London Borough of Haringey
Personalisation in Adult Social Care

October 2011

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1. Introduction

A personal budget (PB) is an allocation of money for an individual to spend on a support plan. The individual completes a questionnaire and then develops the support plan, with social care professionals, to meet a jointly agreed set of needs. PBs give users a transparent and agreed allocation of funding and the power to choose how to spend that money in the way they think most suitable to meet their needs.

In 2007 the government, through the concordat 'Putting People First', made PBs one of the cornerstones of personalising social care. The Department of Health expected that by April 2011 30% of all eligible social care users or carers should have a PB. The policy direction described in 'Putting People First' is broadly continued in the coalition government's 'Vision for Adult Social Care: Capable Communities and Active Citizens'. The government has said it is committed to ensuring PBs are available to all recipients of ongoing state funded social care by 2013 as a response to rising public expectations of choice and quality and increasing demand. The challenge for all Councils in implementing PBs is the financial environment that they are operating in and the significant overall reductions in Local Government funding in the period to 2015.

The purpose of our review is to assess the progress made by the London Borough of Haringey ('the Council') towards PBs and whether plans were implemented at the required pace to achieve the 30% milestone as set by 'Putting People First'.

In October 2010 The Audit Commission published its report 'Financial Management of Personal Budgets - Challenges and Opportunities for Councils'. Our methodology was informed by this research, and by our review of the progress made by another London borough as part of its 2009/10 VFM audit.

In undertaking this review, we have sought to:

- assess the adequacy of the financial arrangements to support PBs;
- determine how the Council assures itself that arrangements represent value for money;
- assess the adequacy and effectiveness of the system of internal controls designed and in operation including governance arrangements and management reporting; and
- ensure that all stakeholders within the commissioning cycle have been considered.

This has been a high level review performed through interviews and analysis of documentation evidencing the Council's arrangements for delivering PBs. There has been no compliance testing carried out on those systems used to support PBs.

Link to our Value for Money conclusion

Our 2010/11 Value for Money conclusion will be based upon two reporting criteria specified by the Audit Commission being:

Criterion 1 - The Council has proper arrangements in place for securing financial resilience

Criterion 2 - The Council has proper arrangements for challenging how it secures economy, efficiency and effectiveness.

This review is part of our work to meet criterion 2.

Next steps

Given the current economic climate and the financial challenges ahead, an innovative and sustainable approach to service delivery needs to be encouraged. Our key recommendations are designed to be used in consideration of developing personalisation and aligning that commitment to the overall Council Plan Priorities. We expect the agreed recommendations to form part of the financial, performance and risk management arrangements within the directorate and for them to be managed accordingly.

Use of this report

This report has been prepared solely for use by the Council and should not be used for any other purpose. No responsibility is assumed by us to any other person. This report includes only those matters that have come to our attention as a result of performance of the review.

Acknowledgements

2. Executive Summary

The Council has worked hard over the past four years to embed personalisation via the Transforming Social Care Programme Board (TSCPB). Stakeholder engagement is good, particularly with users and carers via user reference groups. The Council performed well in terms of the national quality outcomes survey which centred on the experience of people receiving a personal budget and the difference it made to their lives. The Council is taking steps to safeguard users via its locally produced Supplier Accreditation process. It is committed to developing the market and to driving down costs for users.

It is unclear as to whether the Council was able to meet the 'Putting People First' target of 30% of adult social care users being in receipt of a personal budget by April 2011. The performance numbers are not independently audited and the percentages reported by authorities differ substantially, depending on source and compliance with definition and what has or has not been included in the community base figure. However, the unequivocal indicator that performance at the Council has improved is the significant increase in the numbers of users in receipt of a PB. This has increased from 17 in 2009/10 to 278 in 2010/11 and we are told that the number as at August 2011 is 453.

The key weakness we identified is in relation to the fraud risk attached to the use of direct payments. The Council currently does not carry out systematic reconciliations of users' bank statements and expenditure records. Particularly in the current economic climate we do not consider this to be an appropriately stringent control against the inappropriate use of funds, especially considering the percentage of PBs being administered via direct payment in Haringey is more than double the national average.

The Council recognise this is a risk and at the time of our review had drafted a 'Personal Budget Audit Policy'. It is our understanding that this has now been completed, is out for consultation and is expected to be rolled out in November / December 2011. This will give social workers some needed

leverage when holding discussions with the borough's challenging client base. The Council's risk register should be enhanced to include this risk of external fraud via user abuse of personal budgets.

We also found issues with the recording of data used to report performance against NI 130 in 2009/10, and have suggested that we follow this up with a Data Quality audit of the indicator as part of our 2011/12 VFM audit. In other areas the Council has thorough internal control processes in place to support personalisation, including appropriate management structures, budget monitoring, member involvement on the TSCPB and quarterly monitoring of the risk register.

Like other authorities it would be beneficial for the Council to continue to focus further on the costs associated with Personal Budgets. The Council needs to quantify any cost savings. The Council has recently introduced a Reablement service which in the long term could well improve users' self-sufficiency which would have a positive impact on the local economy as well as the Council's own budget.

The Council is undertaking innovative projects within neighbourhoods to build up social capital. It is aware that its next big challenge is to work closely with NHS colleagues in order to roll out personal budgets to the mental health user group, and has made progress in this area.

The Council has evidently been prioritising the personalisation agenda and the challenge now is to maintain this emphasis in the face of financial pressures. Personalisation is not just about meeting a target by having personal budgets in place. The user actually has to be involved, engaged and empowered and the Council has provided positive examples of this.

Our overall conclusion is that the Council has made good progress within a challenging budgetary environment, but that there are some areas for improvement. Our recommendations are included at Appendix A to this report.

3. The Council's Performance

The Council's 2010/11 outturn against NI 130, Social Care Clients receiving Self Directed Support (SDS), was 23%. This was an improvement on the 2009/10 performance of 21%, when the comparative data available shows that Haringey was the fifth strongest performer in London. Regarding the indicator, it should be noted that the Audit Commission's October 2010 report found that "NI 130... probably underestimates the proportion of PB holders... The definition for NI 130 includes more people (than the Association of Directors of Adult Social Services survey of councils). ADASS believes many 'do not appear to be directly relevant to the offering of a PB'".

