

Governing Body (public) meeting

DATE: 30 January 2014

Title	Personal Health Budgets (PHB)	
Recommended action for the Governing Body	<p>That the Governing Body:</p> <p>Note the progress made on implementing Personal Health Budgets for Continuing Healthcare patients since the last report in November 2013.</p>	
Executive summary	<p>From April 2014 people receiving NHS Continuing Healthcare and families of children receiving continuing care will have the right to ask for a personal health budget. BCCG needs to be in a position to implement this policy within the required timescale. A project group has been established and an action plan has been drawn up. A project manager has been recruited and progress has been made with development of the resource allocation tool and associated assessment and care planning paperwork as well as the infrastructure for offering direct payments. The financial implications of the PHB programme for BCCG are being analysed.</p>	
Which objective does this paper support?	<p>Patients: Improve the health and wellbeing of people in Bexley in partnership with our key stakeholders</p>	✓
	<p>People: Empower our staff to make NHS Bexley CCG the most successful CCG in (south) London</p>	
	<p>Pounds: Delivering on all of our statutory duties and become an effective, efficient and economical organisation</p>	✓
	<p>Process: Commission safe, sustainable and equitable services in line with the operating framework and which improves outcomes and patient experience.</p>	✓
Organisational implications	<p>Key risks (corporate and/or clinical)</p>	<ul style="list-style-type: none"> • Risk of fraud • Risk of failure to meet required timescales • Safeguarding risks – including risk of exploitation
	Equality and	People eligible for PHB are potentially

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	diversity	amongst the most vulnerable of our patients. It will be essential to ensure that this complicated process is accessible and comprehensible to all.
	Patient impact	Personal Health Budgets are enablers of choice and person centred care.
	Financial	<ul style="list-style-type: none"> • Increased financial infrastructure costs to calculate and administer personal budgets; • Cost of providing budget management advice and support; • Cost of audit and review of PHBs; • increased care planning and costs due to requirement to negotiate a budget offer; • Project management costs to achieve the required timescales.
	Legal issues	As with the current Continuing Healthcare process the assessment and calculation of PHBs will inevitably be subject to legal challenge from time to time.
	NHS constitution	Personal Health Budgets support Principle 4. The NHS aspires to put patients at the heart of everything it does.
Consultation (public, member or other)	Not applicable	
Audit (considered/approved by other committees/groups)	The PHB plan was approved by Finance Working Group on 12 th November 2013	
Communications plan	A communications plan will form part of the action plan	
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Date	7 th January 2014	

Personal Health Budgets (PHB)

1. Introduction

From April 2014 people receiving NHS Continuing Healthcare and families of children receiving continuing care will have the right to ask for a personal health budget. On 9 October 2013 the government announced that this right will be strengthened and will become a right to have a PHB. People will be able to choose to take their budgets as a direct payment which they manage themselves, appoint a third party to manage it for them or take a 'virtual' budget managed by the CCG. A paper outlining the action required to progress this was submitted to the Governing Body on 29 November 2013. The following is an update on progress since that date

2. Current Position

A part time project manager was appointed to progress the work at the beginning of December and a detailed project plan developed. It has also now been agreed to work closely with Bromley CCG to minimise duplication of effort and project costs. Dr Graham Rehling has agreed to provide Clinical Leadership for the project. Strong engagement in the London wide training events has continued, from a clinical, managerial and financial perspective and this has enabled close scrutiny of the benefits and risks of the scheme which will in turn feed into the local policy as it develops.

