# The costs and benefits of personal budgets for older people: evidence from a single local authority

Woolham, J. and Benton, C.



**Original citation & hyperlink:**
Woolham, J. and Benton, C. (2013) The costs and benefits of personal budgets for older people: evidence from a single local authority. British Journal of Social Work, volume 43 (8): 1472-1491.
http://dx.doi.org/10.1093/bjsw/bcs086

***Abstract***

*The Westminster Government in the UK remains keen to promote the use of personal budgets in social care as it believes these confer choice, empower the budget holder, lead to greater levels of personalisation and better outcomes. This paper considers the costs and benefits of personal budgets - to local authority Social Services Departments, and to people using Personal Budgets respectively - in a single English local authority setting. A comparative design was used to collect data from a large sample of 'traditional' social services users, and a cohort of people who were using personal budgets as Direct Payments. Benefits relative to costs were compared using a statistical technique known as 'bootstrapping'. The authors found that compared to younger adults, older people did not greatly benefit from possessing a budget on the outcome measures used, but costs were higher for budget holders across all care groups. These findings support evidence from an earlier study (Glendinning et. al, 2008) and raise important questions about the suitability of personal budgets as a means of achieving personalised services for older people and the implications for social work practice.*

**Keywords**: personal budgets, personalisation, older people, outcomes, social care.

**Introduction**

For well over a decade, the Department of Health (DH) in England has been committed to encouraging greater choice within personal social services, and to

empower people who use these services to exercise this choice. Giving service users direct control over the funding used to pay for their care has increasingly been seen as the best way of achieving these aims (HMG 2007, DH 2009).

This paper presents findings from an empirical study of costs and benefits of personal budgets in a single English local authority which suggests that costs may outweigh benefits for many older people. The paper is written in six sections. In the first, it will briefly review the policy context and evidence relating to costs and benefits. The second will describe the research site and local context in which the study occurred, and the third will discuss the design and methods used to obtain the data. In the fourth, the findings of the study are presented. The fifth section offers a discussion of the significance of these findings – both for people who use social care services, and for social work practice, and in the final section, conclusions are drawn.

## 1. Policy and research evidence

Successive Westminster governments have been interested in extending control to service users through giving them access to their own budget - initially with Direct Payments, (DH LAC (97)11) more recently with Personal Budgets. Personal Budgets (PBs) are essentially money provided by local authority Councils with Social Services responsibilities in lieu of Social Services provision. They are paid either directly into a recipient's bank account as a 'direct payment', or to a third party – a relative or friend, for example - to be spent, as far as possible, according to the wishes of the recipient, on the recipient's behalf. This is sometimes known as a 'managed'

personal budget. PBs are seen as achieving a wide and fairly disparate range of policy objectives: to enable the greater personalisation of services, and therefore better outcomes for people who use social care services (Poll et. al., 2006); as a way of empowering this group of people, thereby conferring dignity and more personal responsibility; promoting the development of more diversity in local care economies (Tyson, 2008) - and therefore enhanced choice; and in the longer term, as a way of saving money, (Leadbeater et. al., 2008, Duffy and Waters, 2008) as care and support will be better targeted, and as care management input will be reduced, cost overheads will decrease. Access to PBs in the form of Direct Payments is something for which younger disabled adults have campaigned for over a decade (Glasby and Littlechild 2006, Morris. 2006).

There is, however, no settled consensus about the efficacy of PBs. Some have challenged the extension of choice, and the introduction of market-based approaches to care delivery in public sector organisations as these perpetuate inequality and misconceive the proper role of public services (Clarke et. al, 2006, 2008). Others have argued that PBs transfer responsibility for managing risk from the state to vulnerable individuals (Ferguson, 2007), and that they marginalise care, and work best for people able to achieve high levels of independence and self-determination - and against people unable to meet these value based expectations (Barnes 2011). Claims about cost reductions resulting from PB use are challenged for failing to take account of the infrastructural support that will be needed to enable some people to access PBs (Beresford 2009b), and others have warned that the quality of information offered to budget holders will be crucial in ensuring informed

choice (Baxter and Glendinning., 2008) and that there are potential risks to both local service providers and users of these services (Glendinning, 2008, Leece, 2008).

Although the provision of PBs to people who use social care services is arguably the most important change to personal social care for at least a quarter of a century, the empirical evidence to support the claims made - both for and against their introduction - remains weak at the present time. Many of the claims made for the efficacy of budgets are as yet insufficiently supported by evidence. A number of reviews have drawn attention to the need for more research (see, for example, Carr (2007) Henwood and Hudson (2007) Beresford (2008, 2009a, 2010). At the present time, although there are increasing numbers of studies on which to draw, their quality has not been assessed (Manthorpe et. al. 2011).

Lack of evidence did not prevent the previous Westminster government from actively encouraging local authorities to offer PBs to people who need help or support from social services. This took the form of a £500 million Transformation Grant - to be spent by local authorities in restructuring local services to ensure that increasing numbers of people were able to use a budget to buy their own support (DH LAC 2008 (1) 18., LAC 2009 (1) 15). This announcement was made before the publication of the findings of a major study: the Individual Budgets Support Network Evaluation (IBSEN) (Glendinning et.al. 2008) previously commissioned by that government. One explanation for this otherwise puzzling sequence of events may have been because the findings of the IBSEN study were, in places, at odds with prevailing narratives about the benefits of personal budgets, and the policy direction

of the Department of Health (HMG 2007). Although IBSEN did find evidence of the benefits of budget ownership amongst younger adults, it found no such evidence for older people. Performance Indicators were also introduced at the time the Transformation Grant was made available to encourage Social Services Departments to offer PBs. The current Westminster Coalition Government's policy is to accelerate this process:

> *'A report from the Office of Fair Trading showed that direct payments made people happier with the services they receive. Two reports on individual budgets said people, including carers, enjoyed the enhanced control over their care. The time is now right to make personal budgets the norm for everyone who receives ongoing care and support – ideally as a direct cash payment, to give maximum flexibility and choice'.*
>
> DH (2010) p. 16.

This statement is contestable in two respects. First, although the Office of Fair Trading report (OFT, 2010) *does* point out that people who received direct payments were happier, (OFT 2010 p. 16) the authors of this report do not directly support this claim with evidence, instead using other studies indicating support for enhanced choice. They do, however, point out that take up of direct payments has been low. (op. cit. p. 43). It could therefore be argued that people taking a direct payment are a self-selected and therefore unrepresentative group.