According to the results of the ADASS PBs survey in April 2011, of the 135 authorities that responded the majority (87) are now delivering PBs to a third or more of their eligible users, and 27 of these councils give PBs to over half of their eligible users. At the other end of the spectrum, the survey results indicated that a significant minority of councils (at least 19) are delivering PBs to less than a fifth of potentially eligible users.

The Council's outturn for this survey was 24.5%. This snapshot survey does not capture any direct payments which ceased before the 31st March, for example carers' one-off payments or any where the client passed away before the year end. The Council has informed us that for the purposes of NI 130 reporting and the ADASS survey other authorities have reduced their community base figures which therefore inflated their reported SDS percentages.

Finally, the Council's 2010/11 outturn reported to London Councils was 30.1%, in line with the London average. This figure is higher than the NI 130 figure as it excludes one-off items of equipment as it would be unlikely these clients would want or qualify for a personal budget. The Council asserts that for the purposes of this return many authorities have excluded both professional support and equipment clients from their community base figures and that again this artificially inflates their SDS percentage.

Indeed, if the Council were to employ these practices it has calculated that its 2010/11 outturn would have been 45.2% which would be the third best in London compared with the other authorities that appear to be excluding professional support and equipment from their community base figures.

It is therefore unclear to us as to whether or not the Council was able to meet the Department of Health's April 2011 target of 30%.

However, the unequivocal indicator that performance at the Council has improved is the significant increase in the numbers of users with PBs. This provides a clearer picture than the percentages as these differ substantially according to source and compliance with definition and what has or has not been included in the community base figure. The number of users in receipt of PBs in Haringey has increased from 17 in 2009/10 to 278 in 2010/11 and we are told that the current number as at August 2011 is 453. In addition, the Council does have a very high number of people on Direct Payments, (the precursor to PBs) and it anticipates that these can be converted to PBs relatively quickly now that the conversion process is established. An action plan is in place to increase the number of people receiving PBs and this is monitored through the monthly performance call over. The total number of clients in receipt of self directed support overall has increased from 1236 in 2009/10 to 1259 in 2010/11.

It should also be noted that the Council has been undertaking a thorough process of converting each user already in receipt of a Direct Payment (DP) to having a PB. This is based on a full needs assessment and review of circumstances, which takes time. It is our understanding that at other authorities the transfer process has been automatic as opposed to considered; and that therefore performance at other authorities may appear strong but in fact the allocation of PBs is not based on a proper risk assessment.

4. Financial Arrangements

Funding

Continuing to deliver support to those who need it while transforming established structures requires proactive management of a complex system. The Social Care Reform Grant provided ringfenced money to help councils deliver this radical change. The Council received the following amounts of grant:

2008/09   £   374,000
2009/10   £   867,000
2010/11   £1,060,000

In 2011/12 the Council will receive a further grant of £1,060,000, however this was rolled into the Council's formula, was not separately identified and therefore became part of the Council's general settlement. The Council will need to consider how best to allocate existing resources in the medium term to meet the cost of implementing the changes required if all adult social care users are to be offered PBs by 2013. The

Adult & Community Services' challenging budget cuts are based on redesigning service delivery with the continuing rollout of PBs, which enables the flexibility to deliver services in a different and more cost effective way.

Resource Allocation System

To determine service users' indicative PBs they are asked to complete a Supported Self-Assessment Questionnaire (SSAQ) which asks questions about their social care needs. Once needs are assessed they are assigned points based on the Resource Allocation System (RAS), which will determine the financial value of the overall social care package for the user.

The Council's RAS was originally based on the 'In Control' model utilised

by many authorities. In order to create an appropriate price point the Council took a sample of 65 completed SSAQs and analysed data within them, looking at the care packages within the Council's Framework i (FWi) social care software system to ascertain the appropriate prices within the local marketplace. Prior to this the Council had analysed a cross-London Value for Money study which showed the Council's spend profile for each user group to ensure that historical spend had not been inappropriately high.

The Council discusses RAS developments within the North London Strategic Alliance so it is learning from the other councils involved (Barnet, Enfield, Islington and Camden). However, the Council has not been able to undertake any benchmarking comparisons regarding its price point due to other authorities apparently not wanting to share this information.

The Council's RAS has been tested and refined continuously since its inception. Weekly RAS learning panels occur with the Head of Assessment and Personalisation in attendance so that any anomalies can be discussed and addressed. However it is our understanding that the process of allocating points does not yet identify whether expenditure is for early intervention or one-off costs as opposed to ongoing support. It is therefore possible that PBs could be set too high.

In line with ADASS policy advice on resource allocation, an adjustment is made for any informal care received in that the personal budget is reduced accordingly. If a user's informal care situation or needs change during the year, a revised needs assessment will be undertaken leading to a revised PB. However, this arrangement does rely upon the user notifying the Council of the change to their circumstances. The Council should ensure that users sign up to notifying the Council of any changes to their circumstances as soon as possible. This will ensure appropriate services are provided.

The Council's RAS is a single allocation system, in that there is the same 'pounds per points' allocation for all four user groups :

- Older people - 65+

- 18-65 with physical and sensory disabilities

- 18-65 with learning disabilities

- Mental Health

The Council recognises that there are both advantages and disadvantages to having the same allocation for different care groups. It is currently using a single RAS for all user groups in order to build up sufficient data to potentially filter the system in order to better reflect the market place. It has significant volumes of physical disability and older people service users on PBs, but not yet for learning disabilities and mental health. Greater volumes of data are needed in order to ascertain what filter, if any, should be applied.

As more residential care becomes the norm, partly due to PBs and users choosing to receive care in their own home, the market place is evolving. A benefit recognised by the Council regarding its current system is that using a single RAS allows for the market place to be challenged on its pricing policies. The intention in the future is to manage the market down and achieve better prices for service users.

