



Understanding the Resource Allocation System (RAS)

Developing a self-directed support approach to resource allocation for children, young people and families

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Acknowledgements

With thanks to everyone for their contributions and work on developing a sensible and simple approach to resource allocation over the past six years. Work hasn't finished and we continue to make improvements, the participation of all our members, experts from In Control and others is and will always be invaluable.

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A copy of the most recent In Control Every Child Matters (ECM) allocation questionnaire, guidance and analysis spreadsheet are downloadable from the In Control website: <http://www.in-control.org.uk/what-we-do/children-young-people/useful-resources/every-child-matters-resource-allocation-system.aspx>

Introduction

Resource allocation systems are basically a simple way of explaining to an individual what resources the funder can make available to meet identified support needs and to achieve agreed outcomes.

This document sets out to explain the In Control approach to resource allocation for children, young people and families. It has taken six years to get to where we are today and work continues to simplify the process, to minimise paperwork and bureaucracy and to ensure that we stay true to developing a process which is both transparent and participative.

Work on resource allocation began in social care and the majority of work to date has been focused on allocating social care personal budgets. However, although questions may differ and sources of funding may be different the basic model is transferable to health and education funding. Enabling families and those supporting them to plan support which fits with their individual child's support needs, learning needs and health needs means making available information about all the resources accessible and this includes the allocation of an indicative personal budget.

Work on this and all topics related to personal budgets is progressing at speed due to the commitments made in the government's green paper 'Support and Aspiration, a new approach to SEN and disabilities' (Department for Education 2011) and the draft Children and Families Bill.

This document explains what a RAS is, sets out a common and simple language and then takes the reader through the process of starting out through to generating an offer for children and young people. It is acknowledged that discussing local authority finance, spend, assessments of needs, questionnaires and spreadsheets in a simple way can be a real challenge. This document aims to demystify resource allocation and be a practical resource for colleagues responsible for taking this work and the wider work of introducing personal budgets forward.

What is a RAS?

There have been approaches to resource allocation in existence for many years; resource panels and care plans are two such approaches. In the context of this report we discuss an approach which is central to the use of personal budgets. All approaches share the same three components:

- **Budget.** The funding identified by a funding agency to support a group of children or young people who share a broad set of linked support needs.
- **Eligibility.** A clear explanation of what makes a child, young person or family eligible for funding from this budget.

- **Purpose.** A clear statement of the outcomes which this funding must support the delivery of, by meeting support needs identified through the assessment process.

Families have reported their concern and opposition to historic approaches to resource allocation for many years. They feel strongly that decisions made do not include their views, that decisions are taken 'behind closed doors' and that they do not understand how decisions have been taken. Many criticisms have been levelled at the current systems:

- assessments are being completed to justify a level of support or offer of services,
- resource panels and similar funding arrangements being inconsistent in their decisions,
- decision-making being adversely affected by how much funding is left in a budget towards the end of the financial year.

In light of this In Control has underpinned its approach to resource allocation with two simple principles:

Transparency . everyone knows what is happening, the basis for decision being made and no decisions are taken 'behind closed doors'.

Participation . all those who need to be involved, including the family, are involved and their views lead the discussion.

The resource allocation system is one part of supporting families and those working alongside them to make good plans setting out how support requirements will be met and how outcomes will be achieved. The resource allocation system generates an indicative personal budget which acts as a guide to the amount of resource a funder will make available to support the child, young person and their carers. The indicative budget is a guide and not a final figure, in the process of completing and agreeing that the plan will meet the support needs of the child it may be necessary to increase or decrease the allocation.

The following diagram shows where a RAS is completed and how the indicative budget is one part of the resources available to meet a child or young person's support needs. For a more complete explanation of the seven steps of self-directed support please reference 'Building a new relationship with children, young people and families' (In Control 2012).¹

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<http://www.in-control.org.uk/news/in-control-news/new-paper-building-a-new-relationship-with-children,-young-people-and-families.aspx>

