money people are offered is determined – The Resource Allocation System (RAS)
- How much people will be expected to contribute to their personal budget - (Charging)

These policies are based on national guidance issued by the Department of Health and the Association of Directors of Adult Social Services¹. Although this guidance has recently been updated in response to the “Personalisation Agenda”, the fundamental principles have remained unchanged in most areas. However there are a number of areas where significant practical operational change will be required and some new areas where “Policy” needs to be defined. These are detailed in the document below.

Eligibility for Support from Social Services through a Personal Budget (FACS)

Oxfordshire County Council is required by the Department of Health to operate just one set of eligibility criteria for all people who seek support from adult social services, and to base these criteria on a national framework that is built on needs and associated risks to independence. Fair Access to Care Services (FACS) provides the national framework. Factors such as age, gender, race, disability, living arrangements and location should play no part in deciding an adult's eligibility to care services. Thus, individuals with similar needs will receive similar decisions on their eligibility for social care.

¹ **Prioritising need in the context of Putting People First: a whole system approach to eligibility for social care - guidance on eligibility criteria for adult social care - England 2010** (DoH – February 2010)

Fairer contributions guidance: calculating an individual's contribution to their personal budget (DoH – July 2009)

Common Resource Allocation Framework (ADASS October 2009)

Carers at the heart of 21st Century families and communities: a caring system on your side, a life of your own (DoH2008)

The recently updated guidance made the following points:-

- Eligibility criteria can vary locally, but need to be defined and applied in a consistent way, in line with a set of published bandings (Annex 1).
- Eligibility for a personal budget will be determined by the FACS bandings (Annex 1). In line with current Oxfordshire policy, personal budgets only are provided to people with substantial or critical needs.
- Everyone is entitled to an assessment and FACS eligibility should be determined before a personal budget is calculated and allocated.
- Eligibility for services applies regardless of the individuals financial circumstances. People assessed to pay the full cost may need advice and support planning in order to arrange their own care, but would not normally be expected to receive a formal personal budget unless they lack the capacity to organise their own care and support.
- In line with the guidance, Oxfordshire will put strong emphasis on prevention early intervention and support for carers. These services will be targeted and may be provided to people who do not currently meet the FACS based criteria for eligibility.

Personal Budgets and Carers

The vital role played by carers and the degree to which their contribution supports current services is recognised. The intention is to allow carers to benefit from the increased opportunities for choice and control to a similar degree to those they care for.

In order to achieve this, the following principles have been adopted:-

- Services provided specifically to the carers themselves (information, advice, small one off grants) will be outside the scope of personal budgets.
- Funding for services actually provided to the person they care for (e.g. respite relief to care) will initially be included within the total amount used to determine the value of personal budgets. People would then be able to decide whether they wished to purchase more or less of the “formally known as carers services” free from any artificial entitlement restrictions.

The idea of separate personal budgets for carers, has been considered but has proved difficult to clearly define, (in line with the national guidance which stated there was no clear need for a separate personal budget for carers).

However the option will be kept under review.

The Resource Allocation System (RAS)

What is the RAS?

- At present we provide a number of specific services, which people can access if they meet the appropriate criteria. Self directed support changes this, and instead gives each eligible individual a “personal budget” which they can decide how to use to meet their needs.
- The RAS is the formula (based on levels of need) which calculates how much that personal budget should be.

How was it designed?

The following basic principles have been adopted:-

- There is a relationship between needs and costs
- The current pattern of service provision is generally appropriate and therefore the amounts allocated by the RAS should in most cases be similar to the cost of the services the person currently receives
- Given the current budgetary position and future efficiency savings that are likely to be required, the costs of many services will need to be reduced. It will not therefore be acceptable to produce a RAS that simply reflects current costs; it needs to be based on the desired future position.

How does it work?