Monitoring and Forecasting

From the data included in the ADASS April 2011 survey, of the 591 PBs in place as at 31st March 2011, 351 (60%) of these were via direct payments (DPs) and 239 (40%) were managed budgets i.e. the account being held and managed by the Council or a third party. Only one user receives a mixture of DPs and a managed budget. There are very few users in Haringey who have chosen to have their PB in the form of an Individual Service Fund managed by an external provider, although some users have chosen to utilise an external payroll provider to manage payments for them.

DPs have been in use by the Council since 2000/01 and the number of DPs being made is increasing, in the past year by approximately 100 users. The ADASS survey national results showed that of the total number of PBs (excluding those given to carers), 26% were via DP, 67% were managed and 7% were mixed. Therefore the percentage of PBs being administered via DP in Haringey is more than double the national average. The Council's conversion of existing DPs to PBs has been based on thorough risk-based needs assessments, as have the decisions to grant new DPs.

As outlined in the Internal Controls section of this report, the Council does not currently undertake adequate checks of the expenditure made by DP recipients. Coupled with the higher than average percentage of PBs being administered via DP this significantly heighten the risks of fraud and the purchase of inappropriate services as seen elsewhere, for example prostitutes, gambling, football tickets etc.

If indicative budgets are repeatedly proving to be too high or too low, the assessment team will address this to see if there is a weakness in the RAS. The Head of Assessment and Personalisation will make any required changes to indicative budgets based on the information provided to him from FWi. Any local changes needed to the RAS or SSAQ can be made immediately.

The budget monitoring of PBs is the same as for any other service within each client group, such as residential or day care. It is an extension of the DPs cost centre. Therefore the budget monitoring arrangements for PBs are already well embedded.

The finance team undertake Zero Based Budgeting (ZBB) and modelling of the future regarding DPs. The exercise looks at existing packages and the cost of these plus projected population increases per THE Projecting Older People Population Information (POPPI) and Projecting Adult Needs and Service Information (PANSI) systems. This feeds into the Medium Term Financial Plan as it projects the care purchasing requirements in the medium term. ZBB information is not prepared for the Learning Disabilities user group as the majority of movement in this client group was due to transition rather than other growth/movement.

Unspent Budgets

Annual reviews of each user's account are undertaken and any unspent balances will be discussed with the client. These reviews were introduced in 2010/11. A decision will then be made as to whether the claw back the unspent budget or roll it forward. To support this process, the Council has been drafting a 'Personal Budget Audit Policy' as it feels strongly that social workers need some leverage when holding these discussions with a challenging client base in the borough.

In line with the introduction of the policy, the Council is currently looking at what systems are needed to support the process of monitoring unspent budgets. Separate bank accounts were set up for DPs to be paid into. The Council has been exploring the possibility of being authorised to gain direct access to these bank account statements as it is too labour intensive to receive them on a monthly basis direct from the user. From a fraud prevention perspective this is a good idea.

It is our understanding that the recent FWi upgrade will allow for analysis of committed and uncommitted spend on each PB which has not been possible in the past.

Payments to Payroll Providers

In July 2011 A&CS requested that Internal Audit conduct an exercise to determine the arrangements by which DPs are made to payroll service providers employed by individual clients to make payments to their carer. A full report has not been issued therefore a specific level of assurance has not been given, however some serious weaknesses were noted which the Council is addressing as a matter of urgency.

5. Value for Money

The concept of good Value for Money (VFM) is a positive relationship between cost and performance. The Council needs to ensure that its points based system does not give people what they are lacking, without considering building upon existing strengths and aspirations. The ultimate aim should be to give people the tools they need so that they no longer rely on the Council. It is our view that this is indeed the aim of the Council and that significant progress has been made.

The key shift being made is from 'control' to 'monitoring'. The Council feels that the cost of care is relatively easy to monitor and manage, but maintaining the quality of care received is more difficult. It has invested significant resource into market development as a result of this shift.

National Survey results
In early 2011 the National Personal Budget Survey was undertaken for The Think Local, Act Personal Partnership by In Control and the Centre for Disability Research at Lancaster University. The survey aimed to identify the outcomes and experiences of people using PBs and those of their family carers.

The survey found that 'for a majority, PBs have a positive impact on people's lives, meaning they are supported with dignity and respect, stay independent, in control of their support and get that support when they need it'. The Council's corporate performance team sent out over 300 surveys to both PB holders and their carers, with an aim of receiving 100 responses. In fact 110 PB holders and 68 carers provided a response which shows positive levels of engagement, and indeed it is our understanding that the Council received proportionately more responses than any other demonstrator authority in the survey.

The responses were benchmarked against 1004 responses from PB holders across the country, with the results being broadly positive. Further details are included in the Stakeholders section of this report.

Outcomes
A Support Plan details the identified need, what type of support will help and what the user's desired outcome is. It can be produced by the individual or they may wish to enlist the support of family, friends, independent brokerage or a social worker. Review of the Support Plan at the 6 weeks and annual review stages needs to assess how successfully the user's desired outcomes are being met. The Council should document the progress made with personalisation on an annual basis in order to be able to measure progress against desired outcomes. This summary should incorporate, for example, results of user surveys, feedback from user forums and details of any complaints received during the year.

The supplier model contract that has been introduced by the Council is outcomes based and the Council plans to report to users and management as to whether suppliers are delivering users' desired outcomes.

The A&CS 2011/12 business plan includes VFM measures to be monitored as to whether they led to improved quality as well as cost.

The Council has provided evidence of various positive outcomes for adult social care users as a result of PBs, and the survey results seem to support this view.

For example, the Council has worked with the owner of one of its new 'extra care' schemes to develop support and care arrangements that are exclusively funded through PBs with no block contracts in place. Tenants living at the Hill Homes, a block of 40 flats with frail elderly residents, have been given the option to enter into tailored contracts direct with a care supplier . This is being managed by Hill Homes. The service covers intensive housing management and tenancy support, including dealing with debt and welfare benefits issues, a programme of activities seven days a week and emergency cover 24 hours a day.