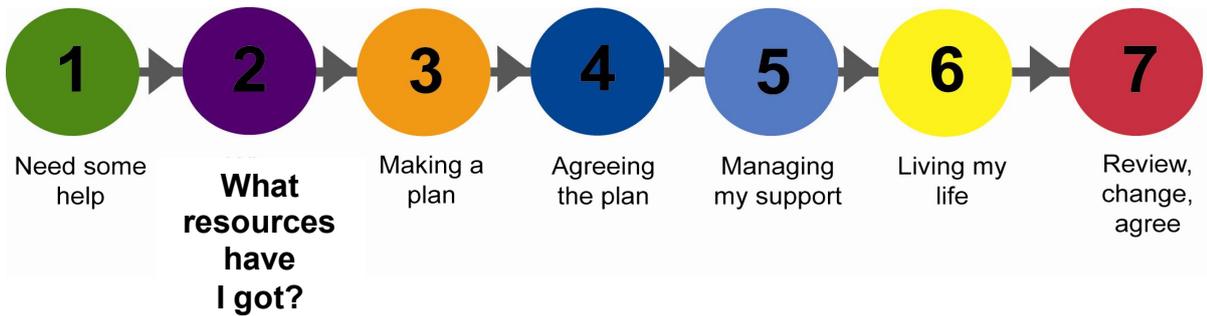


Figure 1 – Seven steps of self-directed support

The RAS generates an indicative personal budget; this is one of the resources a child and family will have available with which to plan.



Figure 2 . Real wealth

The other resources are 'real wealth' which is explained as all the resources a family may or may not bring to the planning process.

Thirdly there are all the resources available from across the whole system; mainstream and targeted services and community resources.



Figure 3 . The quadrants of personalisation

This approach also explains the reasoning behind the offer of a personal budget; looking at the quadrant graphic more closely, a personal budget is offered (in the graphic the box titled 'choice and control') when it is not possible to meet the child or young person's support needs within mainstream and targeted services by accessing local community resources without the allocation of additional and individual investment i.e. a personal budget.

A common language

Ever since the first introduction of what were then called individual budgets there has been an ever growing language around resource allocation. Not only are they no longer called 'individual budgets' but are now termed 'personal budgets' but the language has become ever more complex and open to misunderstanding and confusion. With this in mind In Control's Children's Programme is setting out a simple set of words and descriptors which we will use throughout this document and as we support an ever growing group of children's services to develop their approach.

Allocation questionnaire and allocation questions

There are a multitude of different terms already in use; self-assessment questionnaire, personal needs assessment, supported self-assessment questionnaire are just three examples. This is the set of questions completed by the

person or family along with professional support which generates an allocation of funding, an indicative budget (see below).

Using the word 'assessment' has caused confusion. In a move to clarify the resource allocation system questions we are going to call these questions 'allocation questions' or the 'allocation questionnaire'. An assessment, like the Children in Need Assessment Framework, or the core assessment used by many disabled children's services collate information and establish who, if deemed a 'child in need', is best placed to support the child, young person and family. The allocation questionnaire will be completed once it is identified that a child or young person needs additional and individual support.

Analysis spreadsheet

Previously the In Control model has been called RAS 5, this refers to the fact that it was the fifth version of an approach developed to support early work on individual budgets for adults with learning disabilities. The spreadsheet continues to provide a useful part of the approach, however calling it RAS 5 confuses people, so we are calling it the 'analysis spreadsheet'. It is the first step in beginning to develop a way of allocating indicative budgets based on the results from the allocation questionnaire exercise. It sets out the results of the exercise against the current spend and enables early decisions to be made about how much funding should be allocated to each child or young person.

Allocation table

The allocation table takes time to develop. The end result is a public document which shows families how much funding they can expect as an indicative budget following the completion of the allocation questionnaire. In most cases this will mean a table which explains how a total number of points scored by a child, young person and/or family relates to a sum of money.

Explaining the In Control approach to resource allocation

In Control's Children's Programme has been working with children's services since 2007. A key part of this work has been the development of a simple approach to resource allocation. We began this work with a good knowledge of how adult services were taking forward the allocation of indicative budgets and drew from their learning and experience to shape our approach.

A focus on outcomes

In 2007 all those supporting children and young people were aspiring to the delivery of five outcomes set out Every Child Matters:

- to stay safe
- to be healthy
- to make a positive contribution
- to enjoy and achieve
- to achieve economic well being

Children's services in Scotland are taking forward a similar outcomes focused approach using the SHANARRI outcomes as set out in 'Getting It Right For Every Child':

- Safe
- Healthy
- Active
- Nurtured
- Achieve
- Respect
- Responsibilities
- Included

Such sets of outcomes which form part of a national political initiative can, as with the Every Child Matters outcomes, become part of history. We continue to use this set of outcomes as they provide a good starting point. We actively support children's services in adopting a local set of outcomes as part of developing their own approach to resource allocation.