The formula uses the information contained in the Overview Assessment and calculates the budget based on some or all of the following factors:-

- Physical health, disabilities and well-being
- Need for support in managing personal care and day to day activities
- Mobility
- Relationships with family, friends
- Involvement with work, education or learning
- Involvement in the community
- Risk/safety
- The support received from family, friends, other local people or services.
- The environment people are living in.

The formula is based on “scientific” principles, i.e. the assumption that if something behaves in a predictable way it is possible to produce an equation to model it.

The actual formula itself is not straightforward. It does not simply add a specific amount for a particular score in a particular area, but tries to take into account the interaction between the various areas of need . This is illustrated by the example from below (originally published in FACE documentation – FACE is the organisation Oxfordshire County Council are working in partnership to develop the RAS).

“A good example is the situation when you might need someone to drop by once or twice a day to make sure you are safe. If you also need help with dressing and preparing meals, then

the helper who comes in to help you dress and prepare meals can check that you are okay at the same time. So, in this situation you will not need anything additional in your budget to ensure that your safety is checked. On the other hand if you just need someone to drop by but not help with personal care or daily activities then you WILL need something in your budget to enable this to occur. The formula therefore cannot give the same weighting to safety in both situations – otherwise either people who don't need anything extra will be given it, or people who do need extra won't get enough."

How is it calculated?

The actual RAS will be calculated using a sample of several hundred overview assessments. The cost of services used however will be the cost following the various efficiency savings, rather than the actual current cost e.g. Home Support currently costs us in the region of £23.50 per hour. However the RAS will use a rate of £15 per hour.

What is the status of a budget calculated by the RAS?

The Department of Health guidance clearly states that any budget calculated by a RAS is **indicative**. If someone can demonstrate that they cannot meet their eligible needs with that amount, it will need to be increased to rectify this. Therefore whilst we are attempting to implement a RAS which is as "accurate" as possible and which is changed on as few occasions as possible, some budgets inevitably will change.

Agreement/ Authorisation of Personal Budgets

Agreeing a personal budget represents a financial commitment. As such the people authorised to agree personal budgets and the limits to what they can agree will be incorporated into the scheme of delegation.

Given that the financial commitment involved, the following checks will be carried out.

Check	By Who	Action(s) to correct
Has the overview assessment been correctly scored?	Initial Assessor & Supervisor	<ul style="list-style-type: none"> • Amend Scores and recalculate
Is the level of the budget generally reasonable	Initial Assessor & Supervisor	<ul style="list-style-type: none"> • Increase/reduce budget to reasonable level. • Record the reasons for the change. • Use the evidence from all such cases to feed into the annual review of the formula
Is the budget enough in practice for this individual	Issue raised by broker. Agreed by budget manager	<ul style="list-style-type: none"> • Increase/reduce budget to reasonable level. • Record the reasons • Review

Review of individual personal budgets

Once a personal budget has been agreed, it will be subject to change under the following circumstances.

- An annual uplift for inflation (at a level agreed at the time and in line with other council budgets if applicable)
- In response to a real change in “need” or circumstances where this has been identified at review
E.g. Mrs J has a budget of £120. However at review it is identified that her condition has deteriorated significantly in some areas. A revised indicative budget of £190 is calculated.
- As the result of a change in the overall level of entitlement (agreed as part of council policy). This would take the form of a change to the formula. This could only be implemented on review/re-assessment if applicable.
E.g. Mr K has a budget of £250. Although his needs have not changed, changes made as a result of the annual review of the formula result in his “new” indicative budget being £240. It would be expected that at review his actual personal budget would be reduced to this level (assuming he could still meet his needs with this amount).
- In some circumstances the changes could be implemented immediately. In other cases a transitional period may be required.

Review of the overall formula

The formula will be reviewed and amended annually.

The review will take into account

- Cases where the amount allocated was not appropriate (see above)
- Areas where there is other evidence that the formula could be improved (e.g. large numbers of individuals having a surplus on their personal budget)
- Changes in prices (annual uplift for inflation – if applicable)
- Policy changes to allocate more (or less) money to particular groups (or in total)

Locality / Rurality Weightings

Oxfordshire is a rural county and there is evidence to suggest that there may be some variation in the cost of some kinds of support in different areas as a result of this. However there is not at present enough evidence to accurately quantify these variations. Therefore initially there will be no locality/rurality weightings, although this will be kept under review.