Tenants are choosing to spend their PBs on a mixture of these services and bespoke arrangements with other suppliers. Social workers who may have resisted the changes of PBs in the past have been enthusiastic about this programme as they have been able to easily see how it will benefit their clients.

Efficiency Savings

There is potential for the personalisation agenda to release cashable savings via the introduction of preventative strategies. If PBs avoid the need for people to go into or return to hospital for they provide a cost efficiency to the wider local economy.

The Council is not yet able to demonstrate that these savings have been made, but we agree that it is early days and that progress has been made in that a Reablement service was approved by Members in December 2010 and introduced in February 2011. This aims for users to become self-sufficient rather than relying on homecare services. It is jointly funded by the Council and the local NHS.

It is our understanding that the Council is currently evaluating the cashable efficiencies that this service is realising and that an audit is being undertaken of the outcomes from the service between March and May 2011. It will be interesting to see the results of this work. Reablement and prevention are long term initiatives that could yield significant savings and improved outcomes in the future.

The Council has suggested that the question of VFM with regards PBs could be considered against benchmark information from other authorities on the numbers of staff associated with fulfilling PBs. We agree this would be a sensible approach.

£6.2m of budget reductions have been agreed through the closure of various in-house services. As part of this process the Council needs to continue to monitor whether it is paying for an in-house or block contract service with spare capacity in addition to funding PB holders to buy alternatives from the developing private sector market.

Another way to capture efficiency savings is via a more efficient assessment process. If users are being assessed more quickly and accurately this provides a better and more cost effective customer service. This has yet to be measured but the Council could consider analysing this data in order to quantify the cost efficiencies achieved.

For example, from late 2011 the FWi functionality will have been enhanced to enable budget holders purely to authorise the PB i.e. not having to duplicate effort by also authorising service provisions paid for by PB. It is our understanding that relevant staff will be provided with training on this new functionality to make the use of the RAS as efficient and effective as possible. This enhanced functionality should lead to a reduced burden on budget holders and therefore a cost efficiency.

6. Internal Control

Transforming Social Care Board

The Transforming Social Care Programme Board (TSCPB) has been meeting monthly, chaired by the Lead member. Service users attend the TSCPB, represented by their reference group members. It is our understanding that the Board is now meeting quarterly and we consider this appropriate in order to oversee the use of the 2011/12 Social Care Reform Grant and to receive reports and analysis of the ongoing outcomes for service users.

Management Arrangements

The Council has introduced a new organisational and management structure for Adult Social Care providing for three clear divisions of responsibility:

- Assessment and Self Directed Support Management (Care Management);
- Prevention and In-House Provider Services; and
- Commissioning, Market & Voluntary Sector Development. This incorporates Outcome Reporting involving the views of services users.

There are various sub-teams in place to support this structure, as reported to Cabinet by the directorate in March 2011, including the Self-Assessment team. This is a key stage in the process as an appropriate needs assessment is the crux of a PB being effective.

The Self-Assessment team meet and enable the service user and carer if appropriate to complete their SSAQs. They then carry out a risk assessment to validate the SSAQ and seek agreement from the user as to its contents. The social worker then inputs the information from the paper SSAQ into FWi. The risk of incorrect data entry is mitigated

at this stage by line manager review prior to submission to the Learning Panel (see below). There is also a retrospective control in place in that monthly Case File Audits occur, with 4-6 files being analysed for each of the four service lines. The analysis is conducted by the corporate performance team to ensure neutrality, and the Quality Board has sight of the findings. If a manager has not co-operated with their Case File Audit to the agreed timetable, this is a performance compliance issue.

Learning Panels

Learning Panels were set up to oversee the initial process of converting physical disability and older people users to having PBs. If the conversion resulted in a recommendation that a budget be either increased or decreased, the change needed to be ratified by the Learning Panel. The Learning Panels are currently still in place and undertake a mediated social care assessment i.e. review of the documentation to date and collation of any other information which could influence the final PB. The Learning Panel then adjusts the PB if appropriate and approves it.

It is our understanding that the Learning Panels will not continue in the long term. We agree this is the correct approach as panels can be an expensive use of staff time. However, the Council will need to ensure that risk management is adequately embedded and that there is a forum available to discuss innovative aspects of Support Plans, especially if there is no national guidance available.

Support Plans and Safeguarding

Once the PB has been approved by the Learning Panel, the Self-Assessment team enable the service user to develop and complete a Support Plan, which ensures the needs set out in the SSAQ will be met. The user is then referred to the Personal Budget and Service Finding Team.

This team offers all service users (except those lacking the mental capacity to make the decision) a DP to fund the implementation of their Support Plan, using their PB. The decision as to whether a DP is appropriate is based on a thorough needs and risk assessment. The team supports the user in making decisions about the care to be purchased, and if the user chooses not to receive a DP the team will implement the Support Plan on the user's behalf.

Support Plans are reviewed at 6 weeks in a face-to-face meeting, in order to check that the user is satisfied with the services in place, that outcomes are on course to being achieved, and whether the user's needs have changed. The user can appeal to the Exceptions Panel at this stage if it appears the sum is not sufficient to meet their needs and their agreed outcomes. An annual review is also undertaken by the PBs support team.

Heads of Service are responsible for monitoring the progress of reviews and ensuring they are carried out according to the required schedule. FWi facilitates this by automatically putting scheduled reviews in to the chosen worker or team's relevant 'Future Work' folder.

Supplier Accreditation
Another aspect of safeguarding is mitigating the risk of poor quality services being provided to users. The Council is developing a Supplier Accreditation process to address this concern. Accredited organisations will be easily identifiable on the Council's HAricare website which currently holds the details of over 600 social care suppliers. To become accredited an organisation must meet legislative and registration requirements, have relevant insurance cover and qualifications, have undergone Criminal Records Bureau checks and have financial stability.

The process includes a model contract that accredited suppliers will be required to use. A schedule of pricing will be required to enable service users to make comparisons between suppliers. The packages of care offered are often sophisticated e.g. a 'bundle' potentially including a personal assistant, befriending, minor handyman services, direct personal care etc. The Council will be there to support the user in their decision.