Second, of the two reports referred to as offering evidence that people enjoyed enhanced control over their care, one – the IBSEN study – found, as mentioned already, little evidence of benefit for older people from possession of a budget: a particular problem as older people remain by far the most numerous group of users of personal social services, and the group on which most social care funding is spent (DH, 2003. p.73).

**Costs and benefits**

Although there is a growing body of literature describing the benefits of PBs to service users (www.in-control.org.uk) and guidance from the Westminster Government on how to achieve good outcomes for Budget users (DH/Putting People First 2008) fewer studies have looked at financial costs in relation to benefits (Manthorpe et. al, 2011, p.33). This is important because claims made about cost effectiveness are likely to have been significant influences on the level of support successive Governments have given to PBs.

Amongst other things, the IBSEN study referred to above (Glendinning et. al., op.cit) conducted a cost-benefit analysis of Individual Budgets by care group which found, as mentioned already, positive outcomes for younger adults from all care groups, but *no* evidence of benefit for older people relative to costs (Glendinning et al op. cit p. 110-111).

## 2. The site and local context

This study was carried out in an English shire county in 2008-09. In common with other Local Authority (LA) Councils with Social Services responsibilities this LA had responded to the Transformation Grant guidance (DH LAC 2009 (1)) by establishing a 'Transformation team' responsible for developing new arrangements to encourage and support existing and new service users in taking up a PB.

This project team worked with a UK wide social enterprise organisation, 'In Control', which developed a process by which the local authority could start to provide PBs. Briefly, people eligible for help completed a simple self-assessment form of their needs. The scores from this self-assessment were used to calculate a Resource Allocation Score, or 'RAS' – a care group based tariff of funding levels, which enabled the prospective budget holder to be told the likely size of their future budget. This 'indicative budget' allowed prospective budget holders to consider, at an early stage in the process, ways in which their budget could be spent, and informed the creation of a 'Support Plan'. This is a document written by the budget holder (with or without support from others) detailing the services and forms of support to be purchased with the funding. PBs can be used to buy a wide range of services or support. The main conditions are that the 'plan' had to be sustainable, reasonably safe, and legal. Support plans were signed off/approved by a local authority panel to ensure these conditions were met, and that the indicative budget was correctly set according to identified need.

## 3. Design, methods, and analysis

The study, which was funded by the local authority, used a comparative design. Data were collected from a random sample of service users who received 'traditional' services and compared with data obtained from a cohort of people who had agreed to try a Personal Budget.

Data from both groups were obtained by self-completion postal questionnaire. Respondents were invited to ask a relative or trusted friend to help them give their answers if they needed help to respond in writing. The investigator's contact details were also supplied to arrange a telephone or face-to-face interview for respondents who had no-one to help. Five interviews were completed in this way. Where a respondent had insufficient mental capacity to take part, a 'consultee' was invited to give their own perspective, in accordance with the Mental Capacity Act 2005 Code of Practice (2007). Full NHS Research Ethics Committee approval was obtained before the fieldwork commenced.

Reasonably good response rates were achieved for both groups (see table 1 below).

| **'Traditional' service users** | | | **PB users** | | |
|---|---|---|---|---|---|
| **Original sample** | **Exclusions** | **Final response** | **Original sample** | **Exclusions** | **Final response** |
| 765 | 19 | 378 (51%) | 386 | 83 | 180 (59%) |

**Table 1. Response rates**

More exclusions were recorded amongst PB users. These were those wrongly identified from management information and comprised of people who did not actually have a budget, had been hospitalised during the fieldwork period, had died, or had moved out of the local authority area.

**Comparability between the two groups**

The two groups were broadly comparable on a range of demographic indicators, as can be seen in tables 2 and 3 below.

| | **'Traditional' service users** | **PB users** |
|---|---|---|
| Older adults (65+) | 28% (n=102) | 30% (n= 54) |
| Younger adults (<=64 yrs) with mental health problems | 6% (n= 23) | 3% (n= 5) |
| Younger adults (<=64 yrs) with learning disabilities | 35% (n=129) | 33% (n= 59) |
| Younger adults (<=64 yrs) with physical disabilities | 32% (n=117) | 34% (n= 62) |
| Unknown | (n=7) | (n=0) |

**Table 2. Profile of respondents by care group**

Though the proportion of respondents by care group was broadly comparable, the number of respondents with mental health problems in both groups was low, though consistent with the IBSEN study (Glendinning et al, op.cit p.40).

Further demographic comparisons suggested that in other respects, the two groups were also reasonably well matched at an aggregate level.

| | 'Traditional' service users | PB users |
|---|---|---|
| Mean Age | 54.9 (n=371) SD= 21.15 | 51.5 (n=179) SD=23.55 |
| Gender | Male = 35.8% (n= 378) | Male = 33.9% (n= 180) |
| Ethnic group | White = 93.7% (n= 319) | White = 92.6 (n= 176) |

**Table 3. Demographic profile of respondents**

**Data on outcomes**

Included in the questionnaires were two validated scales used in the IBSEN study (Glendinning et. al. op.cit): the General Health Questionnaire (12) (GHQ) and an Activities of Daily Living Scale (ADL). GHQ measures both psychological well-being and mental distress, whilst the ADL scale is a simple measure by which the ability of those taking part to carry out everyday activities of daily living could be assessed. These scales were used to measure outcomes – and therefore the potential benefit of services or support received by people from both groups.

**Data on package costs**

Unfortunately, the quality of financial data available from the local authority left much to be desired. Costs therefore had to be re-calculated from available information. How this was achieved is described briefly below.

**a.** ***Costs for 'traditional' service users.***

A standardised weekly cost for each service user was calculated from two sources of data. The first were costs from a management information database that included

home care packages, direct payments, supported accommodation/living and equipment. Secondly, a separate database of internal day-care services was also used as the true costs for these services were not recorded on the main database.

Only packages active on the date the survey of 'traditional' service users were included. Any packages that started after, or ended before the survey start date and finish dates were excluded. Some packages ran for the whole or at intervals during the year, so the weekly cost was calculated simply by dividing the annual cost to achieve a weekly equivalent.