Personal Budgets and Residential /Nursing Care

Personal budgets can be used to purchase residential or nursing care. However due to a number of legal and practical considerations, the way they will operate will be slightly different.

- An individual’s financial contribution will be assessed under CRAG charging regime rather than fairer charging. This is covered more fully in the section on charging on page 11.

- Councils cannot currently legally make direct payments to people to pay for residential care. Therefore anyone using their personal budget for residential care will need to have the service arranged through the council.
- The RAS takes the current support arrangements into account when determining the personal budget. The personal budget allocated where residential or nursing care is the existing support arrangement will be the same as the current banding rate. This will be different from the amount they would receive for support at home.

E.g. Mr N and Mrs O are both supported at home. Their needs are quite similar, but they have access to different levels of informal support. Mr N has a budget of £300 per week. Mrs O has a budget of £440 per week. Circumstances change, and they both conclude that residential care is now the only option. As they both meet the criteria for "Extensive/ Specialist" banding. They would both therefore receive a budget of £403, which reflects the cost of supporting them in residential care rather than at home.

Transport

Oxfordshire is a rural county and there is evidence to suggest that there may be some variation in the cost of some kinds of services as a result of where people live. It is unlikely that this could ever be accurately reflected in any needs based formula. There is also a degree of inconsistency/uncertainty over the degree to which receipt of mobility allowance should be taken into account. Therefore whilst personal budgets will generally be expected to cover "normal/reasonable" transport costs, it is recognised that the cost of transport is likely to be the single biggest cause of variations between the indicative budget and the actual budget allocated. In addition to this, it is planned to subject the whole issue of eligibility for transport to a separate review.

Therefore whilst individuals may legitimately use their personal budgets for transport, the budgets currently used for funding transport will not in future be allocated by the RAS. However there is no reason why the budgets currently used to provide transport could not be used to fund increases to individual personal budgets to cover the costs of transport. However this would need to be considered on a case by case basis.

Start dates for personal budgets

Every personal budget, once agreed, will start on a specific date.

Although there may be exceptions, the general principle will be that this will be the point at which the services specified in the support plan are in place.

If there is any delay in implementing a personal budget, people with critical needs (as defined by the FACS criteria) will be able to receive temporary or emergency services.

Admission to hospital

Where people who have personal budgets are admitted to hospital for a short period of time, their personal budget and their assessed contribution to it will remain in place unchanged. However if their stay exceeds four weeks, this may be subject to review.

In some situations the event that caused the person to be admitted to hospital is likely to result in an increase in their level of need. In these circumstances a new assessment will be required leading to a revised personal budget.

E.g. Mr H has suffered a stroke. After he is discharged from hospital he receives home support and various rehabilitative services. During the first 4 weeks he is not charged. During this period, an indicative budget is calculated (£200 per week) and he receives a financial assessment (his contribution is £65 per week). After four weeks he begins to pay his assessed contribution. After 6 weeks, his support plan is agreed and implemented. He opts for a direct payment.

Three months later he is admitted to hospital again suffering from a chest infection. He is in hospital for 3 weeks, but fully recovers. During this time he continues to receive his direct payment, and continues to pay his assessed contribution.

Two months after this he is again admitted to hospital after a severe fall. Again whilst in hospital he continues to receive his direct payment, and continues to pay his assessed contribution. Following his discharge he receives additional rehabilitative services, this does not change the amount he is obliged to pay as this is determined by his assessed contribution. His existing support arrangements work in tandem with the additional rehabilitative services during this period.

The rehabilitation has some effect, but it soon becomes clear that his needs have significantly increased. He therefore receives a new assessment and a revised personal budget.