There is also the option to rate and review suppliers on HAricare, but at time of writing only three organisations had been rated by users. The Council recognises that few of its users are currently choosing to rate services. To encourage this it is currently re-designing its web pages and looking to integrate them more closely with HAricare to encourage more user feedback being captured.

Authorisation of Personal Budget payments
The Council has a rigorous level of control over the authorisation of the payment of PBs. The key criteria considered by a manager are:
- The service user is Fair Access to Care Services eligible
- The SSAQ is validated by the risk assessment
- The Support Plan meets the needs set out in the SSAQ

The authorisation levels have been set as follows:
- Team managers can authorise up to £250 a week
- Head of service up to £500 a week
- Deputy Director £500 - £1000 a week
- Director £1000+ a week

This is offering a high level of scrutiny and although onerous, at this stage we agree that this is appropriate. There is an audit trail in FWi showing any amendments made by the budget authoriser and the rationale for making those changes.

Management Reporting

The Head of Assessment and Personalisation and the Director and Deputy Director of A&CS receive management information as follows:

- Monthly financial monitoring information from FWi which reports the average weekly unit cost and any new people receiving DPs or people ceasing to receive them. DPs is a cost centre like any other, for example domiciliary or nursing care.
- The A&CS dashboard includes monitoring of NI 130
- A quarterly update from the performance team showing the number of new PBs generated through new referrals or conversions

In addition, discussions are held as follows:

- The Deputy Director meets monthly with the Performance lead
- Monthly call-overs with Team Managers and Heads of Service
- Regular discussions are held at Divisional Management meetings
- Monthly Performance Directorate Management Team meetings
- Monthly Chief Executive call-overs

However, we found that errors had occurred with the data recorded in 2009/10 against NI 130. This was due to some over-counting in the Carers' one-off payments. The Council had identified these errors and a series of data cleansing exercises has provided more robust data. To provide assurance that the performance data being monitored is accurate the Council should ask Internal Audit to conduct a data quality audit of NI 130.

Policies and Procedures

A Policy, Practice and Procedure for the Implementation of Personalisation and Self Directed Support is in place and was agreed by Cabinet in March 2011. This is available for staff to access on the intranet. An important aspect of risk management of PBs is ensuring the consistent application of the policy across large numbers of social care workers and PB holders.

To ensure compliance with the policy performance is reported to and discussed at the TSCPB, monthly performance call-over meetings (which the Deputy Director of A&CS attends) and the Quality Board. Individual service heads supervise their teams and scheduled individual case file audits are completed. In addition, there is a 'golden thread' from the A&CS business plan to individual staff performance objectives. Therefore where the policy is not being applied consistently it should be picked up as part of the staff appraisal process.

Risk Registers

Risk registers are updated on a quarterly basis, and the A&CS Risk Register was last updated at the end of May 2011.It contains two risks relating to PBs and personalisation. Both risks were RAG rated as Green as at 31/5/11:

- *Commissioning based on services instead of individuals, without focus on quality outcomes*
- *Commissioning strategies are not based on up to date comprehensive needs analysis*

The risk register details the internal controls in place to mitigate the risk, the residual impact and likelihood scores, any further actions to implement to mitigate this residual risk and the progress made on the implementation of this further action. Updates are received for each risk by risk owner. The scores, further actions and controls are then challenged by Business Improvement Services. Risk Registers are discussed at Directorate Management Team meetings following their submission.

The A&CS Risk Register also includes a risk around fraud for which the RAG rating at 31/5/11 was green:

- *Impact of someone committing a serious crime (internal fraud)*

However, there is no risk included on the risk register relating to external fraud, which is a key issue for PBs.

We are told that Internal Audit are in the process of rolling out a Corporate Fraud Risk Register which will address this issue.

Deterring and Preventing Fraud

A major concern about PBs is the potential for financial abuse, either by PB holders or their carers misusing the budget. PBs represent a change to the delegation of financial control and service delivery. While potentially contributing to improved quality of services they do increase the risk that fraud, corruption and other financial abuse may occur.

In order to check that DPs are being spent on the services agreed in the support plan, users sign a declaration that they will keep accounts and that these must be available for inspection. In 2008/09 Internal Audit issued a report on DPs that provided Limited Assurance. This contained one high priority recommendation regarding users not providing the required expenditure returns, including bank statements. The management response to this recommendation stated that signed declarations would be collected at the point of the social work review.

However, this has not yet been implemented due to the introduction of personalisation. A 'Personal Budget Audit Policy' is being developed and it is our understanding that the Council has committed resource to reconciling accounts on at least an annual basis. It is considering a '3 strikes and you're out' approach if users fail to produce the required records.

The draft policy provided at the time of our review states how often direct payment recipients will be subject to checks of their bank statements and receipts, and gives staff a process to follow. It states thresholds for what is considered an amount needing enhanced monitoring, and also gives guidelines for what to do if a user has any unspent budget left in their bank account.

It is our understanding that the Council has recently finalised its draft 'Personal Budget Audit Policy' and that it will now go through the necessary consultation process to comply with Equality Impact Assessment requirements. The Council's has stated its timetable is for there to be an agreed process for reconciling proof of expenditure against support plans by November / December 2011.

Internal Audit will formally follow-up progress against their 2008/09 report as part of their 2011/12 plan. In addition, in July 2011 internal audit completed an ad hoc piece of work as requested by A&CS which confirmed that this is a key improvement area. For the sample tested there was no evidence of any returns received by the Council from either individual clients or their payroll service providers.

The July 2011 internal audit work requested by A&CS also confirmed to the service that there were internal control weaknesses around a specific payroll contractor holding account being used by 90 PB holders. The Council's draft 'Personal Budget Audit Policy' states that payments to holding accounts will be subject to the same audit requirements as payments made direct to service users, which we agree is the correct approach.

We agree with the Council that the key to avoiding abuse of PBs is an accurate needs and risk assessment, and indeed these controls are in place. However, we feel the control over reconciling users accounts needs to be strengthened and to become more regular.