**b.** ***Costs for Personal budget users*****.**

For PB users, costs were defined as package costs on a given date: 1st June 2009. The budget holder data were more problematic to obtain as records were not kept on same management information database but through parallel arrangements by the 'Transformation' Team.

Existing Direct Payments (DP) users transferring on to PBs were transferred without adjustments to the size of their budget, so a check was made to find out how many PB users had previously been DP users, and where this was the case, their DP funding level was assumed to be the PB figure. Checks were also made when more than one care agreement was found to be open to ensure that this was not simply an agreement that had not been recorded as being closed.

**Measuring cost effectiveness**

Like the IBSEN project team, we measured cost effectiveness by evaluating the outcome measures we used against costs and then analysed these by care group.

The IBSEN researchers used a longitudinal design using pre and post intervention data. This meant that the two sets of data were 'related' which made it possible for them to generate ratios of difference for pre and post outcome scores by dividing the mean difference in the outcome measures by the mean difference in costs data.

Our study was unable to directly replicate this approach as it was not possible to generate the required numbers of cases where pre and post data could be obtained in the timescales available. Instead, we used a comparative design in which data from 'traditional' service users were compared with those of budget holders. Because our data were 'unrelated' unlike the IBSEN study, no ratios could be generated of differences in costs or outcomes before and after the use of PBs. Instead, we used the observed results from the two groups in our analysis. We contacted the member of the IBSEN project team responsible for their statistical analysis and discussed the appropriateness of this approach to ensure that it was valid for the data we possessed – though any errors or flaws in this paper are ours.

In order to present this comparison visually, the two scores were plotted against each other on a quadrant diagram (see figure 1 below).

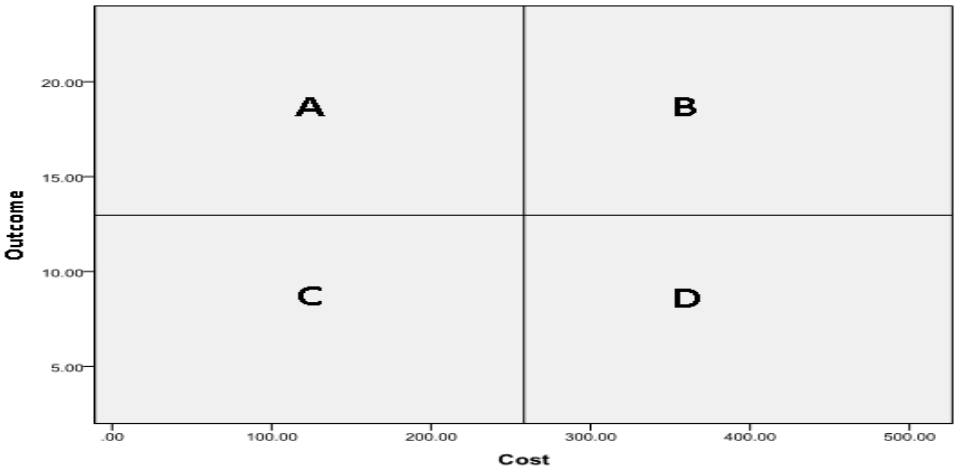


**Figure 1. Cost benefit quadrant**

The horizontal axis shows costs and the vertical shows the outcome scale used. Assuming the outcomes scale is rated so that a higher score means a worse outcome then the quadrants are divided as follows.

A. *Low cost and poor outcome*.

B. *High cost and poor outcome*.

C. *Low cost and good outcome*.

D. *High cost and good outcome*.

The IBSEN project team (Glendinning et. al. op.cit) used the statistical technique of 'bootstrapping' to consider cost benefit, which we adopted in our study. Bootstrapping is a form of 'replacement sampling' that allows the researcher to create multiple alternative versions of a single statistic that would otherwise be calculated from a sample. A single statistic – for example, a mean value - does not show the way in which the data is distributed: that is, the range of values there may be in the dataset. Bootstrapping randomly creates new samples out of the existing

dataset. This allows the researcher to generate a large number of alternative versions of a statistic, that would ordinarily only be calculated *once* from a sample.

The technique extracts a new sample from the dataset. Each data point is replaced and can therefore be drawn into the new sample a number of times up to a given limit. This creates a larger number of datasets that we *might have seen*, and calculates the statistic for each of these datasets. This allows an estimation of the potential distribution of the statistic. The key to using this approach is the creation of alternative versions of '*data we might have seen*'.

The method has two advantages. The first is simplicity. The second is that the analysis attends to the actual distribution of the data at hand, rather than making an assumption that the distribution is normal.

A paired samples T Test was conducted to assess the impact of having a PB amongst older and younger age groups for ADL and GHQ outcome scores. (This statistical test is used to compare means of two variables, computing the difference between each variable for each case and then testing if the average difference is significantly different).

For ADL scores, there was a significant difference between older traditional users (65+ = m= 13.06, SD 3.84) compared to younger people (<65: m= 11.93, SD 3.72), p=0.011. For PB users, this difference was not significant between older and younger groups (65+: m=12.66, SD= 3.13, <65: m=11.77, SD=3.59, p=0.120).

For GHQ scores there was no significant difference between scores for older and younger groups of traditional users, (65+: m=14.79, SD=7.38; <65: m=13.28, SD=7.37) p= 0.092, but a significant difference amongst budget holders (65+: m=13.36, SD=6.29, <65: m=10.12, SD=6.93, p=0.006).

We also considered whether the GHQ and ADL scores satisfied the criteria for this test in terms of whether the scores constituted 'interval' level data. Normally, Likert type scale data is treated as 'ordinal'. However, If the responses are summed they may be treated as interval data (Bendixen and Sandler, 1995). This approach and the use of a t-test to analyse GHQ data has been commonplace (De Amici, et. al., 2000, Vines et. al., 2004, Verhaak et. al., 2005, and Sudha et. al., 2007).

'Traditional' and PB user bootstrap data sets were then created. 3000 data-points were generated for each group using the re-sampling with replacement process described above. The data was then plotted on to quadrant diagrams.

