

Update on Personalisation and Direct Payments, March 2014

1. Introduction

- 1.1 This briefing provides an update on the Tri-borough Personalisation Project, which focused on improving our Direct Payments (DP) offer.

2. Preloaded Cards

- 2.1 The use of preloaded payment cards by local authorities is already well-established in many areas. Operating in a similar way to normal debit cards, but with funds are loaded on by the authority, the cards offer great advantages as a vehicle for DPs. These include the ability to view individual accounts online and check at any time how people are spending the money and also to set alerts on the system that will highlight significant fluctuations in expenditure or other potential causes for concern.
- 2.2 A project is currently underway to pilot preloaded cards across Tri-borough Adult Social Care and Children's Services for a six month period. The primary anticipated outcome is the roll-out of a pre-loaded card across both services that meets council requirements and enhances customers' experience of DPs. This development is expected to increase DP take-up by up to 20% (although increased take-up is not in itself is not an explicit aim of the project). The purpose of the six month pilot and evaluation period is to enable issues to be identified and hopefully addressed. It will also allow for negotiation with the providers, if necessary, thereby ensuring the best possible product. Success criteria include:
- a) Improvement of Personal Budget (PB) processing time
 - b) Service User satisfaction with product, measured through personal outcomes evaluation
 - c) Successful reporting functionality to identify variance from expected spend
 - d) Improved financial control including ability to claw back unspent funds.
 - e) Departmental satisfaction with online systems and service provided by card provider
- 2.3 Preloaded cards are becoming increasingly sophisticated and more 'user-friendly' than those in use currently in RBKC and WCC. The current provider has made it clear that they do not intend to develop the product further. However, the Government Procurement Service (GPS) is developing a framework agreement for preloaded cards that can be accessed by any public sector body. It is intended that officers will procure a suitable product from this framework to be trialled during the pilot. If the post-pilot evaluation is positive officers will continue to use the GPS framework going forward.
- 2.4 The national framework had been due to go live in October 2013, but unfortunately the GPS has not stuck to its original timescale; the date has

been pushed back several times and is now June/July 2014. Once the procurement process concludes, Tri-Borough ASC will call off from the framework and the first new cards should be available around three months later, i.e. September 2014. If successful, they will be rolled out for general use from April 2015.

2.5 A monthly project board which ultimately reports to the Tri-borough Director of Finance is overseeing the work. To date the board has:

- Reviewed the GPS specification in order to make sure that it meets Tri-borough operational and finance requirements;
- Worked with Healthwatch to consult a group of customers on those aspects of the specification directly relevant to them;
- Worked with Tri-borough procurement to identify a procurement strategy for the GPS framework.
- Begun to consider the evaluation criteria for the end of the pilot.

2.6 Throughout the duration of the pilot all new customers (including mental health service users) will be offered the card as a default option. No new DP bank accounts are to be set up during the pilot unless agreed by Head of Service in exceptional circumstance. Current preloaded card holders will be strongly encouraged to trial the new card, but will not be required to change cards during the pilot period. Assuming success of pilot, the card will become the default option across the board and only with a manager's agreement would a DP bank account be agreed.

3. Managing the Money

3.1 This section describes the four money management options for DPs that will be on offer, once the new system is fully implemented, and notes the current position.

a) Self-Managed Direct Payment

This is the main option in use currently and involves a DP being paid directly into a bank account set up for this purpose by the DP recipient. Subject to a successful outcome from the preloaded card pilot, all self-managed DPs will be administered via the new card, other than in exceptional circumstances, making this option simpler, safer and feasible for more people than currently.

b) Council-Managed Direct Payments

This option is already available for K&C customers and the service is now being extended to the other two boroughs – see paragraph 4.6 below for further details. It involves the council maintaining an individual account of DP income and expenditure for the person concerned and paying all relevant invoices. This option is for people assessed as having the mental capacity to consent to a Direct Payment but unable to manage the necessary financial administration.

c) Third Party management

This option already exists and is for people who have the mental capacity to consent to a DP but want someone else to manage the money on their behalf - usually a relative or friend, although there are also various agencies which offer such a service. Under this arrangement the person who has been allocated the DP retains all legal responsibilities for the DP, so where necessary a capacity assessment will have been undertaken to determine this. When the new preloaded cards become available, all third party payments will be made in this way, rather than through individual bank accounts as at present.

d) Suitable Person management

This option is specifically for people assessed as lacking mental capacity to agree to a DP. Should it be agreed (following a Best Interest decision) that a DP is the best way to meet that persons needs, a Suitable Person is appointed to receive and manage the money on the individual's behalf, in line with the requirements of the Mental Capacity Act.

Update on Council-Managed Direct Payments

- 3.2 A Managed DP service is already available for RBKC DP users and is provided in-house, within the ASC Finance Team. This has proved both cheaper than externally provided options and more effective, in that finance officers work in close liaison with assessment and care management staff, ensuring that any warning signs such as build-up or misuse of DP funds are picked up without delay. Customers who are employing personal assistants also receive support and advice in relation to their responsibilities, helping to ensure their employment arrangements are both safe and legal - here again with prompt feedback to care managers in the event of problems.
- 3.3 The Managed DP service is currently being expanded in order to cater to DP users in Westminster and H&F and will open to them in April – see paragraph 4.6 below for further details.

