

How self directed support is failing to deliver personal budgets and personalisation

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Abstract

Over the past five years, social care has been experiencing a period of change described as 'transformational'. It has largely been based on a model initiated by the organisation 'In Control' (Poll et al., 2006), variously called 'personalisation', 'personal budgets' and 'self directed support'. The drive to create personalised services through self directed support and personal budgets was implemented before the model was fully tested. Indeed, its implementation was announced before completion of a national evaluation set up by the Government. One advantage of such speedy, widespread implementation is that we are now beginning to have substantial evidence regarding its efficacy. At the same time, we are on the cusp of new legislation likely to shape social care for the foreseeable future. It is essential that legislation takes on board what the evidence says about this model – its strengths and weaknesses. The following discussion shows why the underpinning notion of self directed support seems to have failed in its ambitions. However, the concepts of personalisation and personal budgets associated with it may retain value if interpreted in an appropriate way, delivered through an appropriate strategy. Then even so long as resources fall short of needs, they are likely to ensure the best possible outcomes for service users are secured. If and when adequate levels of funding are also provided, there may be the real prospect of enabling all to live their lives on the same terms as others who do not need social care support.

Keywords: Personalisation, government strategy, evidence of worth, outcomes

Introduction

It is possible to discern three core elements of the Westminster Government's transformation strategy for social care, first heralded in the document *Putting People First* (Department of Health, 2007). These are *personalisation*, *personal budgets* and *self directed support*. These reforms were first proposed for England, but have since been extended in slightly different ways throughout the UK. These three elements are often merged into one, with any of the three terms being used to describe the whole. This creates the impression that they are mutually dependent, and no single element can exist without the other two. In this discussion we set out why it is not only possible to distinguish them, but necessary to do so if the vision for

transformation is to be achieved. These three elements are:

- The over-arching ambition to create '*personalisation*' of support, a radical alternative to what has come to be called the '*one size fits all*' service culture, whereby people have to fit into pre-existing services, to give people greater control over their lives.
- A '*personal budget*' to enable purchase of the supports and services most appropriate to the individual.
- The *personal budget* arrived at through a process called '*self directed support*', whereby the personal budget is given 'up-front' so the individual can enter the social care market as an 'empowered consumer'. This can be arrived at

through a resource allocation system (RAS) - a points based formula that measures a person's level of dependency and awards money accordingly, a 'ready reckoner' whereby the practitioner estimates a cost based on what the person might have received using traditional services, or an off the shelf IT system (Think Local Act Personal, 2011, *Minimum Process Framework*).

There is wide support for *personalisation* of services and support as defined above and indeed it can be seen to be a thread in thinking throughout the history of social work and social care. It is a concept at the heart of the White Paper *Caring for Our Future* which expresses the need to:

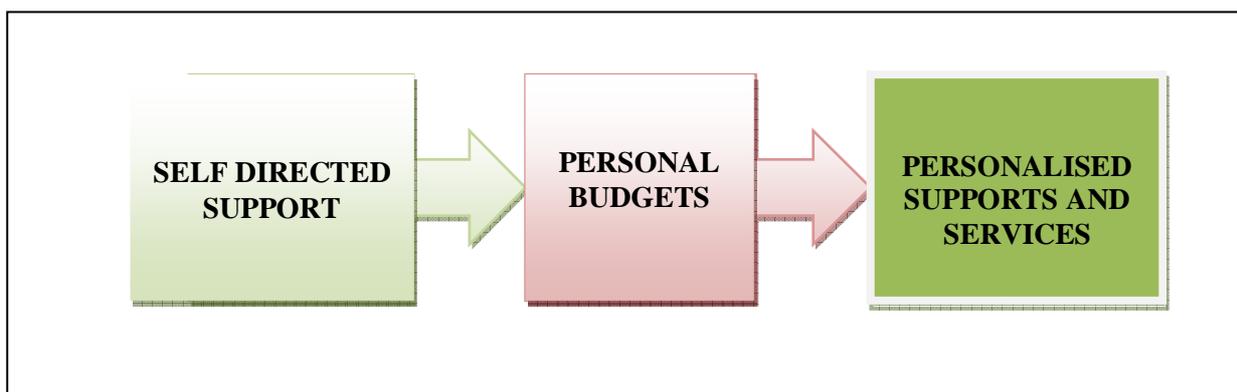
... empower individuals and their carers to make the choices that are right for them.
(Department of Health, 2012, p.3)

For service users, the benefits of having a support system that is responsive to them in their own unique context are self evident. From a council perspective, it is reasonable to hope that replacing a system where most of their budget is spent at the beginning of the year on services into which people have to fit with a system that allows choice of the service that is right for each person, will result in much greater value for money, measured through the balance between costs and outcomes. However, this is not to repeat claims that personalisation through personal budgets will result in major cost savings.

Personal budgets are likely to be at their most effective when used as an opportunity to create a unique support system outside the mainstream, traditional market of commissioned and regulated services. This, in turn, most usually calls for the budget to be taken as a direct payment. This has been seen in a number of studies including the national survey of some 2,000 personal budget holders (Hatton, 2011). However, the evidence, set out later in this paper, is that only a small number of people will make use of this. For the majority, personalisation will come not through choice of which service to purchase, but through a range of choices in relation to how mainstream providers deliver their support. Nonetheless, it should not be assumed which service users will want to create their own support system and which will not. The opportunity to purchase services outside of the mainstream should be available to all. Indeed, by requiring all service users to have a personal budget the *Draft Care and Support Bill*, (Department of Health, 2012, section 25) which proposes a new legislative framework for social care, pre-empts the need for debate should this pass into legislation.

Self directed support has been the most contentious element of the three. The evidence included in this paper suggests that not only is it failing to deliver its intended function, it is having a seriously deleterious effect on social care field work services. There is no reason to believe this will be different in the future.