## 4. Findings

### Cost effectiveness analysis

A key question asked in the IBSEN research, (Glendinning et. al., op. cit.), concerned 'cost neutrality': that is, the extent to which Individual Budgets (IBs) improved outcomes without increasing overall costs of provision. ('Individual' budgets are created from a range of different welfare benefits, whereas 'Personal' budgets are

created from social services funding only. In practice, the IBSEN study found difficulty in reporting on the former as it did not prove possible to secure agreement from the funding agencies concerned to combine benefits over the timescales of the study). We considered the issue of 'cost neutrality' in our study in relation to Personal Budgets. The first question was whether PBs cost more or less than 'traditional' provision - and how this differed by care group. The next was to assess how 'cost effective' PBs had been: specifically - how the outcomes experienced by service users balanced against the costs.

**a. Costs**

Using re-constructed financial data, the mean package costs for each care group are presented in table 4 below.

| | **Mean package costs (£ p.w.)** | |
|---|---|---|
| **Care group** | **'Traditional' service users** | **PB users** |
| Older people (65+ yrs) | 113.86 (n= 80) | 243.41 (n= 53) |
| Learning disabilities (<=64 yrs) | 337.30 (n= 96) | 412.06 (n= 59) |
| Mental health (<=64yrs) | 116.57 (n= 4) | 383.51 (n= 4) |
| Younger adults with physical disabilities/sensory impairments (<=64yrs) | 202.59 (n= 91) | 298.84 (n= 61) |
| **ALL** | 222.85 (n= 271) | 321.90 (n=177) |

**Table 4. Mean package costs by care group**

Cost data presented here exclude 'infrastructure' costs from both groups – the costs of care management time for the 'traditional' group, and of staff time plus costs of advocacy and support service time for the PB group.

The table indicates, first, that people who were using PBs received more money than 'traditional' package users. Overall, the mean difference was £99.05 p.w. or, 44% greater for budget holders than those of 'traditional' package users. This cost difference held across each of the care groups, though these cost differences were more marked amongst some groups: costs for older people were over *twice* as large (113%) than for 'traditional' package users.

**b. Cost-benefit analysis**

Three types of comparison were made using 'bootstrapping'. First, we looked at differences in outcome between all those in budget holder and non-budget holder groups. Second, we then considered differences between older people from both these groups, before finally comparing outcomes between older and younger budget holders only.

In assessing the data presented in the quadrant graphs below, data *above* the horizontal line (mean outcome scores) are higher – poorer/worse than average. Data to the *right* of the vertical line (mean cost score) are more expensive than average.

**Cost benefit analysis: all care groups**

The first series of graphs present cost benefit profiles for both traditional and budget-holder groups from all care group categories, using ADL and GHQ scores in turn.

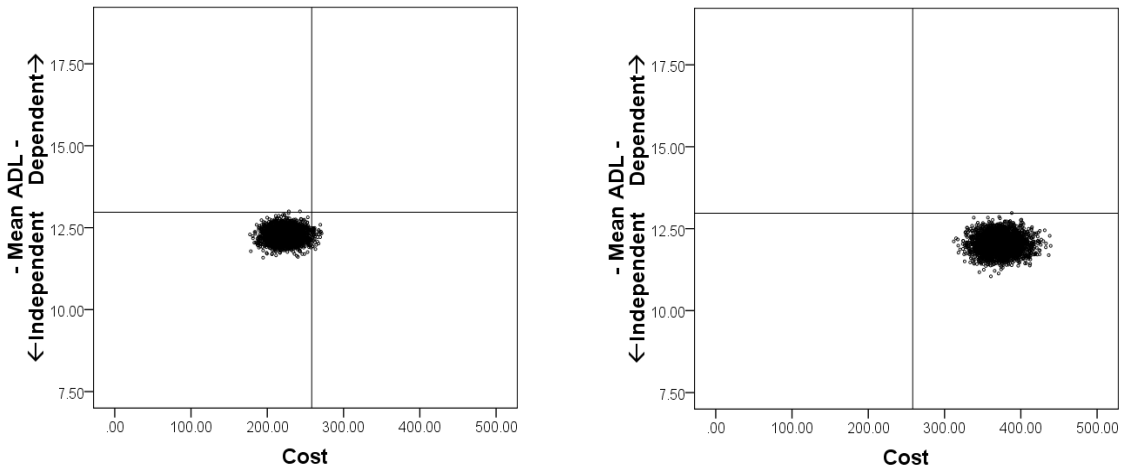


**Figure 2. ADL and cost scores for *all* respondents comparing 'bootstrapped' data for 'traditional' package users (left hand graph) and budget holder groups (right hand graph).**

Overall, for all respondents from both traditional and budget holder groups, although there appeared to be little difference in respect of 'benefit' in terms of a lower distribution of ADL scores, the graphs showed a significant increase in the distribution of costs.

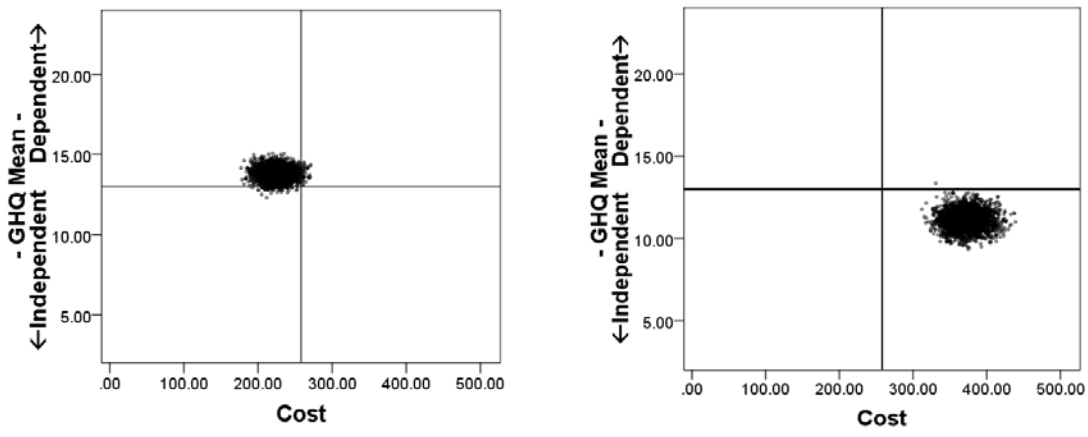

**Figure 3. GHQ and cost scores for *all* respondents comparing bootstrapped data for 'traditional' package users (left) and budget holder groups (right).**

GHQ scores for all 'traditional' service users showed a distribution *above* the mean – suggesting that they were more likely than average to be experiencing some degree of 'ill-being'. Costs were, however, lower than average. By contrast, amongst all budget holders, GHQ scores were below average, suggesting higher well-being, but costs were also greater than average.