The allocation questionnaire

In Control used these outcomes as a basis for an allocation questionnaire. It has provided a useful basis for thinking holistically about a child, young person's and family's support needs, it moved away from the measurement of deficit and away from thinking about needs as a base for allocation e.g. personal care and decision making. In Control uses an iterative approach to the development of resource allocation systems, i.e. we consult, develop, use, learn and revise. The current version of our children's allocation questionnaire continues to be revised, however, a focus on outcomes remains as does the way we identify a level of support to supporting the child, young person and family to achieve the outcome. Here is an example:

To be safe and enjoy the company of the people I know and who support me each day			
0	7	11	15
No support	Some support	Lots of support	Exceptional support

Figure 4 . An example of one of the questions from the In Control children's allocation questionnaire

Our allocation questionnaire is a simple set of statements, originally linked to the Outcomes Framework distributed along with Every Child Matters. The five outcomes of Every Child Matters provide a good starting point for the development of an outcomes approach to resource allocation. Over time children's services are adopting locally agreed outcomes such as those in their Children & Young People's Plan or a similar set such as those in Scotland. Statements cover a wide range of outcomes and hence the support needed by the child or young person. The allocation questionnaire will be used by a wide and diverse group of children and young people; statements cover a necessarily wide array of outcomes, some of which may be appropriate to the child or young person and some of which may not. This is expected and accommodated in this approach. It is not expected that every statement is relevant to every child.

Levels of support

Each statement has an accompanying set of answers which are set out as 'levels of support'. These vary across the country from four or five levels, the example uses four. The intention is to discuss with the child and family which level best describes the amount of support for the outcome to be achieved by the child or young person.

No support	... indicates that the child or young person needs no additional support or that this statement is not appropriate for the individual child or young person.
Some support	... indicates that the child or young person needs some additional support.
Lots of support	... indicates that the child needs highly skilled support.
Exceptional support	... indicates that the child needs more than consistent, long term and highly skilled/specialist support

Figure 5 - Explaining the levels of support

Points

As is also shown in Figure 4 each level of support equates to a number of points. The total number of points from a completed form will equate to an allocation of an indicative personal budget.

The difference between the points set against one level of support and another is described as the 'weighting'. The weighting reflects the importance of the outcome i.e. to know about good and bad relationships, as opposed 'to learn new skills'. Some outcomes need more support set against them by others. The weightings within the In Control Children's allocation questionnaire have been developed over time.

Each level of support is given a points score that reflects the relative importance of that aspect of life. Once the questionnaire has been completed the individual scores are added together to provide an overall level of support score. The allocation questionnaire provides a profile of the level of additional support a child and family requires to achieve each outcome.

The analysis spreadsheet

The analysis spreadsheet brings together the points scored and the costs of current support.

It will be necessary to compile data on costs of support and service currently used by disabled children, young people, and their families as set out in each individual plan. Calculating a set of 'unit costs' that can then be used to calculate the cost of each child or young person's support package.

The first time many people will use this spreadsheet is following on from their 'desktop exercise'. The desktop exercise will produce a sample of scores from a group of children and young people along with the cost of their current support package. This data is then input into the spreadsheet. The spreadsheet is a long term tool though and can be added to as and when more allocation questionnaires are completed for more children and young people.

The data which has been input is displayed in a number of ways; there is a graph showing a profile of needs and another showing a profile of costs. The 'analysis table' (part of the spreadsheet) shows you how the scores and the costs relate.

The 'analysis table' uses a simple accountancy procedure called percentiles. Simply put it ranks scores from high to low and sets against them current costs in a scale from high to low. The analysis spreadsheet is a tool for exploring current commissioning practice; it shows clearly how current commissioning of support for a child hasn't always directly related to 'level of support need'. The graph below explains this; spend here is set against need.