Figure 1. The route to personalisation through self directed support



Context

The current formal definition of what constitutes a personal budget is owed to the vision of In Control's '7 step model' (Poll *et al.*, 2006, p.25):

1. *The person (or their representative) has been informed about a clear, upfront allocation of funding, enabling them to plan their support arrangements.*
2. *There is an agreed support plan making clear what outcomes are to be achieved with the money.*
3. *The person (or their representative) can use the money in ways and at times of their choosing.* (NHS Information Centre, 2008)

This has been the definition used for performance management since 2009/10 (NHS Information Centre, (2008), National Indicator 130) and has been the basis of a target of all to have a personal budget by Spring 2013 (changed in October 2012 to 70% by the current Minister for Social Care, the Rt. Hon. Norman Lamb). It fundamentally describes the self directed support process.

However, the situation has not been as straightforward as the above definition implies. An early concern was that an upfront allocation - necessarily carried out before knowing the actual cost of meeting a person's needs - would lead to allocations too low to enable eligible needs to be met. This was ostensibly addressed by making the upfront allocation indicative only. The actual budget was to be determined after support planning.

Calculating what resources should be made available to individuals should not detract from a council's duty to determine eligibility following assessment and to meet eligible needs. Rather a RAS should be applied as a means of giving an approximate indication of what it may reasonably cost to meet a person's particular needs according to their individual circumstances. (Department of Health, 2010, p.40)

Attempts have been made to clarify this somewhat mixed message by seeking to minimise both the importance of and work required to address the post support planning decision. Formal guidance published by Think Local Act Personal, the formal initiative and grouping entrusted with steering the transformation says:

The indicative allocation amount should be as close as possible to the final approved budget – if it is not then there is a high risk of wasted process as well as frustrated staff and customers. (Think Local Act Personal, 2011, p.8)

Two critical questions arise from this advice:

1. How close are the indicative and actual allocations in practice? The answer will inform a view about whether or not 'up-front' allocations are driving the size of personal budgets.
2. What has been the impact on the field work process - has there indeed been 'wasted process'?

What is the evidence for proximity of indicative and actual allocations

In Control carried out an analysis of the progress of self directed support in Hartlepool, seen as an exemplar authority for self directed support, in 2009/10. As part of the analysis, they compared the indicative and actual allocations of over 500 cases and reported:

The average approved allocation (actual budget) was £8,457 - slightly lower than the average adjusted allocation (indicative budget) £9167. (Tyson, 2009, p.40)

If the relationship between indicative and actual budgets is expressed as a ratio - where 1 would represent them being the same - the ratio would be 1.08, which may be regarded as reasonably close. However, presenting the data in this way has the effect of concealing the impact that arises from the reality that sometimes the actual budget is lower than the

indicative budget and sometimes higher. A Freedom of Information Act request made to Hartlepool Council in April 2012 for the two sets of data for each of the cases showed this was indeed the case. Of 512 cases, in 381, the actual budget was less than the indicative amount and in 120, it was more. On only 11 occasions was it the same.

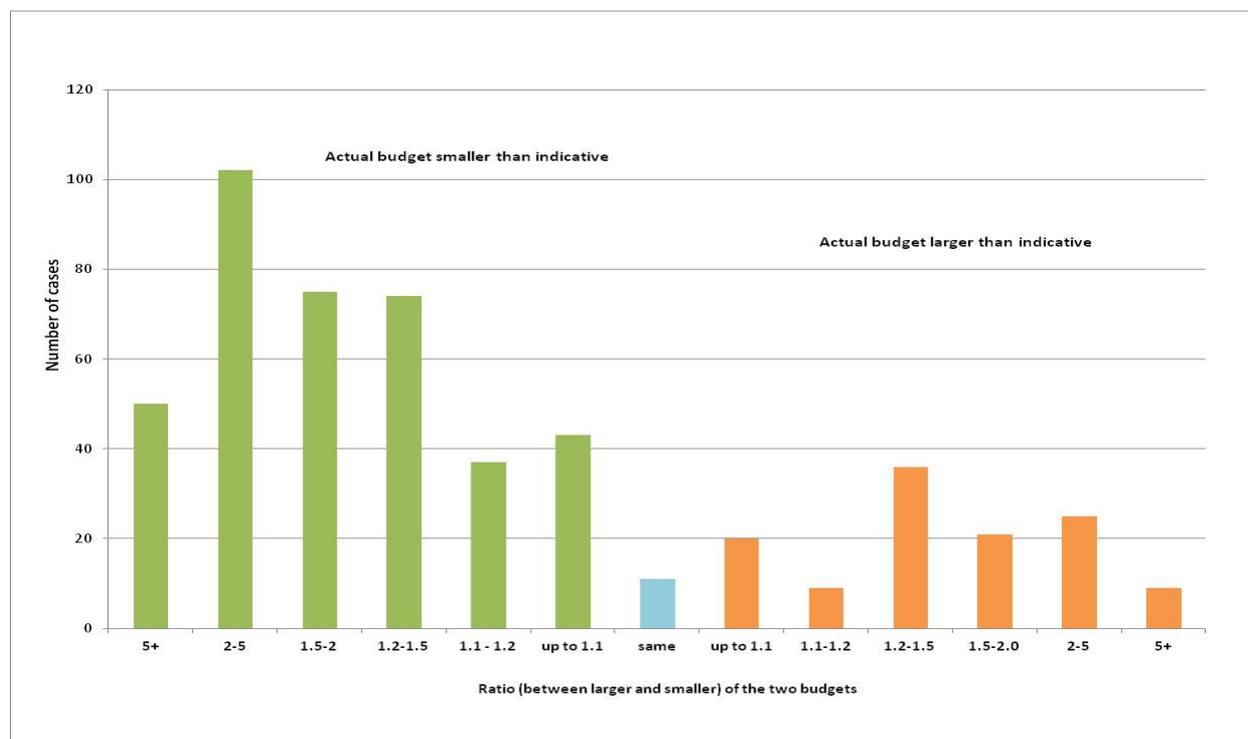
Figure 2 shows how many cases fell into each of the following groups:

- Ratio of 1, where the indicative and actual allocations are the same.
- Ratio of 1.1, where in effect one is within 10% of the other. It may be that this range could be considered to be 'close'.
- Ratio of 1.2 to 1.5, where one is up to one and half times bigger than the other.
- Ratio of 1.5 to 2, where one is up to twice the size of the other.
- Ratio 2 to 5, where one is up to five times the other.
- Ratio over 5, where one is more than five times the other.

