



Resource Allocation Guidance:

*Use of the Adult Care
Ready Reckoner Approach
to generate a indicative
planning budget*

*This document is for Adult Care and
Community Wellbeing only.*

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Introduction

Lincolnshire County Council uses a Ready Reckoner Approach to generate an indicative planning budget to give an indication of the amount of money that may be required to meet eligible care and support needs.

The Ready Reckoner is an element included in the Adult My Assessment and Adult My Review tools and should be used whenever an assessment or review needs to generate a new or revised indicative planning budget.

Key Points

- The Ready Reckoner Approach has been developed to reflect resource requirement not underlying need. So, hours selected must reflect gaps, or unmet areas of need which require a resource to meet them.
- The rationale for Resource Allocation should be evident in and consistent with the level of need identified in the assessment.
- The financial amount generated by the Ready Reckoner will be known as the planning amount.
- The Ready Reckoner Approach ensures that an Adult who is eligible for care and support following a strength-based conversation and assessment will be provided with a planning amount. The amount gives the individual an indication of the personal budget that may be available to enable them to consider their choices and options of how and when their unmet eligible care and support needs will be met, and by whom.
- It ensures that a personal budget gives individuals control and choice to best meet their identified outcomes.
- It ensures people understand what the planning amount is for and how they can agree the use of this.
- The final personal budget is the amount required to meet eligible assessed needs that we have a duty to meet established through assessment and support planning processes.

Context

- Section 26 of The Care Act 2014 places personal budgets into law for the first time, making them the norm for Adults with care and support needs.
- Every Adult and/or Carer, whose needs are met by the Council, whether those needs are eligible, or if the authority has chosen to meet ineligible needs, must receive a personal budget as part of their Care and Support Plan.

- **Transparency:** The Council must make their allocation processes publicly available as part of their general information offer. This will ensure that Adults and/or their representatives fully understand how the personal budget has been calculated, both in the indicative planning amount and the final personal budget allocation.
- **Timeliness:** It is crucial when calculating the personal budget to arrive at a planning amount which can be used to inform the start of the care and support planning process. This budget should be shared early in the process, so that the person with care and support needs understands from the start what sort of plan they can put together. Receiving a **timely** indicative planning Budget is vital to ensure the person's full involvement in the process.
- **Sufficiency:** The amount that the local authority calculates as the personal budget, must be sufficient to meet the Adult's eligible unmet needs which the local authority is required to meet under Care Act section 18 or 20(1), or decides to meet under section 19(1) or (2) or 20(6). It must also take into account the reasonable preferences to meet needs as detailed in the care and support plan.
- The Care Act states that the personal budget must be an amount that is the cost to the local authority of meeting the Adult's eligible unmet needs. In establishing the 'cost to the local authority', consideration should therefore be given to local market conditions and costs of local quality provision. This will ensure that the personal budget reflects local market conditions and that appropriate care that meet needs can be obtained for the amount specified in the budget.

Resource Allocation

Lincolnshire County Council's resource allocation approach will not be based on statements and pre-determined amounts but will work on the practitioner's estimation of the number of hours needed to meet unmet eligible needs in a range of areas multiplied by the cost per hour or per night the authority pays for those services. Time is the focus of the calculation because this aspect is something that the Adult and /or their representative can relate to, and workers can relate to cost more easily.

- We are ***not calculating planning budgets based on service hours***. This is a planning amount and hours and nights is the most easily understandable denomination. ***Potential hours of support are not homecare / daycare hours***, it is a cumulative of the hours of support a person may need. This could be a combination of different methods of support.