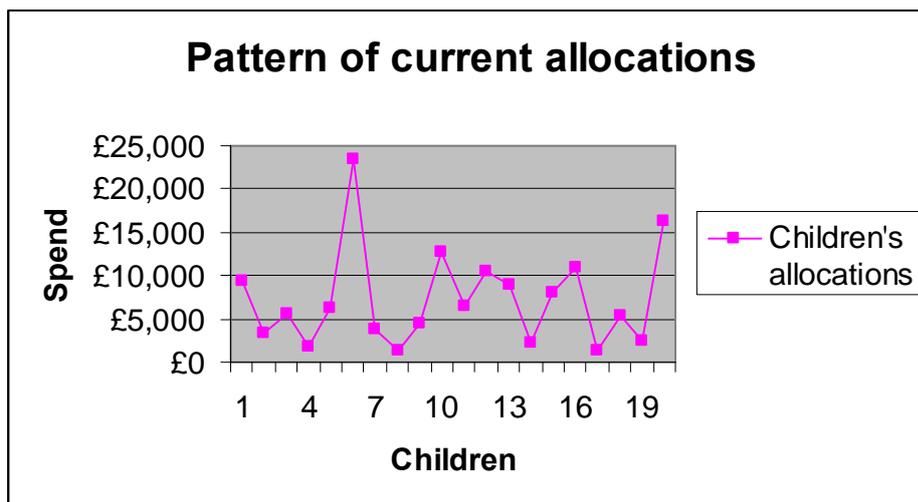


Figure 6 – Pattern of current allocations

It is clear that currently there is no clear pattern of allocation related to a child's needs; high allocations are made for children with lower levels of needs or for a number of other reasons, for example they had a package of support put in at a time of crisis and this hasn't been reviewed and/or amended now that the crisis is over and life is more stable.

The analysis table within the spreadsheet offers up a different picture by aligning levels of need represented by scores with spend i.e. the child with the highest score is set against the highest spend and so on down the table to the child with the lowest score attracting the lowest spend. This is the function of the analysis spreadsheet, to begin to build a relationship between the way that money is spent on support for individual children and young people and their level of support need. The graph below uses spend and children's needs and sets out the result of realigning need and spend as in the analysis spreadsheet.

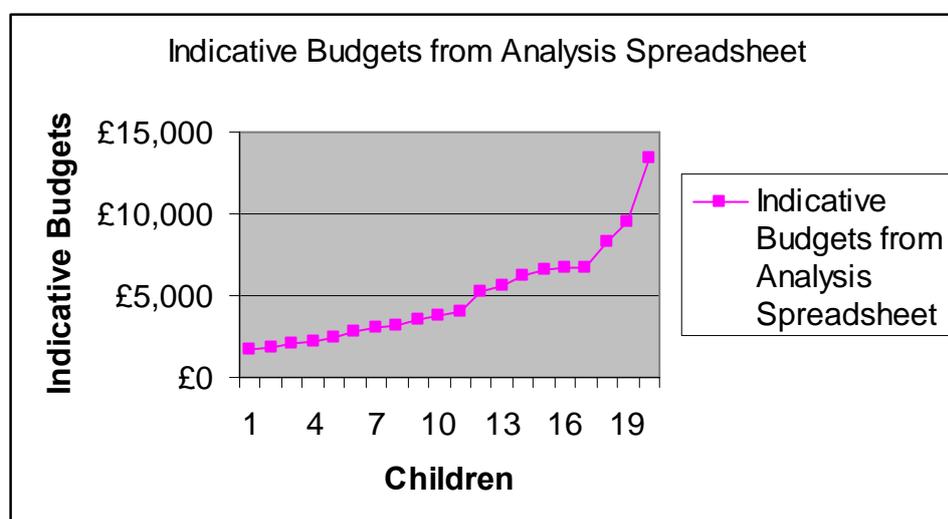


Figure 7 – Indicative budgets from analysis spreadsheet

The next step is to use these initial results based on current practice to begin to construct an allocation table, as explained in the following chapter.

In the process of compiling costs and exploring the analysis spreadsheet many children's services discover issues about practice in the past where large packages of support have been offered to children with low needs or vice-versa. This can be a really useful exercise as it highlights the need to move to a more transparent approach to the allocation of funding. It is important not to see these issues as the fault of the RAS exercise but to see them as historic problems.

The allocation table

The **allocation questionnaire** produces a point score by identifying the support a child and family need to ensure good outcomes for the child or young person. The points scored along with information about funding and current costs are put into the **analysis spreadsheet**, which provides a tool to explore and interrogate historic allocations set against the support needed by children and young people. This process of exploring leads to the production of a public document which shows how funding will be allocated in the future; the **allocation table**.

The allocation table is a public document which shows the funding a family can expect from the point score of the allocation questionnaire. The allocation table ensures that everyone; families, workers, providers and young people know what a fair offer is, within the funding available. See appendices for examples of allocation tables.