Cases to the left of the mid-point (the mean) represent occasions where the actual budget is *smaller* than the indicative and cases to the right where the actual budget is *larger* than the indicative. Taking into account all cases, and no longer allowing cases either side of the mean to cancel one another out in the way the In Control report did, the average difference between indicative and actual budgets varied by a factor of **3.84**. This is very substantially different to the 1.08 suggested by In Control. It represents a truer picture of the real relationship between indicative and actual allocations.

This shows a quite different scenario to the one presented by In Control. It suggests that the 'sign off' of the budget appears to be not so much a quick check on whether the figure created by the up-front allocation is enough but an entirely separate decision that stands alone from the up-front process. It points to Hartlepool, despite being regarded as strong supporter of self directed support strategy, not trusting its own up-front allocation system.

Figure 2. Ratios* by which the indicative and actual budgets differ, Hartlepool



* ratio (r) = IB / AB where IB is greater than AB
and r = AB / IB where AB is greater than IB

No data that compares the two figures is collected nationally to test whether this pattern is being repeated. However, councils are expected to keep such records for internal use. The Association of Directors of Adult Social Services (ADASS) issued guidance in 2010 called *Making Resource Allocation Work in a Financial Environment*. It said that the RAS formula should be recalibrated at least every twelve months. To do so, key data should be:

... collected and collated in one place for easy reference.

The data should include:

... the indicative budget, the final personal budget and reasons for any difference.
(ADASS, 2010, p.22)

A Freedom of Information request was made between July and September 2012 to 9 councils for the two sets of data for all new service users for the year 2011/12. Six of the

councils were not able to provide the data requested. The absence of routine data collection - which would have made it easy for a council to respond to the request - raises questions about how seriously these councils are managing the up-front allocation process.

The three councils who could provide the data did so for over 5,000 cases between them. Figure 3 shows where cases fell into the groups above for each council. The overall average ratio of comparing the larger with the smaller of the two budgets was:

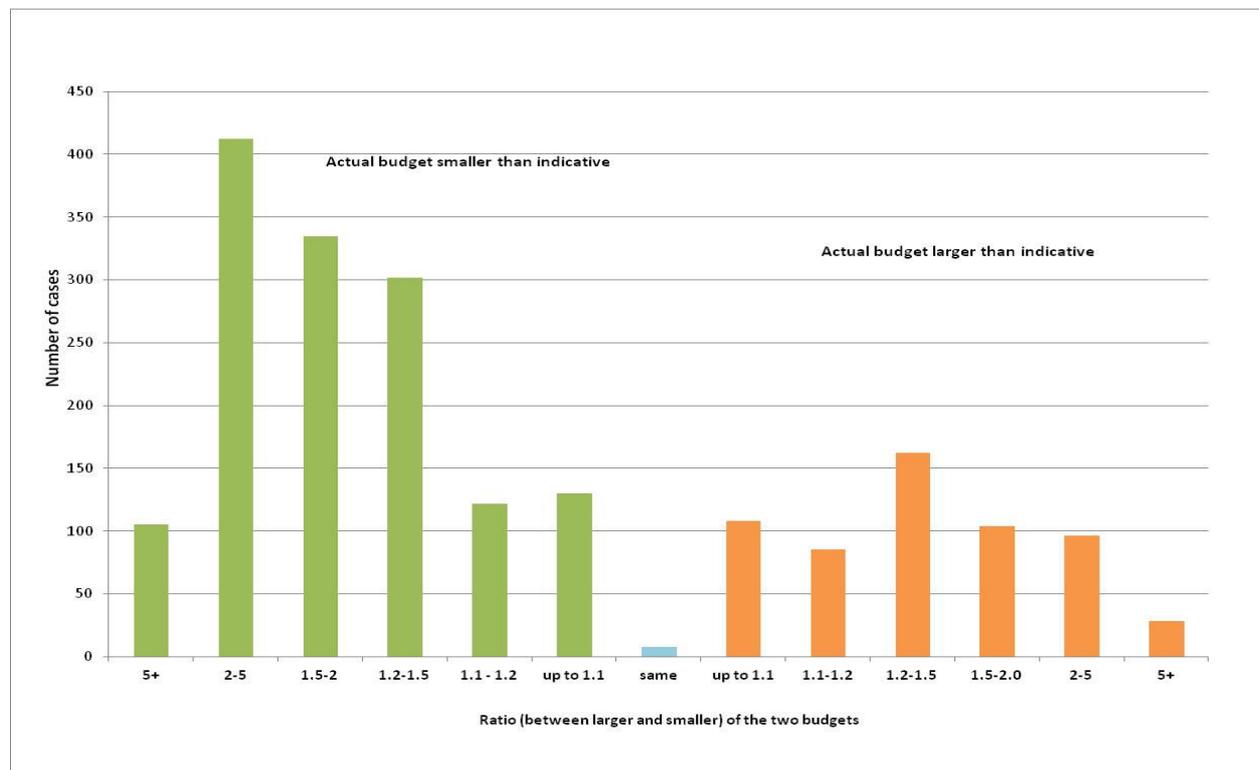
- Council One - 2.45
- Council Two - 2.59
- Council Three - 2.81

Between them, on average, the indicative and actual budgets varied by between two and three times as much as each other.