Changes to the cost of existing service provision

Clearly where the council is still purchasing services, this will still be possible. Where the service is generic in nature but purchased from a number of different suppliers, at different prices e.g. home support, this would be managed by charging an average price.

All Individuals purchasing the service through the council would be charged this average price, rather than of the actual cost. Therefore if the council was able to achieve an overall reduction in the prices they paid, they would receive the benefit whilst the level of service the individual received would remain unchanged.

Where the service is one tailored to the individual's need, with an individual price, the indicative budget generated by the RAS would serve as a "target"

price and aid in identifying areas where the cost could potentially be negotiated down.

E.g. Mr I has lived in a Supported Living Scheme for several years. It currently costs £950 per week. His indicative budget is calculated at £800. It is not likely to be practical to instantly change this price, so his actual personal budget will be £950 for a transitional period. However if negotiations reduce the cost of the placement, his personal budget will be reduced to match.

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Financial assessments and charging for services

Background

There are currently two charging regimes that apply to financial assessment and charging:-

- The DoH “Charging for Residential Accommodation Guidance” (CRAG) covers charges for registered residential homes
- Fairer Charging, which covers all other services provided to people living in their own homes.

The main differences are:-

- CRAG can take into account the value of people’s property
- Fairer Charging allows more types of “disability related expenditure” to be taken into account when determining someone’s disposable income.
- Fairer charging is designed to deal with people who are receiving several different services, and states that people should have a single assessed contribution, and pay the total charge for all of the services they receive, up to the value of this assessed contribution.

These charging regimes remain in place and will need to be applied.

Application to personal budgets

Where a person receiving a personal budget chooses to use it for permanent residential care, their assessed contribution will be calculated under CRAG.

In any other circumstances they will be assessed and charged according to the fairer charging guidelines. However their personal budget will be regarded as one single service.

The assessed contribution will be calculated, and the person notified before their personal budget is agreed and put in place. This may mean in some circumstances, that two assessments will need to be made (where residential/nursing care is a possibility)

Other services may be provided which fall outside the scope of personal budgets may continue to be charged for under fairer charging. At present the only such service is the Telecare/Alert service.

E.g. Mrs A has a personal budget of £200 per week and the Alert service for which the charge is £10 per week. She will therefore be liable to pay the lower of her assessed contribution or £210.

Financial assessment and how the budget is spent

The guidance on personal budgets states that there are in theory no restrictions on what a personal budget can be spent on, as long as it can be shown that it being used legally in meeting the person’s outcomes in relation to their eligible needs, assuming this is lawful, effective and affordable

The fairer charging regulations allow certain items of “Disability Related Expenditure” to be taken into account when assessing someone’s income (and hence contribution).

This creates a situation where someone could potentially have their assessed contribution reduced for something, and then use their personal budget to pay for the same thing. This is not permitted, and part of the process for agreeing support plans will be a check to ensure that this has not occurred.

When will charges begin?

Department of Health guidance states that people cannot be charged for services until they have been financially assessed and informed of their assessed contribution.

Currently the time it takes for charging to begin depends on the services they receive and the time it takes to carry out the financial assessment but is generally between 3 and 6 weeks.

In the future, financial assessments will be carried out within 4 weeks for all services and charges will begin four weeks after people start receiving services. After this they will be obliged to make their assessed contribution, either to their personal budget if it is place by then, or towards the cost of any temporary services they are receiving prior to their support plan being agreed and implemented.

Financial assessments under CRAG will be carried out as soon as possible and charging will start immediately (and not the 4 weeks free as with Fairer Charging Assessments).

Practical Implications –

People receiving respite care in registered residential and nursing homes

Some people choosing to use their personal budgets for short term “respite” care in residential homes will see their assessed contribution reduce.

E.g. Mr B receives a number of different services to help support him at home. This includes 6 weeks per year “respite” in a residential home. He has assessed contributions of £100 per week under CRAG and £25 per week under fairer charging. Under the current charging regime he would normally be charged £25 per week, except for the 6 weeks he spent in respite care when he would be charged £100 per week. Under the new arrangements he will be charged £25 every week.