At another authority known to us, every three months DP recipients are required to provide their bank statement and proof of expenditure. The two are reconciled by a Monitoring Officer and a check is made that money

is being used appropriately to meet social care needs. Any discrepancies are investigated and if a home visit is required the Monitoring Officer will refer the matter to a DPs Advisor to investigate/offer support. If money is inappropriately used or safeguarding issues have been identified the matter will be referred to the appropriate social work team for investigation.

As already mentioned in the Financial Arrangements section, the Council has been considering arranging direct access to users' dedicated bank account statements.

It is also considering the business case for introducing Purchase Cards, in particular as a service offering for users with learning disabilities. Discussions have taken place with the North London Strategic Alliance, consisting of Haringey, Camden, Islington, Waltham Forest, Enfield and Barking, to develop a joint approach to the banks and be in a position to negotiate lower charges.

Of course the disadvantage to an enhanced review cycle or the introduction of Purchase Cards is the administration cost that the authority incurs, and there may be resultant capacity issues with trying to simultaneously process the planned increase in PBs. However, the system is currently open to abuse and it is much more problematic to potentially need to claw back payments from users retrospectively as opposed to spending habits being monitored throughout the year.

7. Stakeholders

The Council acknowledges that it has not fully met two of the PPF underpinning requirements:

- The full engagement of all service users
- The full engagement of Primary Care Trusts and the wider health community

It has addressed these challenges in that the Shadow Health & Wellbeing Board has been in place since April 2011 as well as the Health & Wellbeing Executive Group, which meets fortnightly. It is our understanding that a work programme has been in place since July 2010. The Council provides universal information to all stakeholders via the HAricare pages of the website and the Integrated Access Team is the first point of contact for all users and carers.

Social Care Users and Carers

A Personalisation **Open Day** was held in October 2009 to explain personalisation, to offer advice and support and to receive questions and feedback from users and carers. 220 people attended over two days and of these 25 people were identified who wanted to join Reference Groups.

The overarching User **Reference Group** was serviced and facilitated by a member of the Council's Personalisation team but the intention in the long term is for the groups to be user/carer led and supported by officers rather than led by them. Members of the reference group decided to elect rotating chairs from within the group. The groups met for a year on a 6 weekly basis to discuss the progress of the TSC programme in the borough. Approximately 150 members were invited to each meeting and on average 10 service users, 5 carers, 3 advocates and 1 other person attended. Service specific groups will continue and the Council should ensure that these continue to be user and carer led.

The In-Control POET (Personal Budgets Outcomes Evaluation Tool) **national survey** results found that overall in Haringey the picture is positive, with over 70% of people reporting that their PB has made their lives better in at least 5 of the 7 areas the survey asked about. These findings were broadly similar to those for other parts of England for working age adults, and slightly better for older people.

In the further comments section of the survey, the most notable trend was that Haringey received 17 comments regarding the PBs process, and 15 of these comments were negative. However, the survey results do not provide benchmarking information regarding this therefore it is not possible to gauge whether this is an unusually high number of negative comments.

The survey found that nationally 'people are more likely to experience better outcomes if the PBs process keeps people fully informed, and in control of the PB and how it is spent; while supporting them without undue constraint and bureaucracy, and fully involving carers'. At present, the points based system behind the Council's RAS is not shared with PB holders as the Council feels that for vulnerable people too much information can be unsettling. Users who receive a DP are fully conversant with the overall amount, but for managed services there is scope to improve how the Council communicates the detail of the PB to the user. We agree that the level of information provided needs to be proportionate but the Council could look to enhance its transparency. 'Points chasing' by PB holders is only an issue if the needs assessment has not been made accurately.

We understand there are a number of workshops planned to address the findings from the survey, and we would encourage the Council to further analyse both the positive and negative areas.

The Council is piloting a Communities & Local Government (CLG) funded project, **Neighbourhoods Connect**, of neighbourhood networks to support older people via prevention, choice and co-production of social care. This provides grass roots level information and stimulates local conversations about the needs of older and vulnerable adults in the community, particularly via the use of social media and a local website. It is currently operating in Harringay and Bowes Park/Bounds Green, and it is planned that it will be rolled-out in 2011/12 as a new model for promoting independence for vulnerable adults. It has been championed by the Assistant Chief Executive, the Lead member and the Leader of the Council.

The results of the programme to date are positive, but the Council realises that capturing neighbourhood information from volunteers is a long term project that will be difficult within the context of limited resources. The Council should continue to focus on developing these social networks as local networks create social capital that is key to the long term aims of personalisation and the Big Society.

Mental Health
One of the key challenges being faced by the Council is how to ensure that mental health users are able to access PBs. The work to date has been focussed on physical disabilities, older people and more recently learning disabilities. Mental Health (MH) social workers are seconded to Barnet, Enfield and Haringey Mental Health Trust (BEH), and the Community Mental Health Teams are run by BEH. This makes it a more complex area for the Council to tackle, but it is not shying away from this and has held various workshops to better enable social workers to roll the programme out. There are now two social workers dedicated to taking MH PBs forward which should improve uptake. One of these is specifically working with people in MH day opportunity centres. There are currently 43 MH users going through the PB process.

Another issue is that the Council and BEH utilise different software systems. Data has to be manually taken from the NHS system and input into the Council's FWi system. In addition the recent local reorganisation of MH services, switching from a local structure to one based on diagnosis across the borough, has had an impact. However, it is our understanding that there is a positive relationship between the Council and the local NHS. This will need to be maintained for progress to be made with the rollout of mental health PBs.

To support this at the end of 2010/11 the Council commissioned a voluntary sector partner, Equals Training, to provide training and support to MH service users and staff around what personalisation would mean for them. The Council's market development team is also working with the community rehabilitation team to identify cohorts of people who might be interested in having joint PBs to be used on a supported housing project.