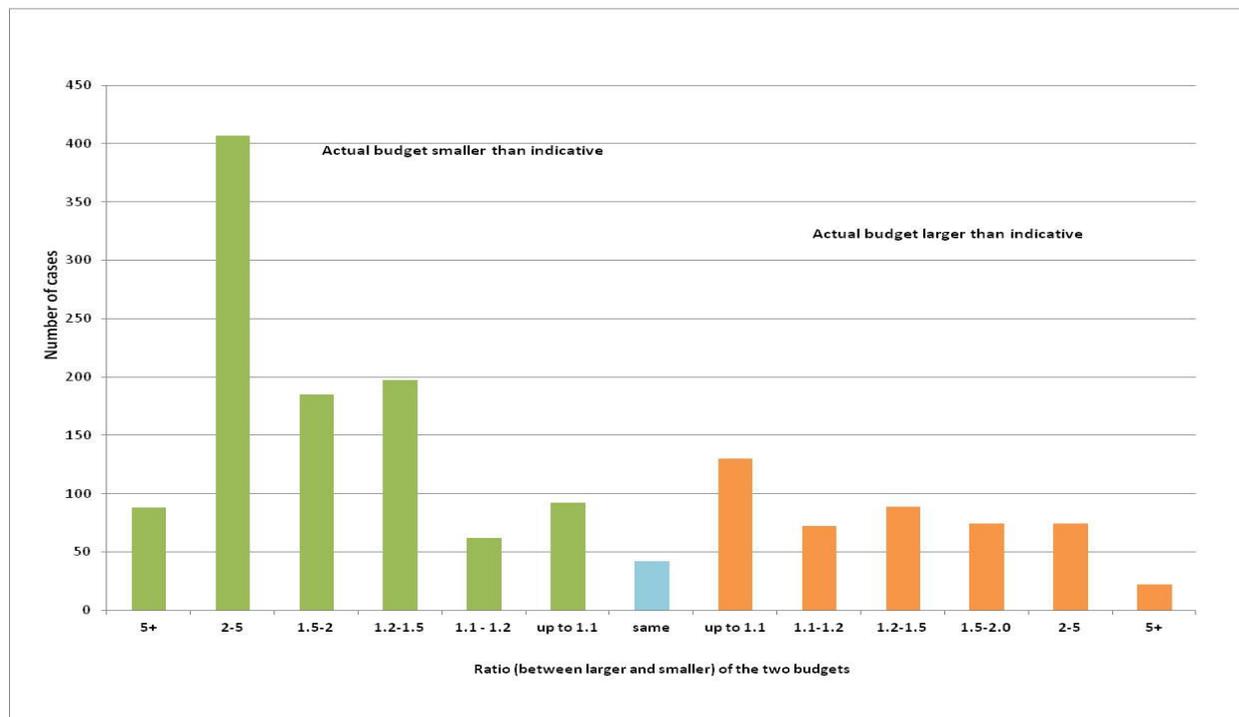
The broad pattern seen in Hartlepool is replicated by these councils.

Figure 3. Ratios by which the indicative and actual budgets differ

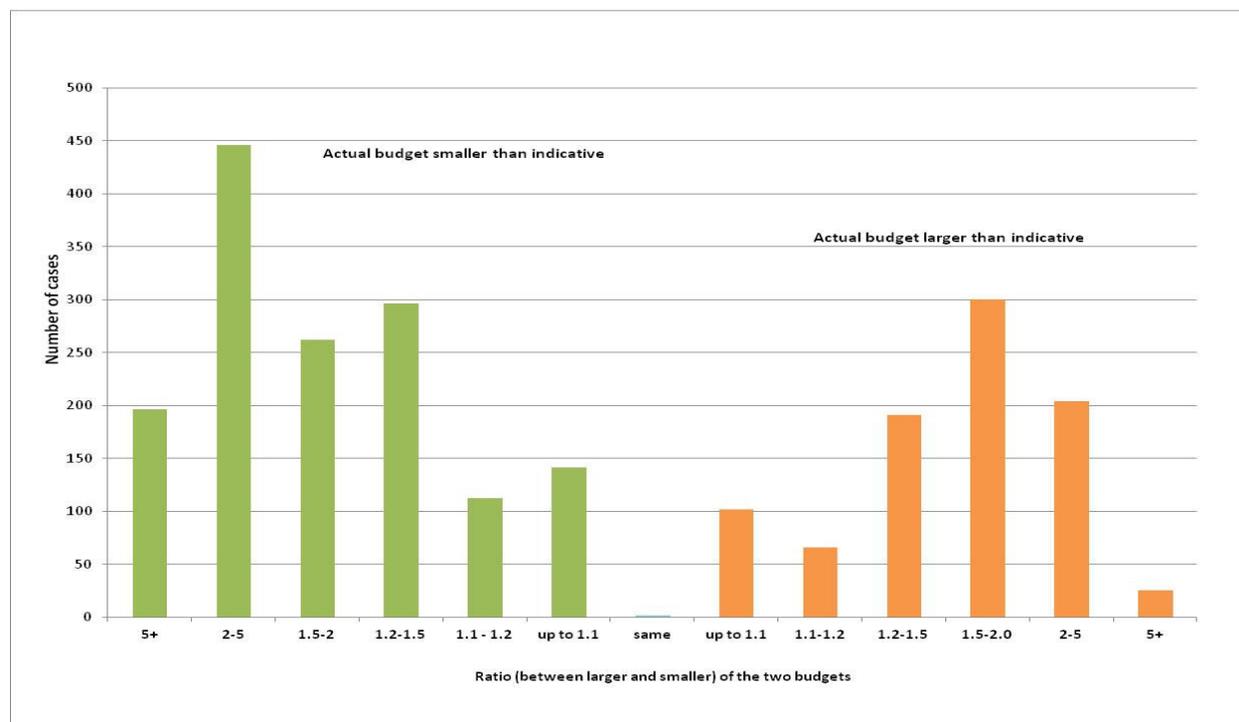
Council One



Council Two



Council Three



One of the six councils - Council Four - though not able to provide data for the whole year did provide the data they had used to test a sample of cases (173) to recalibrate their formulae. They provided the original indicative budget, the actual allocation and the adjusted indicative budget:

- The total of *original indicative allocations* was **£2.1M**.
- The aggregate of the differences between each indicative allocation and the respective actual allocation was **£881K**.