Amounts charged to “full cost” payers

There will be an impact on people assessed to pay the full cost of the services, since they will move from paying for what they have actually received, to paying an “estimated” amount based on what it was planned that they receive. In these cases the actual value of services received will be regularly reviewed and future charges changed to correct this.

E.g. Mrs C has an assessed contribution of £250, and a personal budget of £200, so is therefore liable to pay the full cost of her care. She is therefore sent an invoice for £800 every 4 weeks. However if in one 4 week period she only actually receives support costing £750, she will have paid £50 too much, this will need to be deducted from future invoices. In the same way, if she had received support costing £850 this would have needed to be added to future invoices.

Collection of assessed contributions from people receiving direct payments

Assessed contributions from people receiving direct payments are currently “collected” by paying the net amount into the bank account they set for the direct payment and asking them to pay in their assessed contribution.

From October 2010 direct payments will be paid gross and all assessed contributions will be collected through the Fairer Charging system. The main reason for this are

- It was proving difficult to monitor and enforce (non payment rates were significantly worse than with income collected via normal means)
- Department of Health guidance seems to slightly favour the gross approach (saying that authorities “should normally” pay the gross amount, but “may” pay net).
- The net approach was proving confusing and difficult to operate for the significant and growing number of people choosing to use their personal budgets for a mixture of direct payments and services organised by the council

E.g. Mr. D has a personal budget of £200 and an assessed contribution of £105. He chooses to use £100 on services organised by the council and £100 as a direct payment.

- *Under the current arrangements he would have to set up a bank account into which he would have to pay £100 per week which the council will require returns for but not actually pay any money into, and he will also receive an invoice for £5 per week.*
- *Under the new arrangements he will receive a direct payment for the full £100, and an invoice for the full £105, resulting in fewer transactions and more clarity for everyone involved.*

Refund of Surpluses and assessed contributions

Where a surplus has been identified and recovered and that person has paid a contribution to their personal budget, it will need to be identified who should actually receive the surplus.

The principle that will operate is that the person’s contribution is the part of the budget that is spent first. However when a person receives support less than their assessed contribution, any excess would be returned to them. This would be done over the whole period in which the surplus was built up

E.g. over a period of six months, Miss E received a total personal budget of £2,500; of this she spent a total of £1,650. During that time she had paid

assessed contributions of £2,000. This would give a surplus of £850 (£2,500 - £1,650). However as she has paid more than has been spent, £350 (£2,000 - £1,650) will need to be returned to her whilst the remaining £500 would be returned to the Council.

Over the same six months Mr F has also received a total personal budget of £2,500, and spent £1,650, however his assessed contribution was £1,500. Therefore all of the £850 surplus will be returned to the council.

Subsidised Services provided to people who may not be eligible for personal budgets.

Some services are provided to a range of people, some of whom may not be eligible for personal budgets. They are currently chargeable, but the full cost of the service is not fully charged. Full details of the services are set out in annex 2.

From October 2010 these services will be available to anyone regardless of whether they have a personal budget and charged at full cost. Charging for these services will not be carried out through the fairer charging system.

Where these services are provided to people with a personal budget the cost will be charged to the personal budget (**not treated as a separate service**).

E.g. Mr G is receiving the shopping service which costs £10 per week. His assessed contribution is £20 per week, so he pays the full cost (£10). Later his circumstances change and he becomes eligible for a personal budget of £100 per week. He chooses to keep using the shopping service and take the rest as a direct payment. Therefore he receives a direct payment of £90 per week and continues to receive the shopping service, worth £10 giving a total of £100. He will be charged his assessed contribution of £20.

Annex 1 - Fair Access to Care Services Bandings

There are 4 bands of eligibility:

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.