Taking these two measures of cost-benefit together, our findings suggest that overall there was evidence of benefit to PB users on *one* of the two outcome measures, but that for both measures of outcome, these benefits also came at greater financial cost.

**Cost benefit by care group**

To understand this more fully, we explored whether costs and benefits varied between different care groups. We were particularly interested in outcomes for older people because of the findings of the IBSEN study. We wanted to examine if our data supported or challenged their finding.

We did this in two ways. First, we compared cost-benefit amongst older people in both groups.

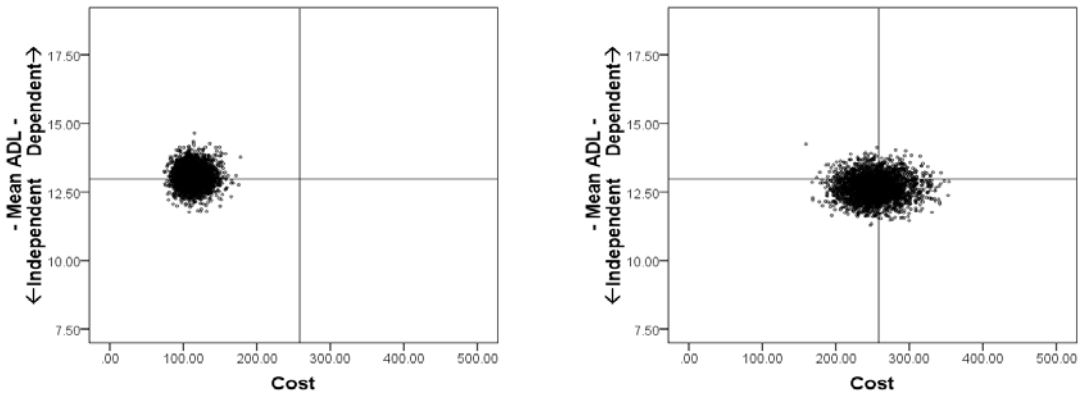


**Figure 4. ADL and cost scores for older respondents 65+ comparing bootstrapped data for 'traditional' package users (left) and budget holders (right).**

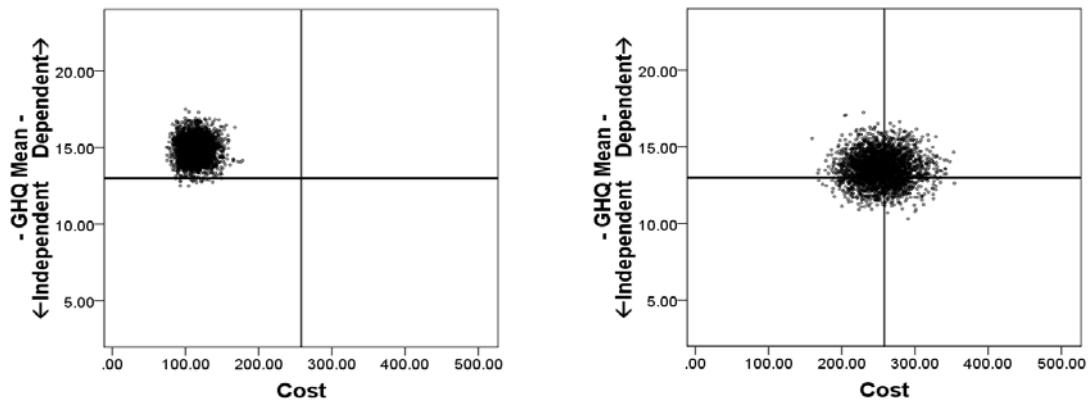


**Figure 5. GHQ and cost scores for older respondents (65+) only, comparing bootstrapped data for 'traditional' package users (left) and budget holders (right).**

Comparison of both ADL and GHQ data for 'traditional' and budget holder groups showed that for 'traditional' package users, costs were low and needs were relatively high (for GHQ), and distributed around the mean (for ADL). By comparison, budget holders had slightly lower need distributions but much higher costs. To put it succinctly, our evidence suggests budgets conferred limited benefit and greater cost.

**Cost benefit by care group: budget holders only**

Finally, we compared cost benefit amongst older people (65+) in the budget holder group only with younger adults aged <64.

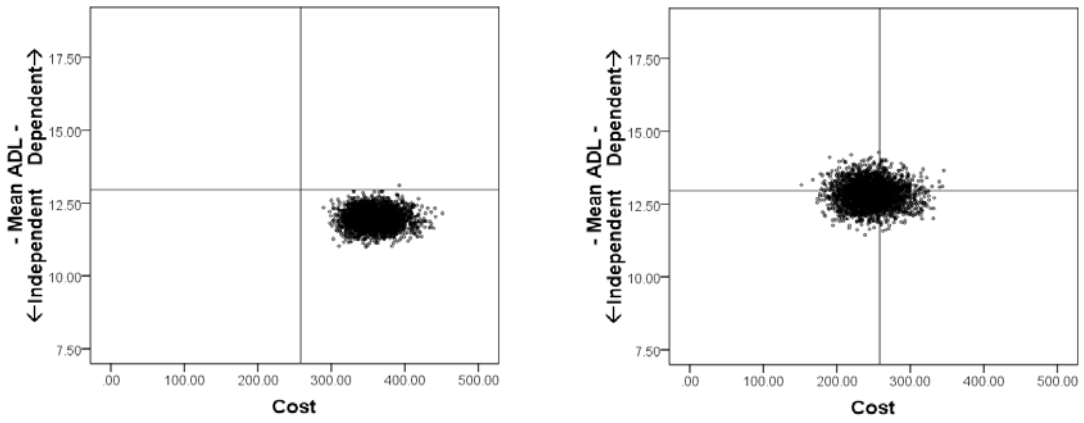


**Figure 6. Budget holders only: cost benefit for younger adults (left) and older people (right) using ADL outcome scores.**