- The *adjusted indicative allocations* were very different to the *original indicative allocation*. The *aggregate difference* between the two sets of figures was **£667K**.
- However, this actually made the situation worse in that the new aggregate difference between the indicative and actual allocations went up from **£881K to £1.02M**.

This council has followed guidance in attempting to establish a more accurate RAS through recalibration, but the evidence suggests that it is unlikely to have any more confidence in the revised formula than the original.

The number of councils included above is small, although it includes a council regarded as an exemplar of self directed support, and the rest show a similar pattern. None of the councils has been able to demonstrate it has developed a RAS in which it appears to have confidence. It may be that there are councils whose indicative calculations are driving their actual allocations. However, any such councils will have to address how they are managing both their legal and financial obligations. Case law has made it clear that the decision about resource allocation must take place following support planning. The Supreme Court ruled in the case of *KM v Cambridgeshire* (Supreme Court, 2012, paragraph 28) that:

What is crucial is that, once the starting point (or indicative sum) has finally been identified, the requisite services in the particular case should be costed in a reasonable degree of detail so that a judgement can be made whether the indicative sum is too high, too low or about right.

Councils will also need to know the priority of the various needs being met by such resources. If a council is allowing the indicative allocation to be the basis of the actual budget, one of two scenarios applies. The first is that they are finding their

indicative allocation is matching the requirements set out by the above. If this is the case, it is reasonable to ask what function the up-front allocation is actually fulfilling. The second is that they are flying in the face of their legal obligations, either by not knowing what needs are to be met, or the cost of doing so, or by not paying attention to them if the cost would vary from the indicative allocation more than they are willing to allow.

If up-front allocations are to drive allocations of resource in the way In Control's 7 step model envisioned, the analysis above suggests the law will have to change, removing the legal right to have a minimum level of need met. Without a change to the law councils will have to know the actual, assessed needs being met and the cost of doing so, rendering the up-front allocation virtually meaningless. This problem is exacerbated by the huge differences between the allocations being arrived at before the information generated by support planning compared with the allocations arrived at once such information is known. Funding for social care would have to sit alongside all other cash based welfare entitlements. However, neither the *Draft Care and Support Bill* or White Paper shows any intention of taking this route.

The impact of self directed support on field work

The original claim of advocates of self directed support was that it would significantly reduce infrastructure costs:

A large share of the social care budget goes on devising and administering care plans, but self directed services cut out much of this bureaucracy, and savings mean that more money can be spent on people with less critical needs. (Leadbeater, 2008, p.6)

Community Care carried out a survey in 2012 into the 'State of Personalisation' (Community Care, 2012). It showed that 82% of social

workers agreed with the statement that the strategy had increased bureaucracy, with 60% agreeing 'strongly'. This resonates with responses from the National Personal Budget survey (Hatton, 2011) which noted that in the case of those from amongst the 2,000 survey respondents who made additional comments on the personal budget process:

... the vast majority of comments were negative and covered most aspects of the personal budget process. (Hatton, 2011, p.19)

Whilst such findings paint a powerful picture of the subjective experience of practitioners and service users, it is also important to test what is happening against the hard data that is available. The following data is available in relation to all councils (National Adult Social Care Information Service (NASCIS) website):

- Spending on the field work service through an annual return, EX1, completed by all councils with social services responsibilities.
- The number of staff employed within field work offices through another NASCIS annual return, SSD001, which reports on numbers of staff employed.
- The number of assessments for new service users, NASCIS report A6.
- The number of reviews for existing service users, NASCIS report A1.
- The number of people who receive 'professional support', NASCIS report P2f.

This set of data can offer an insight into the productivity of the service. Comparing the year before formal introduction of self directed support, 2007/8 and 2010/11, provides information about impact over a four year period.

- In 2007/8, the gross spend on field work was £1.82BN and in 2010/11 £1.97BN. In order to take inflation into account to measure the change in spending power more accurately, it is perhaps important

to acknowledge that the major component of spend is public sector wages. They have risen at a pace below general price inflation given the impact of pay restraint during this period. An analysis of pay inflation in the health and social care sector (Curtis, 2012, p.241) shows that, cumulatively, pay rose by 11.9% between 2007 and 2011. Applying this figure, there has been a reduction in spending power of 3.3%.

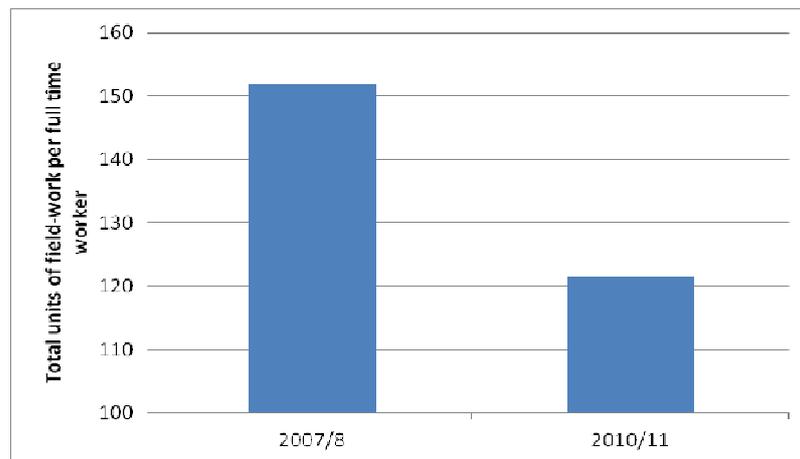
- However, the number of whole time equivalent field work staff employed by councils increased from 16,540 to 17,970, which is 8.6%. (This, in fact, under-reports the increase as this period saw a number of councils outsource some field work services, mostly at the initial contact stage of the assessment process for people referred to or referring themselves for local authority social care. These staff were not counted in the return used for this figure). Lower spending and higher staff numbers have also been noted by the Audit Commission:

Since 2005/06 the rate of change in spending has slowed substantially and numbers of staff have increased faster than spending. (Audit Commission, 2012, p.13).