Moderate – when

- there is, or will be, an inability to carry out several personal care or domestic routines; and/or
- involvement in several aspects of work, education or learning cannot or will not be sustained; and/or
- several social support systems and relationships cannot or will not be sustained; and/or
- several family and other social roles and responsibilities cannot or will not be undertaken.

Low - when

- there is, or will be, an inability to carry out one or two personal care or domestic routines; and/or
- involvement in one or two aspects of work, education or learning cannot or will not be sustained; and/or
- one or two social support systems and relationships cannot or will not be sustained; and/or
- one or two family and other social roles and responsibilities cannot or will not be undertaken.

Annex 2 – Current and future charging regime for services

Service	Current charging status	% of users likely to receive a personal budget	Available outside a personal budget?	Future charging status
Residential/ Nursing Care	Full cost charged (CRAG)	100%	No	Full cost charged under CRAG
Respite Care	Full cost charged (CRAG)	100%	No	Single charge for personal budget (Fairer Charging)
Supported Living	Full cost charged (Fairer Charging)	100%	No	Single charge for personal budget (Fairer Charging)
Home Support	Full cost charged (Fairer Charging)	100%	No	Single charge for personal budget (Fairer Charging)
Relief to Carers	Full cost charged (Fairer Charging)	100%	No	Single charge for personal budget (Fairer Charging)
Day Services (Learning Disabilities)	Full cost charged (Fairer Charging)	100%	No	Single charge for personal budget (Fairer Charging)
Internal Day Services (Older People)	Subsidised (Fairer Charging)	30%	Yes	Single charge for personal budget (Fairer Charging) or full cost charged.
External Day Services (Older People)	Subsidised (Fairer Charging)	20%	Yes	Single charge for personal budget (Fairer Charging) or full cost charged.
Laundry	Can be charged for under Fairer Charging but isn't	67%	Yes	Single charge for personal budget (Fairer Charging) or full cost charged.
Meals	Subsidised (Fairer Charging)	67%	Yes	Single charge for personal budget (Fairer Charging) or full cost charged.
Shopping Service	Subsidised (Fairer Charging)	50%	Yes	Single charge for personal budget (Fairer Charging) or full cost charged.

Annex 3 – FACE explanation of how Personal Budgets are calculated

How your budget is decided

We have provided you with an estimate of the sum that may be available to you to meet your

Support needs. This is known as an 'indicative budget'. The indicative budget is a guide to what money may be made available to you to help you to meet your needs. The actual sum you receive may be greater or smaller depending upon both your personal situation and the local cost and availability of the particular type of support that you require. Please note that the final sum to be given to you will be agreed only when a plan has been agreed with you to meet your needs.

How was my budget estimated

This estimate is based on the information that you provided on your needs and circumstances. This was recorded on the Assessment form that was completed with you by your social worker (known as an 'Overview' Assessment). You provided information about a wide range of areas of your life including:

- Your physical health, disabilities and well-being
- Your need for support in managing your personal care and day to day activities
- Your mobility
- Your relationships with family, friends
- Your involvement with work, education or learning
- Your involvement in the community
- Your safety
- The support that you currently receive from family, friends, other local people or services.

In each of these areas a score or set of scores was recorded on the form that reflects your current situation. For example, a score of 2 on 'Dressing and undressing' would mean that you 'OFTEN' need the assistance of someone else to get dressed, whereas a score of '3' would mean that you 'ALWAYS OR NEARLY ALWAYS' need the assistance of someone else. The scores on your Assessment were then fed into a formula that has been designed to provide an accurate estimate of the amount of money required to meet the needs recorded. The formula was developed by looking at the scores and care packages of thousands of people from around the country and working out the best method of making an accurate prediction of the costs of meeting people's needs based upon their scores on the assessment.

How does the formula work?