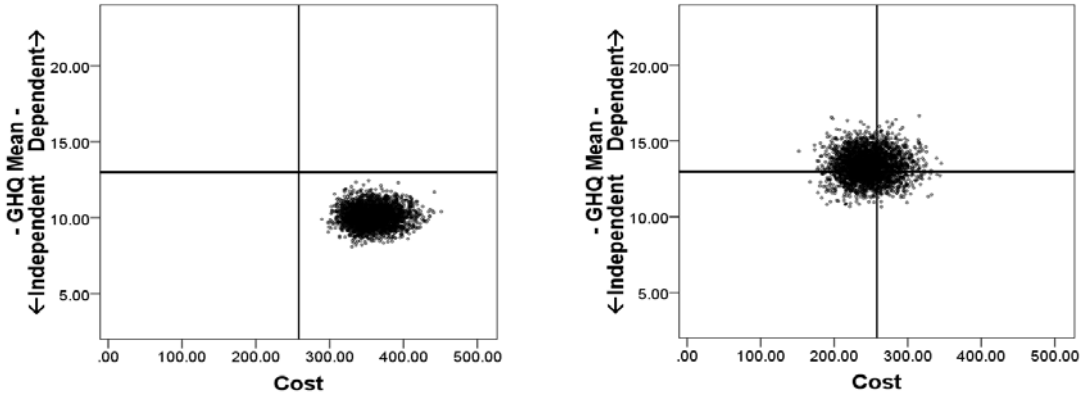


**Figure 7. Budget holders only: cost benefit for younger adults (left hand graph) and older people (right hand graph) using GHQ outcome scores.**

These two sets of graphs both show that for both outcome measures, younger adult budget holders had better outcomes than older people. Overall costs were also greater for younger adults.

## 5. Discussion

Although our analysis used a similar approach to the IBSEN study, our research used a modified design, and is therefore not directly comparable. Additionally, our findings should be treated with caution as not all assessed relationships were statistically significant, as we have explained earlier in our description of how we measured cost effectiveness. However, our findings broadly support those described in the IBSEN evaluation in that we also found evidence that older people who were budget holders had poorer outcomes than younger people.

### a. Impact on people who use social care services

Summarising our data, we found

Overall, comparing traditional and budget holder groups, outcomes appeared to be little different on the ADL scale, though costs were greater, and although there was evidence of benefit using the GHQ scale, this also came at higher cost.

In relation specifically to older adults, our evidence suggested marginal benefit in relation to GHQ outcomes amongst budget holders compared to traditional users, but no evidence of benefit in relation to ADL, and increased cost in both.

Our findings produced less evidence of benefit for older budget holders compared to younger adults. Amongst younger adults there was evidence of benefit on both scales compared to older people, but at greater cost.

Additionally, in our examination of costs earlier in this paper we assessed differences in cost by care group, and found that budget holders in all care groups received funding which, on average, was considerably greater than that for 'traditional' package users – and much greater amongst older budget holders.

This leads us to suggest that in weighing the costs and benefits of PBs, an important question to ask would be whether our results would have been different if 'traditional' package users had received the same level of funding as PB users, or, alternatively, if PB users had received funding that was equivalent to that of 'traditional' package users. Two propositions can be put forward

- If the size of the sum of money given as a PB was equivalent to per capita 'traditional' package costs, would this lead to poorer outcomes for budget holders?

- If per capita costs of 'traditional' services were increased to a size commensurate the size of PBs allocated, would this lead to better outcomes for 'traditional' package users?

Our evidence suggests that *despite* the larger size of per-capita funding on budget holders compared to traditional users, improved outcomes were found only for well-being, and mainly for younger age groups, with only marginally better outcomes being observed for older people.

This equivocal evidence of better outcomes, particularly for older budget holders was despite the much larger budget this group received compared to older people who received traditional care and support, and without factoring in additional infrastructure costs, such as care management time. We have already noted that this finding is consistent with those from the IBSEN report. The IBSEN team speculated that a reason for poorer outcomes may have been that older people found the task of managing a budget stressful.

**b. Implications for social work practice**

Our findings also have significance for social work practice. If outcomes for older people are not improved through provision of a PB, a further proposition is whether there is a role for social work in helping to secure improvements. The introduction of PBs as a means of achieving the personalisation of care and support has led to a number of claims about what this might mean for the future of social work. Our

paper has already referred to the work of commentators who have suggested that PBs will save money by reducing expensive care management time as 'self-directed support' becomes normative, and a reconfiguration of social work roles takes place toward information sharing or 'care navigating', (DH 2005). Although ADASS and other signatory organisations (ADASS 2010) describe a key future role for social work in adult social care, others are less sanguine. For example, Manthorpe et.al (2009) describe a 'fluid' situation for social work, and the possibility that emergent new roles will be 'supportive, along the lines of counsellors or consultants' (p1302), or focused more on scrutiny and monitoring. Others have speculated that social work may become confined to more specialised areas such as working with people living with complex needs, or where there may be safeguarding issues (Barnes, (2011); Manthorpe et. al (2010). The assumption that local authority social workers can automatically assume these emergent new roles is also contested: for example, in relation to service brokerage (Scourfield 2010).

Guidance – some of it now grounded in evidence – has been offered to English Local Authorities about the kinds of support they should offer to make budget ownership less onerous and stressful for older people, (compare, for example, DH 2008, and Newbronner et. al, 2011). Although this guidance falls short of guaranteeing a central role for local authority social work, the importance of social work *skills* is acknowledged, and there is other evidence to suggest that these skills will be needed. Jacobs et.al. (2011) found, for example, that predictions of savings through reduced need for social work time may be premature. Her study found that more, not less time was needed by practitioners to assess needs and to help prepare

support plans. The findings from our study lend support to the view that there may be a need for a much better understanding of the needs of older people and careful matching of these needs with services and different forms of support if outcomes are to improve.

There is also a growing recognition that a PB could also be managed in other ways besides a Direct Payment. Certainly, uptake of budgets – particularly as Direct Payments - has been slow. (Community Care, 22.09.10) Part of the reason for this, it is claimed, is that social services departments are reluctant to relinquish control over budgets (Community Care op. cit). There is some evidence to support this as take up of budgets has varied by region (Hatton and Waters, 2011). However, another possibility is that large numbers of older social services users would prefer *not* to have a personal budget as a direct payment. In this scenario, many PBs may be held and managed within social work teams. In this regard, the increase in numbers of people with a personal budget reported by ADASS in its summary of personal budgets survey of March 2011 was of people having a managed budget rather than a Direct Payment.