The Commission's explanation for this is that it reflects a changing skill mix from qualified to less costly unqualified staff.

By contrast, however:

- In 2007/8, there were 660,895 new assessments and in 2010/11, 660,530. Therefore, the volume of new assessments remained virtually unchanged.
- In 2007/8 there were 1,343,165 reviews, and in 2010/11 1,150,725. This represents a reduction of 14.3%.
- In 2007/8, 506,720 people received professional support. In 2010/11, this had fallen to 371,910: a reduction of 27%.

Figure 4. Change in field work productivity

It can be expected that demand for new assessments will continue to be prioritised. The numbers completed have remained relatively stable. However, there have been major reductions in reviews and people getting professional support despite increases in staff numbers.

In order to offer a single quantitative measure of the changes in productivity, although simplifying what is a more complex scenario, if each of the three elements of work - assessment, review and professional support - are treated as taking the same amount of time on average, productivity can be measured as the volume of work delivered by each whole time equivalent worker. Figure 4 sets out the comparison between the two years.

This suggests a reduction in productivity of some 20%, with more staff delivering less work.

There is further confirmation that implementation of self directed support is responsible for the decline in productivity by comparing spend against loss of outputs amongst the councils that made the most progress in implementing with those that made the least. The latter can be measured by performance in relation to the target of the numbers of people said to have a personal budget as a percentage of all service users. The top six averaged 60% with a personal

budget in 2010/11. The bottom six averaged just 8.9%.

Table 1 shows that the bottom six happened to reduce their spending on field work services much more than the top six, but at the same time suffered a much lower loss of activity.

These findings are supported by Jacobs *et al.* (2011) who surveyed 249 practitioners and compared the time spent on cases involving personal budgets and cases that did not. This study concluded that:

... on most measures there were no differences in working patterns between care managers with and without IB holders on their caseload. However, the results do show that - contrary to expectations - more time was spent assessing needs and that more time generally was required to conduct support planning activities. (Jacobs et al., 2011, p.2).

If assessments are taking longer when personal budgets are involved, and, if assessments of new service users are given priority, we can expect that pressure will be created on other field work activities with reductions in outputs. The pressure will increase as more assessments involve the personal budget process.

Table 1. Comparison of change in productivity between 2007 and 2011 of the six councils with most and the six councils with the least service users with self directed support

	Spend on Assessment and Care Management*	Assessments and Reviews	Professional Support
Councils with least amount of SDS	-12.2%	-5.5%	-14.5%
Councils with most amount of SDS	-3.8%	-12.4%	-49.9%

* Assumes 11.9% inflation

Summary

Available evidence presented above points to the likelihood of a significant increase in bureaucratisation since self directed support was formally introduced resulting in major losses of efficiency, directly contradicting the predictions of its advocates.

The evidence strongly suggests that far from the up-front allocation process replacing existing processes, it has simply added to them. Councils are claiming that large numbers of service users now have a personal budget based on providing people with a 'clear, up-front' allocation. However, there is a serious question as to whether personal budgets, as they are defined, exist at all. Whilst the up-front allocation process may be allowing councils to claim they are achieving required performance targets they are not playing any part in driving resource allocations. They are not creating personal budgets as envisioned, or indeed, in any meaningful sense at all.

Does self directed support improve outcomes?

There might be a view that the problems set out above may be justified if there was an accompanying improvement in outcomes. Government retains the view that they do. However, a paper by the authors, 'Can personal budgets really deliver better outcomes for all at no cost' (Slasberg et al., 2012), highlighted the following:

- The surveys that are held to demonstrate better outcomes as a result of personal budgets consistently demonstrate that it is largely only people with direct payments that enjoy the better outcomes. An impression is created that this success attaches only to personal budgets more generally by packing survey samples with direct payment recipients. The largest of such surveys, the National Personal Budget Survey (Hatton & Waters, 2011) had 2,000 respondents. Nearly 90% of them had a form of direct payment. At the time of the survey, only 7.7% of all service users actually had a direct payment (NASCIS, P2f).
- The survey concluded that improved outcomes would be achieved for all by ensuring the proper personal budget process was universally applied. This is despite the fact that amongst their respondents who chose to make further comments, those who commented on the personal budget process were overwhelmingly negative.
- Far from process being the cause of better outcomes, it is more probable that, in addition to the advantages of being able to manage their own support system, having adequate resources - while not necessarily by itself sufficient nor a guarantee of better outcomes - is nonetheless a key condition for the better outcomes achieved by people with a direct payment. In the year of the survey, 2009/10, while only 7.7% of

service users had a direct payment, 13.7% (NASCIS, EX1) of the spend on community support went on direct payments.

Overall, there is no evidence that personal budgets necessarily improve outcomes. Indeed, on the contrary, there is evidence that they do not, along with the process being disliked by service users and practitioners alike.

Woolham & Benton (2012) arrived at some similar findings in a study of a Shire County that measured costs and benefits of personal budgets. They looked at a large number of personal budget holders all of whom had a direct payment, with a comparator group that did not.

- The average value of support packages was 44% greater for people with a direct payment than the control group (p.10).
- They found evidence of improved outcomes, significantly greater for working age people, albeit only marginally for older people (p.14).

Why has self directed support failed?

An imperative for councils is to spend within their cash limited budget. The decisions about how much resource to give to each individual are the most significant spending decisions in determining whether they succeed. Councils have traditionally relied upon on a case-by-case decision-making process, following support planning, and managed by budget holders. By and large, it has worked for them, with councils generally spending within their budgets. Relinquishing this approach, and trusting to either a formula, professional 'guesstimate' or what the computer says, represents major, and very possibly, intolerable risks.