NHS
Further to the above, since April 2011 the NHS Haringey borough presence has been located in the Council's offices and appointments have been made to key posts such as Borough Director and Head of Adult Commissioning (Health). This has enabled improved working relationships with the NHS, and an agreed agenda around integrated working is being finalised. This will include supporting the NHS with the roll-out of Personal Health Budgets. We are told there is a pilot public health project underway exploring giving PBs to people recovering from strokes.

Staff
The Integrated Local Workforce Strategy (InLAWS) incorporates any changes to in-house staff and is informed by staff consultation and the involvement of staff representatives. As at 31st March 2011 ten back office staff left the A&CS team as a result of the 2011/12 budget. This included the Personalisation Programme Co-ordinator. Functions have been

absorbed into the portfolios of other staff but the Council will need to monitor whether this reduction in staff is having a detrimental impact on the personalisation agenda.

Staff are kept informed via the Adult Social Care Practitioner zone of the Council's website. It is our understanding that a staff survey and workshops are also being undertaken over the summer to gather feedback on the personalisation agenda.

Members
Members received training on PBs at the Leaders conference. The Cabinet member for A&CS chairs the TSCPB which has been beneficial in driving the changes forward. The Overview and Scrutiny committee has been involved over the course of the past three years, with reports going to them on the progress made to date. The Council feels that social care users just want quality from their service and do not have strong feelings over who the provider is. There is scope for more work to be done with Members exploring the concept that 'Council run is best'.

Community & Voluntary Sector (CVS)
A Third Sector Personalisation Steering Group, which was chaired by a CVS representative, ran whilst the personalisation agenda was being introduced and agreed to cease in June 2011. It was attended by the Deputy Director Adult & Community Services, the Adult Commissioning Manager and a Voluntary Sector representative.

Advocacy and support services are being developed with four CVS colleagues across all service user groups. The outcome of the pilots is currently being evaluated to inform future commissioning intentions. In particular the learning disabilities advocacy service supported 46 people to complete the SSAQ.

It is our understanding that the Council has been introducing voluntary organisations to each other but that more work needs to be done to engage the CVS to move more into the marketplace. The Council is aware of the need to encourage CVS bodies to change their business models from being dependent on grants to selling their services.

Suppliers
There is a need to balance investment in prevention, reablement and provision of care and support for those with complex needs. The market is going to be increasingly populated by individual purchasers, and the Council needs to facilitate the market adjusting to these changes to ensure there is not a gap in provision. The Council has an Adult Social Services Commissioning Framework for Personalisation in place to address this.

There is a supplier reference group that meets every 4 weeks, with membership including small, medium sized and large suppliers. It includes the domiciliary care and Supporting People sectors, as well as Day Service type suppliers and the private, statutory and third sector. An InLAWS policy has been agreed that any training being offered by the Council can be provided to external providers of services too.

There are £6.2m of proposed closures to Council-run services, but the Adult Social Care commissioning budget of £70m has not been reduced. 2/3 of all services are already commissioned from external providers and the Council has demonstrated that it understands the market development challenge well. It has started mapping the market, looking in detail at all 2 and 3 star domiciliary care services within 5 miles of the borough. Service gaps are being tracked within FWi based on feedback from the reference groups. It has benchmarked itself against other authorities such as Croydon and Manchester regarding their management of contracts.

Suppliers have been encouraged to hold open days at which they can 'pitch' their services to cohorts of residents and ask the residents what services they need. This engagement has encouraged some users to start the process of Self Directed Support. The Council feels that this could be a particularly effective method for engaging mental health users.

Other

The Council recognises it needs continuing support from **neighbouring local authorities** and local groups in order to reach all its users effectively. Accordingly, the potential for shared services to support personalisation is currently being discussed with the London Borough of Waltham Forest.

The Council offers advice to **self-funders** as well as social care users so that they can assess their own needs and know which providers might be able to help.

Appendices

A. Action plan

Priority

High - Significant effect on control system
Medium - Effect on control system
Low - Best practice

Rec No.	Ref.	Recommendation	Priority	Management Comments	Implementation date and responsibility
1	Financial Arrangements Page 6	The Council should ensure that users sign up to notifying the Council of any changes to their circumstances as soon as possible. This will ensure appropriate services are provided.	M	The Assessment process ensures that residents are fully conversant with their responsibilities to notify the authority of any changes in their circumstances.	Standard practice
2	VFM Page 9	The Council should document the progress made with personalisation on an annual basis in order to be able to measure progress against desired outcomes. This summary should incorporate, for example, results of user surveys, feedback from user forums and details of any complaints received during the year.	M	The Council is required to produce an annual Local Account which addresses this recommendation.	Annual with effect from December 2011
3	VFM Page 10	The Council should periodically benchmark its own management costs in relation to PBs against other authorities.	L	The first benchmark exercise will occur March 2012.	March 2012
4	Internal Control Page 11	When the Learning Panels cease the Council will need to ensure that risk management is adequately embedded and that there is a forum available to discuss innovative aspects of Support Plans, especially if there is no national guidance available.	L	Panels will continue to exist to support practitioners with positive risk taking for people with complex needs. The Personal Budget Support Team will, over time, become experts in the development and delivery of innovative support plans.	Standard practice

A. Action plan continued

Priority
High - Significant effect on control system
Medium - Effect on control system
Low - Best practice

Rec No.	Ref.	Recommendation	Priority	Management Comments	Implementation date and responsibility
5	Internal Control Page 13	To provide further assurance around the performance data being reported to management the Council should ask Internal Audit to carry out a Data Quality audit of NI 130.	M	Agreed – will scope in next year's annual audit plan.	2012/13 Head of Personalisation
6	Internal Control Page 13	As part of its overall review of risk registers, the Council should update its A&CS risk register to reflect the risk of external fraud associated with personal budgets.	M	Internal Audit are developing a Corporate Fraud Risk Register.	November 2011 Head of Personalisation
7	Internal Control Page 14	The Council should issue its 'Personal Budget Audit Policy' by the end of the calendar year, after the necessary consultation to comply with Equality Impact Assessment requirements, so that there is an agreed process for reconciling proof of expenditure against support plans.	M	Policy has been finalised and is now out for consultation.	November/ December 2011 Head of Personalisation
8	Internal Control Pages 15	The Council should further consider arranging access to users' dedicated bank account statements or introducing purchase cards, provided an adequate assessment is made that the administrative charges involved provide value for money in the context of the risk being mitigated.	M	The council does not consider it necessary to have direct access to people's bank accounts; rather, the council expects residents to comply with terms and conditions of the scheme. The Council has agreed to introduce Purchase Cards to support residents to choose DPs as the method receiving services from the council and to support them in managing their affairs.	December 2011 Head of Personalisation