What the formula does is to give different 'weightings' to different scores so that your indicative budget is as close as possible to what is actually needed. The following example explains how this works in more detail. Suppose that you scored 12 on the assessment questions concerning your need for support with your personal care and 6 on the questions concerning support you need with daily activities in the home, such as cooking and tidying. Based on the data from around the country it might turn out that the best way of calculating the cost of meeting those needs is to multiply the personal care score by 12

and to multiply your daily activities score by 8.5. If this is the case then the budget you might be allocated to meet these needs by the formula would be:

$(12 \times 12 = 144) + (6 \times 8.5 = 51) = \text{£}195$ per week.

However, you may be already receiving some support from your family or friends, so you may not need as much money as this. Supposing that about half the support you need is being provided by family and friends. This is also recorded on the assessment and so you will be offered half of $\text{£}195 = \text{£}97.50$ per week.

In fact, the actual formula is a bit more complicated than the example above. This is because your needs in one area of your life often affect your needs in another area of your life. A good example is the situation when you might need someone to drop by once or twice a day to make sure you are safe. If you also need help with dressing and preparing meals, then the helper who comes in to help you dress and prepare meals can check that you are okay at the same time. So, in this situation you will not need anything additional in your budget to ensure that your safety is checked. On the other hand if you just need someone to drop by but not help with personal care or daily activities then you WILL need something in your budget to enable this to occur. The formula therefore cannot give the same weighting to safety in both situations – otherwise either people who don't need anything extra will be given it, or people who do need extra will not get enough. In order to avoid such 'double counting' the formula therefore looks a bit more complicated than simply adding up a few numbers. However, we hope this explains why it needs to do this in order to ensure that you get the right amount.

The formula does allow for local differences in the costs of care and support in different parts of the country and was developed by an independent research organisation working with a large group of Local Authorities. The formula was tested with local service users in your area before being used routinely and we are confident that in the majority of cases it does provide a reasonable indication of the money that may be needed. The formula continues to be regularly checked and updated to ensure that it remains accurate.

What if I think the budget is too little or too much?

We do recognise that no formula is perfect and everyone's personal situation is slightly different. It is for this reason that at this stage your budget can only be an estimate.

If you feel that your estimated budget is not realistic – too low or too high – please inform your

Social Services named contact and the sum allocated may then be reviewed.

We would also be happy to provide you with a full copy of your Assessment to enable you to check that the information recorded on the form was accurate.

Remember though that no final decision has yet been made about your actual budget. This decision will be made only when a plan to meet your needs has been agreed with you.

Annex 4 – Resource Allocation System - Commentary

Introduction

In future it is likely that the “policy” will have two parts.

- The “Policy” itself – a set of general principles, which although subject to regular review are unlikely to change significantly
- An annual “Commentary” which will outline significant changes to the Resource Allocation System from the previous year.

Initially the commentary will set out the initial assumptions used.

Existing budgets that will be used to fund personal budgets (What is in the RAS)

The budgets which are included are those which currently fund ongoing long term support to people whose condition was stable, namely:-

- Home support
- Residential/nursing care
- Supported living
- Some day services – approx 30% of Older Persons Day services funding, all of learning disability and physical disability day services funding
- Respite (including support to carers)
- Supporting People funding for Learning Disability only

The budgets which are excluded are:-

- “Universal” services
- Preventive services
- Rehabilitative services
- Emergency or temporary support (most notably during rehabilitation)
- Cost of elements of some block contracts – (e.g. the cost of voids in supported living schemes which include an element of shared support and the costs of capital funding included in the contract with the Orders of St. John)
- Transport
- Carers support services
- Care Management/Occupational Therapists
- Commissioning/Contracting/Support staff
- Supporting People (for older people/adults with physical disabilities)

Assumptions made with regard to cost and levels of service.

Although the resource allocation system is based on the current **pattern** of service provision, it is recognised that it cannot simply replicate the current position, since this is unlikely to be financially sustainable.

The following approach has therefore been taken:

- The vast majority cases used for the sample on which the formula was based were from areas where the level of service provision had recently been critically reviewed
- The costs used to build the RAS model are not the actual current costs but what we want/think we should reasonably pay