4. Towards a single operating system for DPs

- 4.1 The three boroughs currently have different operating systems for Direct Payments (DPs). Through the Tri-B Personalisation Project, we are working to create a single system across the three which aims to make DPs run more efficiently, so saving money, managing risk more effectively and presenting a better offer to customers.
- 4.2 In the medium term we are working towards a single operating for DPs across Tri-Borough, based on the new preloaded payment cards. Coming at this from such different starting points in the three authorities, with a long lead in time for the cards and changes to our wider operating systems still in progress, it has been agreed to adopt a phased approach as follows:

Phase one (commencing April 2014)

- Develop an in-house DP support and development service for both H&F and Westminster on transitional basis (please see paragraphs 4.3-4.5 below for further details). RBKC arrangements for DP support to remain as currently.
- Expand the current Managed DP service in RBKC to cater to Westminster and H&F customers (see paragraph 4.6).
- Retain existing arrangements for DP finance and administration – i.e. separate systems for DP set-ups and payments, financial monitoring and audit, managed by individual borough finance teams.
- Develop proposals for an in-house ‘brokerage’ service for DP customers, offering expertise in the local market for care and support, able to identify the best service at the lowest price and negotiate directly with providers to meet identified needs.

Phase two

- Fully implement Tri-Borough operating system for DPs and single DP Finance Team.
- Rationalise and consolidate and DP support arrangements – one service for all three boroughs.
- Develop ‘brokerage’ capacity (subject to agreement of this approach).

In terms of timing, phase two is expected to commence from April 2015, linked to the introduction of the new preloaded payment card. However earlier change is possible as a result of the wider restructure in Finance.

DP support arrangements

- 4.3 There are currently different arrangements in each borough for supporting customers to take up and manage a DP. Key points are as follows:
- RBKC moved to an in-house model in 2011 and this is now working well. In Westminster and H&F, operational staff have continued to rely on specialist services to facilitate DP take-up, so their overall level of knowledge and competence on this subject is lower than in RBKC.
 - In H&F, there has been some good progress since the closure of both the DP support service run by HAFAD and the internal Support Planning Team in March 2013, but knowledge is still patchy.
 - A comprehensive review of all live DP cases, undertaken as part of the closure plan for the HAFAD service, uncovered a high level of problems with many cases incorrectly set up and/or in need of review. It was agreed that the review team would remain in operation until 31 March 2014, to further investigate and address these problems, whilst also providing an interim DP support service for H&F customers and helping to up-skill operational staff.
- 4.4 The arrangements for 2014/15 are designed to ensure continuity of service to customers while continuing to move things forward. Four DP project officers

are being recruited to provide a dedicated DP support and development service to H&F and Westminster (two workers per borough), managed by the Project Manager for Personalisation (who also managed the H&F DP Review). This team of five will have the following key functions:

- Act as a resource for assessment and care management staff, providing expert advice and support on all DP-related issues with a clear emphasis on helping to up-skill staff in this area, not taking responsibility away.
- Improve support planning skills by demonstrating best practice and the benefits of this.
- Develop and embed tools to assist staff in setting up and reviewing DPs
- Provide specific advice, guidance and training around Employing Personal Assistants through DPs.
- Support development of RBKC Managed DP service including moving to the new service model described below and facilitating move to self-management for existing customers, where appropriate.
- Facilitate transfer of existing Managed DP cases from Penderels to in-house (Westminster only).
- Co-ordinate work to establish a Suitable Persons Scheme and implement this both for new and existing cases.
- Co-ordinate overall programme of DP reviews in each borough, ensuring all cases are reviewed on schedule with appropriate input from Finance and care management.
- Provide assistance with reviews involving employment issues / other complexity or where appropriate undertake reviews directly.
- Work directly with new and existing DP customers as necessary.
- Development work to establish effective micro-commissioning for DPs. This will include: - mapping the current care market across Tri-Borough; mapping voluntary sector and universal resources; bringing customers together to pool budgets; negotiation with providers to meet customer needs or reduce prices.
- Assist with and facilitate project work such as the preloaded cards pilot (more work needed in H&F as cards not currently in use).

4.5 As this makes clear, 2014/15 is very much a transitional year in terms of DP support, in the run-up to the new preloaded cards and with a lot of development work to be undertaken. Going forward, the role (and potentially the size) of the DP support and development team will change and could incorporate the brokerage function referred to in paragraph 4.4.

4.6 The other key development from April 2014 is the expansion of the current Managed DP service in RBKC to cater to Westminster and H&F customers. Initially, capacity will be created for around 50 places per borough with the possibility of up to 70 places by Autumn 2014. For H&F this will provide a new much-needed option which has not been available to date. Managed DPs will be offered to individuals who are struggling to manage a DP or where money management presents an unacceptable level of risk. Where possible the service will be seen as temporary option only with customers being supported to move to self-management or management by a relative.

4.7 Following the planned introduction of preloaded cards, it is expected that the need for this option will reduce, as the card will make it viable for many more people to self-manage their DP, as well as reducing the risks associated with this option currently. Nevertheless the Managed DP option will still play an important role in facilitating DP use for a small proportion of customers.

5. New Tri-Borough DP Policy and DP Agreement

5.1 Another important workstream within the Personalisation Project has been the development of a Tri-Borough policy on DP use. The policy was finalised in January and is now being rolled out to operational teams, with staff briefings to support this process and associated training available.

5.2 Previously none of the three authorities had a written policy on DPs and this created a number of problems. These included inefficient use of staff time in the operational teams and pressure from customers, inconsistent decision-making, inability to ensure best practice and delays in the DP set-up process. The introduction of a clear and comprehensive policy is therefore an important milestone and also lays the foundation for more effective financial control.

5.3 Linked to the development of the DP policy, a new Tri-Borough DP agreement has been developed. The agreement is an important document as it sets out the roles and responsibilities of both sides (i.e. the DP recipient and the council) and provides the framework in which any kind of legal dispute would subsequently operate. Introduction of the new agreement is happening in tandem with the DP policy, with staff briefings and relevant training provided.