3. Action Required

Since 29 November the progress made against the key actions previously highlighted is shown below:

Action	Progress
To develop a PHB policy	It had been expected to build on good practice from pathfinders but it has emerged that there are few specific examples to follow. Therefore the project manager is developing a Bexley policy based on the implementation decisions and recommendations of the project team. This policy will also pick up issues which are being raised at the London wide training and development days.
To decide on a client group to concentrate on initially, for example people with learning disabilities or younger adults with physical disabilities.	We have decided to exclude fast track patients (ie end of life), mental health and long term conditions initially. The Bexley policy will make this explicit.
To decide whether to integrate	We have decided to run separate but parallel

<p>the PHB processes for children and adults or to maintain the current separation given that the children's CHC budget is delegated to Oxleas through the Specialist Children's Services contract.</p>	<p>adults and children's projects linking with the respective departments at London Borough of Bexley as appropriate.</p>
<p>To determine which resource allocation tool to use - several have been developed by the pathfinders. A judgement will need to be made as to which best suits our needs.</p>	<p>Two possible tools were assessed using live cases. The model developed in Manchester appeared to provide the closest fit to our current costs per case and further work has subsequently been carried out by the finance team with assistance from the CHC team to tailor it to Bexley's specific needs. The resulting bespoke model has been submitted to the Finance Sub Committee in January to approve its use in determining personal health budgets.</p>
<p>To evaluate the options for managing direct payments, which could include setting up an in-house process or outsourcing the work, very possibly to the London Borough of Bexley which has existing direct payments processes in place.</p>	<p>The project manager has familiarised herself with the systems and processes used by LBB, including the payment card tool they employ which ensures that direct payments are only spent on the services for which they are intended. LBB have indicated a willingness to provide the service for us within existing resources initially for a trial period while the volume of work is assessed.</p>
<p>To establish mechanisms for providing advice and support to potential PHB holders in relation to financial advice, safe recruitment, employment law, tax and national insurance etc - again do we provide in house or source a brokerage service?</p>	<p>The above service from LBB would include access to the brokerage service which they provide.</p>
<p>To establish mechanisms to protect against fraud.</p>	<p>The London wide training programme has provided the opportunity for further examination of the risk of fraud and as a result the advice of the CCG's counter fraud advisor is being sought to ensure that our policy is robust in this respect. Other areas of concern regarding fraud are also being discussed with the LCFS</p>
<p>To evaluate the impact on assessment and care planning</p>	<p>The engagement of the CHC Team Clinical Manager in the development of the resource</p>

and make any necessary process changes to enable care plans to be translated into budgets.	allocation tool has informed the process of adjusting assessment and care planning processes to enable them to be translated into budgets. A draft assessment has now been produced.
To ensure that adults and children using PHBs are safeguarded and protected from exploitation.	We will ensure that safeguarding leads are engaged in policy development
To assess any impact on nursing capacity	Early indications are that the impact on nursing capacity could be significant depending on the numbers of clients taking advantage of this option. Indications from other boroughs are that additional time will need to be spent in developing and agreeing a support plan which can be signed off by the appropriate people and that this may involve a number of visits to the client.
To identify training needs for CHC nurses.	Not commenced yet
To raise awareness of key stakeholders.	A plan for engaging with key stakeholders is being developed for implementation in March/April.
To develop a communications plan and information resources for patients and carers.	Information resources for patients and carers will be developed from some examples which are available. In terms of communications, this is being explored as part of the next development day in London. However, until there is a draft policy and some literature available, it is not appropriate to undertake a communication campaign at this time. The intention is to engage with the lay GB member and Annie Gardener initially, in conjunction with our communications team.

4. Financial Implications

The financial implications of the PHB programme for BCCG are becoming clearer. The development of the resource allocation tool has reduced the previously identified risk of higher care costs. Case by case testing of the model to be used has suggested that the outcome of its use is within acceptable tolerances. However, most other costs will inevitably be dependent on the uptake of the scheme i.e.

- care planning costs due to requirement to negotiate a budget offer;
- financial infrastructure costs to calculate and administer personal budgets;
- cost of providing budget management advice and support;
- cost of audit and review of PHBs;

will increase exponentially as the numbers seeking to access PHBs increase. With regard to the risk of fraud, the Project Team is of the view that the national guidance does not contain sufficient safeguards and that the right of individuals to receive a PHB should not be allowed to outweigh the duty to safeguard public money. Therefore counter fraud advice is being taken and will be built into the draft policy for consideration by the Governing Body at its next meeting.

5. Conclusion / Recommendations

Members are asked to **NOTE** the progress since 29 November 2013.

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