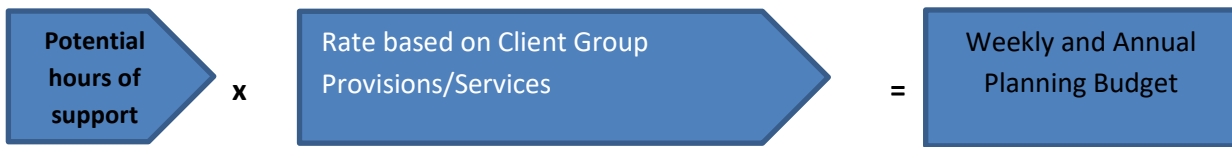
****We don't (generally) know the delivery method at this point – this is a planning budget.***

- ***Basis of Calculation*** - the calculations are not linked to an individual's actual cost. This would not be legal under The Care Act 2014. The Council have used the appropriate framework/prime provider rates for the service area, which maybe different between Adult Frailty and Long-Term Conditions (AFLTC), Learning Disabilities (LD)Services, People with Mental health difficulties (LPFT) to calculate planning /indicative budgets. The objective here is to have a simple way to produce the planning amount for Lincolnshire Adults that is easy to understand and explain.

- **The indicative planning budget** is not the same as the personal budget, which is a final budget agreed following the care and support planning process. This is a planning guide based on the needs a person has.
- **The support planning process** will be used to explore how these needs can be met by considering existing support, community resources, family assistance, technology and if no other solution is suitable, formal services.
- **Indicative planning budgets** will be refined and amended to create an actual budget during the support planning process.
- Once completed the **final weekly planning amount** is shared with the person and or their representative and clearly explained. **This will further aid the transparency principle.**
- As with the current process it is essential, we have a conversation with the person and/or their representative to explain the difference between a **planning budget** and an **actual budget**.
- This conversation should be captured within the **case notes**. This should be a detailed account of the conversation; include any additional information you may have provided such as printed information. It should also include details about the persons understanding of the conversation, **any follow up actions** and who will complete these.
- Where the proposed care and support plan costs are more than the indicative planning budget, the worker will need to consider the appropriateness of the proposed plan and **the risk to the individual** were the plan not to be agreed.
- The indicative planning budget should not be viewed as an arbitrary ceiling on the final personal budget amount. It could be increased if there is sufficient evidence that it won't meet eligible unmet needs.
- Whilst aiming to maximise people's wellbeing and choice, the principle of cost effectiveness will prevail and if there are two services that achieve the same outcome the most cost-effective option will be funded. The final personal budget should not be greater than the cost to the local authority of meeting the adult's needs.
- Once the planning amount has been calculated, it will copy forward to the person's Care and Support Plan for discussion of how outcomes will be met thus establishing the actual budget.
- Practitioners must explain to the person that they cannot enlist help from services until the actual amount of their Personal Budget and agreement about how they will receive their personal budget has been authorised. See Personal Budget and Direct Payment information via this link. **The Personal Budget (proceduresonline.com)**
- The final personal budget will need to show the actual cost to the individual, the local authority and/or any contribution from the NHS.

Calculating Indicative Planning Budgets

Service area framework rates have been built into Mosaic to ensure the potential hours to achieve a person's outcomes is calculated correctly as follows:



*The rates are checked by Lincolnshire County Council’s Finance Services and updated on an annual basis.

Adult Frailty & Long-Term Conditions (AFLTC) including Hospitals.

- ❖ **Potential hours of support at home/community;** framework/prime provider rates for **Extra care, Urban Fringe, Rural Villages** and **Isolated** should be used to calculate the indicative planning budget. (**Allows for Second Carer**)
- ❖ **Respite Care/Short Breaks;** Current Nursing Rate to be used.
- ❖ **Permanent Residency Placements:** Practitioners to input the **value of 365** into the ‘Respite care / short breaks (nights) field as this will give the most realistic planning amount versus the actual cost of the Permanent Residency service when completing the Support Plan Costings.
- ❖ **Day Care** use the framework rate per day.

The Ready Reckoner will generate a sufficient indicative planning budget for most cases to meet all assessed eligible needs. Due to this, there will no longer be a need to complete **Risk Enable Group Requests** as managers will follow their scheme of authorisation and Quality Assurance process to consider detailed information in the assessments and the care and support plans to support decision-making. Practitioners should continue to use the **Permanent Residency Request** form whilst it is under review along with a Request to Amend a PB if required.