- If the up-front allocation gives less than is required to meet eligible needs, this is unacceptable. Councils have a clear legal obligation to provide the resources

required so that all needs are deemed to be eligible.

- If the up-front allocation gives more than is required to meet eligible needs the council will face a financial risk. It makes no financial sense to spend more than is required. Also it will mean some service users will have a greater range of needs met than others, although this may be randomly determined if resource allocation decisions are not consistently applied. This is contrary to policy objectives of sharing resources fairly.

The evidence set out in this paper leads us to suggest that up-front allocations may often result in very different sums of money being identified for service users to what may actually be required once the cost of each person's support needs are known.

Is it possible for up-front allocations to work?

Advocates of self directed support suggest it is still early days and more time is needed to get it right. They argue that the problem lies with councils through the processes they put in place, rather than following formal guidance that is the problem. Martin Routledge, then Programme Manager for Think Local Act Personal noted how "unhelpful bureaucracy and process" (<http://www.communitycare.co.uk/the-state-of-personalisation-2012/>) was at play, but without any acknowledgement of how self directed support is contributing to that. Similarly, the National Personal Budget Survey noted that councils:

... clearly have a major impact on outcomes through the processes they put in place. (Hatton & Waters, 2011, p.3)

However, we contend that the prevailing model of self directed support is fundamentally flawed and there is little reason to believe there will be any improvement.

Up-front allocations rely on the theory that it is possible to:

- a) standardise and measure needs, and,
- b) attach a standard monetary value to them.

This was not tested before implementation. It is important to recall that the Government embarked on its policy of personalisation before the results of the evaluation of the pilots (Glendinning *et al.*, 2008), which it had commissioned, were known. A benefit of what may be described as such hasty implementation is that we now have substantial information about what it means in practice. As we have seen, the thinking and assertions of the early advocates of personal budgets have been found seriously wanting, with up-front allocations wildly different from the actual cost of meeting needs. Even a complete recalibration, as seen by Council Four above, may fail to get close to the cost of meeting actual needs. This reinforces the view social care needs are unique to individuals, as are the costs of meeting them. Indeed, this is arguably the view that underpins the Department of Health's policy in relation to resource allocation:

Calculating what resources should be made available to individuals should not detract from a council's duty to determine eligibility following assessment and to meet eligible needs. (Department of Health, 2010, p.42)

We have now not only had four years of national implementation of up-front allocations, but before that a number of years of development work by In Control. However, there is as yet no formula that inspires confidence nationally, despite the early promises of its advocates.

The idea of the 'ready reckoner' approach to replace the formulaic approach to Resource Allocation Systems as the solution to the problem of bureaucratisation is not sustainable. The RAS at least offered a theoretical promise of enabling councils to

spend within their budget by being able to adjust the monetary value of each point awarded to individuals so that the sum of personal budgets could match the overall budget. This cannot happen at all with a system based on a series of individual 'guesstimates'.

Is it possible to have personal budgets and personalisation without self directed support?

The *Draft Care and Support Bill* defines a personal budget (paragraph 25) as:

... a statement which specifies...the amount which the local authority assesses as the cost of meeting those of the adult needs which it is required or decides to meet...
(Department of Health, 2012, p.18)

It makes no mention of when this should be decided. Is it possible to make meaningful the concept of a personal budget without the up-front allocation?

The concept of self directed support rests upon the assumption, also asserted, that it is essential for people to be given an amount of money with which to plan their support in order to be able to choose services appropriate to their needs. However, whilst it may be an advantage (if a reliable figure could be established), there is no logic to say it is essential. Indeed, evidence that an up-front allocation is not essential to plan support without reference to the pre-purchased menu lies in the fact that people had been doing exactly that through direct payments since the mid 1990s. The importance given to it by the In Control model perhaps stems from looking for ways to make the concept of choice work in an environment where councils spend most of their money in advance putting a menu of services into place. Giving people money, not services, would enable them to 'escape' the pre-purchased menu of services. It is, therefore, a policy that assumes a two-tier service, with only the top tier expected to enjoy the real benefits of choice of service. If

the objective is for all service users to have choice of service - notwithstanding the evidence clearly showing that the majority of service users will exercise their choice by opting for mainstream, regulated services - then the only condition that is truly essential is that councils cease the practice of spending most of their money in advance. The budget will then be freed up. People will know that they can start with a blank piece of paper upon which to plan. Decisions about how much of the plan is affordable can follow.

There are fears that freeing up the resource base in this way would threaten market stability. However, there are strong reasons to believe that the demand for mainstream, commissioned services will not diminish. Pressure to increase the numbers with a direct payment has increased in the context of the Government's personal budget strategy. Think Local Act Personal (October 2011, p.2) has asserted that direct payments are: '... likely to benefit the majority'. The Coalition Government in its Vision for Adult Social Care stated the aim that:

Personal budgets, preferably as direct payments, are provided to all eligible people. (Department of Health, 2010, p.15)

However, while the numbers of people with a direct payment have increased, they do not appear to be moving away from mainstream services. There is good reason to believe that a new tranche of people with a direct payment has been created. Unlike the original tranche, they may not necessarily want to purchase and manage their own support systems (mostly done through employing Personal Assistants). They are more likely to continue to purchase mainstream, commissioned services.

- Spending through direct payments increased as a percentage of total spending on community based services between 2007/8 and 2010/11 from 7.8% to 13.3% (NASCIS website, EX1).