A. Action plan

Priority

High - Significant effect on control system
Medium - Effect on control system
Low - Best practice

Rec No.	Ref.	Recommendation	Priority	Management Comments	Implementation date and responsibility
9	Stakeholders Page 16	People are more likely to experience better outcomes if the PBs process keeps them fully informed. The Council should look to improve how it communicates the details of managed service users' personal budgets.	L	The service is currently reviewing the assessment process in light of feedback from residents in order to shorten the time taken from first contact to enable them to use their personal budgets. In November 2011 an upgrade of the Adult Social Care database will enable the service to supply regular updates on the deployment of individual residents' PBs.	November 2011 Head of Personalisation
10	Stakeholders Page 17	The Council should continue to focus on developing social networks as local networks create social capital that is key to the long term aims of personalisation and the Big Society.	L	The council is continuing to work with the Third Sector to further develop the social media agenda.	Ongoing Head of Personalisation
11	Stakeholders Page 17	The Council will need to continue to nurture its relationship with the local NHS for progress to be made with the rollout of mental health PBs, the introduction of Personal Health Budgets and the wider personalisation agenda across Haringey.	M	The council is working in partnership to develop personal health budgets, particularly for those individuals in receipt of DPs who have subsequently become eligible for NHS continuing care funding. The service is working with the MH Trust to improve the roll out of PBs for people with MH issues.	Current Head of Personalisation
12	Stakeholders Page 18	The Council should monitor whether the reduction in back office staff is having a detrimental impact on the personalisation agenda.	M	Reduction in back office staff (namely the payments service) will inevitably have an impact on how we deliver services.	Ongoing Head of Personalisation

B. Interviews with Key Staff

Name	Role
Lisa Redfern	Deputy Director, Adult & Community Services
Margaret Allen	Assistant Director, Safeguarding & Strategic Services
Helen Constantine	Head of Business Management Services, Adult & Housing Services
Paul Knight	Personalisation Programme Co-ordinator
David Clements	Policy Officer
Wayne Haywood	Project Manager InLAWS, Transformation Programme
Charlotte Law	Corporate Head of Finance
Niyazi Soyel	Social Care Finance Manager
Lorna Bondah-Jagalu	Budget Accountant
Andrew Sheldon	Application Specialist FW-I
Sarah Barter	Head of Systems Development & Performance
Bernard Lanigan	Head of Assessment and Personalisation
Barbara Nicholls	Head of Adults Commissioning
Mathew Pelling	Commissioning Manager, Market Development
Renee Harrison	Commissioning Manager, Adults (Carers' Lead)

C. Documentation Reviewed

Theme	Document
The Council's Performance	ADASS Personal Budgets Survey Results March 2011
	ADASS PPF end of programme results April 2011
	London Councils Performance Dashboard Q4 2010-11
	NASCIS benchmarking 2009/10 NI 130
	NI 130 monthly target report 2010/11
	PPF Milestones Haringey self assessment Quarter 3 2010-11
Financial Arrangements	RAS for SSAQ 6.6
	Monthly A&CS activity data
	Zero Based Budget Direct Payments 2010/11
	Fairer Contributions Policy
	Internal Audit Direct Payments Memo (2010-11)
Value for Money	Financial Management of Personal Budgets - Challenges and opportunities for Councils (The Audit Commission)
	Putting People First - A shared vision and commitment to the transformation of Adult Social Care
	A&CS Business Plan extract - VFM performance requirements
Internal Control	Transforming Social Care and Implementation of Personalisation and Self Directed Support - report to Cabinet March 2011
	Policy, Practice and Procedure for the Implementation of Personalisation and Self Directed Support
	Authorising Personal Budgets and Resource Allocation System (RAS)
	Process for converting PD and OPS residents to Self-Directed Support
	Learning Disabilities Self-Directed Support Process
	Self-Directed Support – workflow for Physical Disabilities and Older People Service pilot projects

C. Documentation Reviewed

Theme	Document
Internal Control (continued)	SSAQ guidance notes
	FWi SDS Guidance for OPs
	TSCPB minutes
	Quarterly personalisation monitoring reports
	A&CS directorate dashboard
	Performance Call-over key facts sheet
	A&CS risk register extracts
	Final Internal Audit Report: Direct Payments (2008-09)
	Final Internal Audit report: Safeguarding Adults (2010/11)
	Draft Personal Budget Audit Policy
Stakeholders	POET survey update 20 March 2011
	POET survey - Haringey Data Report May 2011
	POET survey report June 2011
	Copies of two completed user surveys and one carer survey
	Adult Social Services Commissioning Framework for Personalisation
	Transformation in Personalising Services - Current Market Development Activity
	Supplier Accreditation questionnaire
	Provider Accreditation Framework - Quality Assurance Guidance
	Haringey Neighbourhoods Connect - Project Initiation Document

D. Glossary of terms

Acronym	Term
A&CS	Adult & Community Services
ADASS	Association of Directors of Adult Social Services
BEH	Barnet, Enfield and Haringey Mental Health Trust
CVS	Community & Voluntary Sector
DP	Direct Payment
FWi	Framework i
InLAWS	The Integrated Local Workforce Strategy
MH	Mental Health
PB	Personal Budget
POET	Personal Budgets Outcomes Evaluation Tool
PPF	Putting People First
RAS	Resource Allocation System
SSAQ	Supported Self Assessment Questionnaire
TSCPB	Transforming Social Care Programme Board
VFM	Value for Money
ZBB	Zero Based Budgeting

Grant Thornton