***Managers** – Scheme of authorisation schedules to be shared by Head of Service.

Learning Disability (LD) Services

- ❖ **Potential hours of support at home and/or in the community:** based on framework rate.
- ❖ **Potential overnight support (sleeping in):** based on framework rate.
- ❖ **Respite/short breaks building based:** based on block contract rates.
- ❖ **Respite/short breaks (community based):** based on 24-hour period including a sleeping in

***Managers** – Scheme of authorisation schedules to be shared by Head of Service.

Lincolnshire Partnership Foundation Trust (LPFT)

LPFT uses a mixture of the AFLTC & LD framework rates to calculate indicative planning budgets.

Care Homes

The Care Act requires that a personal budget be allocated for people living in a care home. This cannot however currently be taken as a direct payment, nor do we currently broker residential placements for self-funders. The framework rates for each service area should be

used to calculate the indicative planning budget. The final personal budget will need to show the actual cost to the individual, the local authority and/or any contribution from the NHS.

Unpaid Informal Support (carers)

Eligible needs that can be sustainably met by informal support do not require resource allocation to meet them. If the informal support is not able to continue providing the same level of support, then this should be taken into consideration and the appropriate hours included when using the Ready Reckoner Approach.

Privately Funded Support

Where someone is paying privately for support services that are meeting an eligible care need, this support should be seen as a support need when completing the Ready Reckoner to reflect that resource (that is, money) is needed in those areas.

The Resource Allocation selected should reflect only the frequency of support required to meet a basic level of eligible need at the amount it would cost the local authority to provide it. For example, if privately funded care is being purchased which is more expensive than the authorities expected cost and is over and above that which is essential to meet the 'eligibility outcome' used in the eligibility determination, then only that which is essential should be reflected in the Resource Allocation and the resource required to meet it. Therefore, it may be necessary to explore and unpick with people which elements of private support are essential to meeting eligible needs and which are not.

The costed care and support plan and the final personal budget will be determined by the cost of meeting the assessed eligible needs which are not being met by informal support. Therefore, not all privately purchased support will necessarily be met by the personal budget, irrespective of the indicative planning budget produced by the Ready Reckoner.

Moderating Needs Assessment and Resource Allocation

The role of the practitioner is to ensure that a realistic interpretation of the person's circumstances and level of need is recorded within the assessment, and that the resource allocation agreed reflects the assessed need.

Whilst the Resource Allocation (Ready Reckoner) should be completed with a full regard to the person's views, it is the practitioner's view, arrived at through discussion and clearly evidenced, which will be used to calculate the indicative planning budget. Any areas where the person does not agree with the practitioners' view should be recorded.

It is the responsibility of practitioner to ensure that indicative planning budgets identified by the Ready Reckoner accurately reflect the Strength Based Assessment and the identified eligible needs.

Managers are responsible for ensuring consistent best practice. Where they are not satisfied that the assessment adequately supports the selected hours of support, the practitioner should be asked to revisit this area of the assessment and, where necessary, discuss this with the person.

Indicative planning budgets arrived at by the completion of the Ready Reckoner do not determine the final allocation of personal budget. This is determined by our assessment, support planning and brokering processes, and is moderated by Managers.

What if the indicative planning budget is not sufficient

The Ready Reckoner will generate a **sufficient indicative planning budget** for most cases to meet all assessed eligible needs, but this may not be the same in all cases.

Insufficient indicative planning budgets should not be used as a rationale for not meeting assessed eligible need. In these instances, the assessment and the care and support plan should be considered by the manager who has the required level of authorisation with a decision made to set a personal budget higher than the indicative planning amount.

The Ready Reckoner may produce an indicative planning budget which is higher than the amount necessary to meet assessed eligible need and achieve desired outcomes. In these instances, personal budgets should be set which are lower than the indicative planning budget produced by the Ready Reckoner.

For further information, please read [Setting an Indicative Budget \(trixonline.co.uk\)](https://trixonline.co.uk). This chapter in the Tri.x Adult Care Adult Care Procedures, Practice Guidance and Tools manual will explain what an indicative planning budget is, how to set one and what to do if the budget that is set is not sufficient to meet the person's eligible needs. We will update this chapter to reflect the **change to a Ready Reckoner Approach.*