- At the same time, the volume of regulated home care purchased also increased, from 188 million hours to 200.3 million. (NHS Information Centre, 2010/11, p.42)

This links to evidence that the choices that are actually important to the majority of people are not about which service to purchase, but about how services are delivered. This was acknowledged by the Association of Directors of Social Services in their report, the Case for Tomorrow:

For many older people the choices they want are not so much about who provides, but what is available, when and whether they feel they have a rapport and relationship with that particular care worker. (ADASS, 2012, p.51)

There is little evidence that service users supposedly empowered by being the purchaser - whether using their own money as 'self funders' or public finance - achieve better outcomes or value for money or have any greater choice and control when they purchase mainstream services. Indeed, the opposite may be the case. People who use their own money - 'self funders' - often pay more for the same service as those funded by the State. The Office of Fair Trading noted concerns that residents of care homes who self fund were being charged a higher rate in order to make good the shortfall in prices paid for publicly funded residents (Office of Fair Trading, 2004). Self funders are also particularly likely to enter institutional care. While it is possible for institutions to offer personalised services, there is a widely held view that most people prefer support at home to ensure their best possible quality of life.

... self funders, lacking appropriate advice, information, support and advocacy are ending up inappropriately in disproportionate numbers in residential institutions. (Beresford *et al.*, 2011, p.95)

Conclusion

The evidence in this paper of the failures of the Government's self directed support strategy can be seen as the unhappy fruition of early warnings discernible from the evaluation of the individual budget pilots (Glendinning *et al.*, 2008).

The finding that individual budgets (the term that preceded personal budgets when the idea included the notion of including several funding streams) could improve outcomes was far from unequivocal. This is despite the fact that whilst the sample of cases was meant to be random, over six times as many people in the pilots had a direct payment than was the case nationally (26% of service users in the pilots (p.38) against 4.4% nationally (NASCIS, P2f)).

It found a major increase in the time taken for assessment and support planning. The cost for people with an individual budget was £18 a week compared with £11 a week for traditional practice. This is early evidence of a growth in bureaucratic process.

The authors believe successful delivery of personal budgets and personalisation is not only possible, but remains the basis for a future of authentic promise. This is to ensure that resources are used to the best possible advantage of service users in their search to meet their reasonable expectations of well being and independence. However, an effective system of personal budgets and the goals of personalisation are not being delivered through the prevailing model of self directed support. There is no reason to believe that will change.

The authors believe that a core barrier remains the need to successfully address the relationship between needs and resources. Until and unless society offers disabled and older people an absolute right to the resources required to live on as equal terms as possible to non-disabled people, achieving personalisation and an effective system of

personal budgets will require a new policy environment with the following elements:

- A right to a *holistic assessment* that makes clear all the needs that the State should meet if reasonable expectations of wellbeing, measured against the experience of wellbeing for the majority of the population, are to be achieved.
- A new *eligibility framework* that supports councils to make decisions that are both sensible and fair about which needs they can afford to meet and which they cannot.
- These two measures will call for a relationship between councils and service users characterised not by enabling service users to become *empowered consumers*, but by *partnership* to agree needs, outcomes and the best ways of meeting them. This calls for effective *person-centred* practice. This will need to work hand in hand with moving away from a culture characterised by paternalism and institutionalisation to one rooted in independent living and the social model of disability. It will also signal a shift away from the focus on seeking to achieve a culture based on consumerism that has underpinned the approach to personal budgets hitherto. In its place there would need to be a new approach to working in partnership between the State and service users to ensure their authentic inclusion. Although the current strategy aimed to achieve similar cultural change, there is no evidence that it has.

We also believe the personalisation will require a new strategic partnership between councils in their commissioning role and mainstream providers that enables providers to deliver the flexible and responsive services that personalisation calls for. Such mainstream providers will need to be extended to include on equal terms user led organisations (ULOs) and community based organisations which are particularly valued as service providers by service users (Barnes &

Mercer, 2006). It will also call for outcomes to replace outputs as the currency for commissioning to allow providers to be fully responsive to their service users' specific needs and shared rights. We take such outcomes as meaning working to ensure the support that service users value to achieve their goals as fully as possible (Shaping Our Lives, 2003) This goes beyond the current passive 'market facilitation' role for councils that has become closely associated with the self directed support model. It is also a major change agenda in itself. Paley *et al.* (2008) set out the range and scale of challenges and how they were tackled from experience in developing outcome based commissioning over a five year period in a unitary council. With most people likely to continue to want mainstream services, and these being increasingly diversified, it is the approach likely to bring the highest level of personalisation.

Figure 1 would thus be replaced with Figure 5 as the route to personalisation.

Whilst the above are the ingredients of a culture and best practice that will make the best possible use of available resources, full achievement of the reasonable expectations of wellbeing for all those who need State support will require adequate levels of resource. Achieving adequate levels of resources will require an invigoration of the political budget setting process at both national and local levels by making available information about the range of needs councils are not able to meet within their cash limits.

This package of reforms could offer a realistic and feasible way of taking forward political commitments to meaningful personalisation for a growing number of people with diverse needs for the immediate future.

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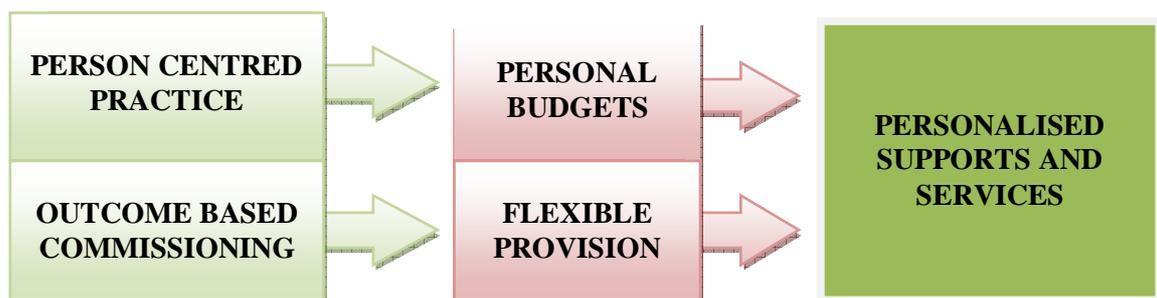
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Figure 5. The route to personalisation through partnerships between councils, service users and providers



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