## 6. Conclusion

In practice, both the previous and the present (Coalition) Governments in England have been determined to press ahead with PBs, and in response to this most if not all Councils with Social Services responsibilities now offer PBs as a new operating model for social care – meaning that a PB would be offered to all new service users

who need long term support, and all existing service users at their annual review. As Beresford puts it

> *'...there is now a powerful political momentum behind self-directed support and individual budgets. The issue therefore is really about what needs to happen, what will have to be in place, for self directed support to offer real improvement on a day to day basis for the wide range of service users who turn to social care for support'.*
>
> Beresford, 2008 p. 3.

However, Beresford also shrewdly notes that proper funding of arrangements to make self-directed support and PBs work is a precondition (Beresford op. cit. p 3, and 2009a p.77). More recently, however, the huge cuts in English local authority funding arising from the 2008 banking crisis means that the implementation of PBs is now taking place at a time of unprecedented pressure on public spending and where many local authorities have already signalled that they intend to cut the size of personal budgets offered to existing budget holders (The Guardian 30.03.11).

At the time of writing, it seems most unlikely, therefore, that most, if any, Councils with Social Services responsibilities will be able to afford the additional cost of budgets identified within our evaluation, and more likely that budget costs will become at best commensurate, overall, with 'traditional' package costs . In this scenario, there will be enormous challenges to the objective of securing better

outcomes for less money. Our evidence suggests older people will be particularly ill-served by what may follow.

**References**


The Association of Directors of Adult Social Services. (March 2010) 'The Future of Social Work in Adult Social Services in England'. http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_114571 accessed 02.10.11.

The Association of Directors of Adult Social Services (2011) 'Personal Budgets Survey March 2011: The results'. http://www.thinklocalactpersonal.org.uk/_library/Resources/Personalisation/Personalisation_advice/2011/ADASS_Survey_March_2011_Summary_Results_29_6_11.pdf accessed 01.08.11.

Barnes, M., (2011) 'Abandoning Care? A Critical Perspective on Personalisation from an Ethic of Care'. *Ethics and Social Welfare* **5**(2). p. 153-167.

Baxter, K., and Glendinning, C., (2008) 'Making Informed Choices in social care: the importance of accessible information'. *Health and Social Care in the Community* **16** (2) p.197-207.

Bendixen, M., and Sandler M., (1995) 'Converting verbal scales to interval scales using correspondence analysis'. *Management Dynamic: Contemporary Research*. 4: p.31-39.

Beresford, P., (2008) 'Time to Get Real about Personalisation'. *Journal of Integrated Care Vol.* **16**, (2) p. 2 – 4.

Beresford, P., (2009a) 'Social care, personalisation and service users: addressing the ambiguities'. *Research Policy and Planning* **27** (2) p. 73-84.

Beresford, P. (2009b) 'Whose Personalisation?' *Compass: Direction for the Democratic Left Think Pieces*, No. 47 p. 1-5.

Carr, S., (2007) 'Choice, Control and Individual Budgets: emerging themes'. Research Briefing 20, London, *Social Care Institute for Excellence*.

Carr, S., and Dittrich, R., (2008) *Personalisation: A Rough Guide.* London, *Social Care Institute for Excellence.*

Clarke, J., Smith, N., and Vidler, E. (2006) 'The Indeterminacy of Choice: Political, Policy and Organisational Implications', *Social Policy and Society* **5**(3), (p.327-336).

Clarke, J., Newman, J, and Westmarland, L, (2008) 'The Antagonisms of Choice: New Labour and the reform of public services'*. Social Policy and Society*, **7**(2) p.245-253.

Community care online 22nd September 2010. http://www.communitycare.co.uk/Articles/22/09/2010/115395/paul-burstow-personal-budget-take-up-is-a-disgrace.htm . Accessed 20.02.11.

Davey, V, Fernandez, J-L, Knapp, M, Vick, N, Jolly, D, Swift, P, Tobin, R, Kendall, J, Ferrie, J, Pearson, C, Mercer, G, and Priestley, M. (2007) 'Direct Payments: A national survey of policy and practice', London*, PSSRU*, LSE.

Department for Constitutional Affairs (2007) *Mental Capacity Act 2005 Code of Practice*, London, TSO.

De Amici D, Klersy C, Ramajoli F, and Brustia L, (2000) 'The Awareness of Being Observed Changes the Patient's Psychological Well-being in Anaesthesia', *Anaesthesia and Analgesia* 90 p. 739–41.

Department of Health (1997) LAC (97)11: *Community Care (Direct Payments) Act 1996.*

Department of Health (1998) *Modernising Social Services: Promoting Independence, Improving Protection, Raising Standards*, Gateway ref. Cm 4169. London, TSO.

Department of Health, (2001) *Valuing People: A New Strategy for Learning Disability in the 21st Century,* CM 5086, London, Department of Health.

Department of Health (2003) 'The Government's Expenditure Plans 2003 Local Authority Personal Social Services Gross Expenditure by Client Group, 2001-02'. Chapter 6. p.73.

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/documents/digitalasset/dh_4072527.pdf. Gateway ref: 2003 accessed 14.01.10.

Department of Health (2005) *Independence, well-being and choice: Our vision for the future of adult social care*. London, Department of Health.

Department of Health (2008) *Local Authority Circular letter 2008* (1).

Department of Health (2008) *Making personal budgets work for older people: developing experience.* Department of Health, Gateway ref. 10733.

Department of Health (2009) *Local Authority Circular letter 2009* (1).

Duffy, S, and Waters, J. (2008) 'The Economics of Self Directed Support', in Poll, C, and Duffy, S. (eds), *A Report on in Control's Second Phase Evaluation and Learning 2005-2007*. London, In Control Publications.

Ferguson, I. (2007) 'Increasing User Choice or Privatizing Risk? The Antinomies of Personalization', British Journal of Social Work **37**(3), p. 387-403.

Glasby, J, and Littlechild, R. (2006) 'An overview of the Implementation and development of Direct Payments', In Leece, J. and Bornat, J. (eds) *Developments in Direct Payments,* pp 19-32. Bristol, the Policy Press.

Glendinning, C, and Means, R. (2006) 'Personal Social Services: Developments in Adult Social Care', in Bauld, L, Clarke, K, and Maltby, T. (eds), *Social Policy Review 18.* Bristol, the Policy Press.

Glendinning, C, Challis, D, Fernandez, J.L, Jacobs, S, Jones, K, Knapp, M, Manthorpe, J, Moran, N, Netten, A, Stevens, M, and Wilberforce, M. (2008) 'IBSEN: Evaluation of the Individual Budgets Pilot Programme, Final Report', *Social Policy Research Unit*, University of York).

Glendinning, C, Clarke, S, Hare, P, Maddison, J, and Newbronner, L. (2008) 'Progress and problems in developing outcomes-focused social care services for older people in England', *Health and Social Care in the Community* **16**(1), p. 54-63.

Glendinning, C. (2008) 'Increasing Choice and Control for Older and Disabled People: A Critical Review of New Developments in England', *Social Policy and Administration* **42**(5), p.451-469).

Goldberg, D. (1992) 'The General Health Questionnaire'. *National Foundation for Educational Research,* Windsor, Nelson.

The Guardian, March 30th 2011, 'Society' section p. 3, Adult Social Care.

Hatton, C, Waters, J, Duffy, S, Senker, J, Crosby, N, Poll, C, Tyson, A, O'Brien, J, and Towell, D. (2008) *A report on In Control's Second Phase Evaluation and Learning 2005-2007*_London, In Control Publications.

Hatton, C., and Waters, J. (2011) 'The National Personal Budget Survey'. London, *In Control and Lancaster University*.

Henwood, M, and Hudson, B. (2007) 'Here to Stay? Self Directed Support: Aspiration and implementation: a review for the Department of Health'. Northants, *Melanie Henwood Associates*.

Henwood, M, and Hudson, B. (2008) 'Individual Budgets and Personalisation: A New Model for Integration?' *Journal of Integrated Care* **16** (3) pp. 8 - 16.

HM Government (2007) *Putting People First: A Shared Vision and Commitment to the Transformation of Adult Social Care.* London, HMG. http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_081118 accessed 08.10.11.

H.M. Government (2009) *Shaping the Future of Care Together. Green Paper*, Gateway ref. 1774 http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_100819.pdf accessed 13.01.10.

Jacobs, S, Abell, J, Stevens, M, Wilberforce, M, Challis, D, Manthorpe, J, Fernandez, J-L, Glendinning, C, Jones, K, Knapp, M, Moran, N, and Netten, M. (2011) 'The Personalization of care services and early impact on staff activity patterns', Journal of Social Work http://jsw/sagepub.com/content/early/2011/07/05/1468017311410681 accessed 12.09.11.

The Labour Party (1997), *The Labour Party Manifesto.* http://www.labour-party.org.uk/manifestos/1997/1997-labour-manifesto.shtml accessed 13.03.11.

Leadbeater, C. (2004) 'Personalisation through Participation: a new script for public services'., London, *Demos*.

http://www.demos.co.uk/files/personalisationthroughparticipation.pdf?1266491309 accessed 07.07.11.

Leadbetter, C, Bartlett, J, and Gallagher, N. (2008) 'Making it Personal', London, *Demos*.

Leece, J. (2010) *'Paying the Piper and Calling the Tune: Power and the Direct Payment Relationship'.* British Journal of Social Work, **40**(1) p.188-206.

Manthorpe, J, Stevens, M, Rapaport, J, Challis, D, Jacobs, S, Netten, A, Jones, K, Knapp, M, Wilberforce, M, and Glendinning, C. (2010) 'Individual Budgets and Adult Safeguarding: Parallel or converging tracks? Further findings from the evaluation of the Individual budget pilots', *Journal of Social Work* (Published online at http://jsw.sagepub.com/content/early/2010/09/18/1468017310379452) accessed 04.10.11.

Manthorpe, J, Hindes, J, Martineau, S, Cornes, M, Ridley, J, Spandler, H, Rosengard, A, Hunter, S, Little, S, and Gray, B. (2011) *Self Directed Support: A review of the Barriers and Facilitators* (Edinburgh, Scottish Government Social Research).

Morris, J. (2006) 'Independent living: the role of the disability movement in the development of Government policy', in Glendinning, C, and Kemp, P. (eds), *Cash and Care: Policy Challenges in the welfare state.* pp 235-246., Bristol, the Policy Press.

National Mental Health Development Unit (2011) 'Facing up to the Challenges of Personal Health Budgets'. London, *NHS Confederation* www.nhsconfed.org/publications. accessed 10.07.11.

Newbronner, L, Chamberlain, R, Bosanquet, K, Bartlett, C, Sass, B, and Glendinning, C. (2011) 'Keeping Personal Budgets Personal: learning from the experiences of older

people, people with mental health problems and their carers'. Adult Services report 40, London, *Social Care Institute for Excellence*.

Office of Fair Trading, (2010) *Choice and Competition in Public Services: A guide for policy makers.* A report prepared for the OFT *by Frontier Economics* OFT1214.

Poll, C, Duffy, S, Hatton, C, Sanderson, H, and Routledge, M. (2006) *A Report on In Control's first phase 2003-2005.* London, In Control Publications.

Prime Minister's Strategy Unit, (2007) *HM Government Policy Review: Building on Progress. Public Services,* London, HM Government.

Riddell, S, Pearson, C, Jolly, D, Barnes, C, Priestley, M, and Mercer, G. (2005) 'The development of Direct Payments in the UK: implications for social justice'. *Social Policy and Society,* **4**(1), p. 75-85.

Scourfield, P. (2010) 'Going for Brokerage: a task of 'Independent Support' or Social Work?' *British Journal of Social Work* **40**, 858-877.

Sudha, M, Nakayama, K, and Morimoto, K. (2007) 'The Relationship between Behavioural Lifestyle and Mental Health Status Evaluated using the GHQ28 questionnaires in Japanese Factory Workers'. *Industrial Health*; **45**: p.467-473.

Tyson, A. (2008) 'Service Providers and Commissioners' in Poll, C, and Duffy, S. (eds) *A Report on In Control's Second Phase Evaluation and Learning 2005-2007.* London, In Control Publications.

Verhaak, P, Hoeymans N, Garssen A, and Westert P. (2005) 'Mental health in the Dutch population and in general practice: 1987–2001' *British Journal of General Practice*, **1** 55(519): p. 770–775.

Vines R, Richards J, Thompson D, Brechman-Toussaint M, Klein, M, and Vesely, L. (2004) 'Clinical psychology in general practice: a cohort study' *Medical Journal of Australia* **181** (2): p. 74-77.