Many children's services start the introduction of personal budgets in small scale pilots; it will be a challenge to develop an accurate allocation table in these very early stages. Once children's support plans go live, where a personal budget has been used to support a child or young person and hence the personal budget has been 'agreed', a growing amount of this data will inform the development of an increasingly accurate allocation table.

Step 1: Constructing an allocation table

The analysis spreadsheet sets out the data about how much funding is being spent on children with a whole range of support needs; for example those with a low level of support and those with a higher level of support need. It will show some children with similar needs getting similar funding, and it will also show those where funding does not seem to be funded appropriately (either too high or too low). It will usually show funding rising from low to high needs inconsistently; on a graph it may look like a number of bumps or steps as opposed to a smooth curve.

Developing an allocation table which takes account of the data in the analysis spreadsheet is not as simple as transferring data. The data in the spreadsheet raises a number of questions which need to be explored before any move to publish an allocation table. Here are a number of issues to consider in constructing an allocation table:

a. Establish contingency - the analysis spreadsheet sets out the 'whole spend' across the group of children and young people. This means there is no 'contingency' available if there is a crisis or if indicative allocations offered, as evidenced in the child or young person's support plan, do not offer sufficient funding to meet the child's support needs as set out in their assessment. Using the analysis spreadsheet a contingency fund can be set aside to manage this in recognition that crisis does happen, and changes may need to be made to the amount of funding available.

Practice in children's services who are at an advanced stage in offering personal budgets would suggest between 10% and 15% is set aside. In constructing the allocation table it is necessary to protect this contingency.

b. Look for patterns in the data - some children with similar needs will show similar levels of funding. Consider whether there is a child or a group of children for which the funding is working well. Benchmark that funding offer as the funding offer for that point score and similar scores. For example, if £6000 looks a good offer for 171 points then highlight that points around 171 should be getting offers in the range of £6000.

Being sure some scores seem fair for children allows you to build a table from the lowest to highest level of needs. For example a funder who is convinced that six scores are funded correctly across the table might produce a skeleton table like this:

Name	Score	Cost
Jeannie Mckechnie	75	£450
Sean Jamison	135	£1 750
Angus Roxburgh	171	£6 000
Jimmy Murray	200	£9 500
Rory Scott	230	£14 400
Marie Wilson	245	£17 500

c. Establish an offer based upon your local market costings - families can use their individual budgets very flexibly but funders should also be clear that the needs of children can be met within the existing market. The above scores now need to be tested against the real local market.

- Calculate how many hours of support from a personal assistant, support worker from an agency, and/or overnight stays could be purchased from the above funding offers.
- How many opportunities for activities days could be provided for?
- What support plans could be expected from offering the funding above to all disabled children or young people with this level of needs?

Adjust the funding offer if required after these considerations.

d. Consider low level needs - in the past funders have provided some significant funding that has been spent on specialist services when the family could have had better outcomes connecting to mainstream, targeted or community options.

Challenge the assumption that funding should remain high where there are low level needs.

Establish a base level of points below which the offer of support will centre on a discussion about what local opportunities and activities exist which could, possibly with a small allocation of funding be used to enable the child to participate alongside their non-disabled peers.

e. Consider high level needs - children with the most complex support needs often require funding support from health, social care and education. Is the funding offer at the higher level of needs taking this into account? Is it set so that it prompts a discussion about joint funding or is one fund paying to meet all needs and therefore depleting funds for other users?

Step 2: A draft allocation table

Using the data of the analysis spreadsheet and making decisions about the challenges outlined above the next step is to build a draft allocation table. There are two ways of setting out the allocation table:

- Banding . where the table is grouped into bands of needs (see Newcastle table in [appendix 1](#)).
- A single point table . where every point has a different funding offer (see points table in [appendix 2](#)).

Whatever approach is adopted it is vital that parents and parent representatives understand and participate in the discussion which informs the drawing up of the allocation table. Following through on the two underpinning values to this approach; transparency and participation, the end result has to be presented in a simple format and easy for everyone to understand.

Each type of table produces its own challenges and advantages. The common factors in each approach will focus on setting out levels of funding offered to a score of points. Whether these scores are grouped or banded or set out individually they will rise from a low allocation of funding set against a low level of support need through to a high allocation of funding set against a high level of support need.

The amount of funding set against a level of support will reflect the original data collated in the analysis spreadsheet and the ensuing discussion set out in Step 1.

Finally consider the impact on existing users within the new table. What would be the impact of introducing these scores? Would this result in overspend or underspend beyond the contingency that has been set? Share the draft table with all stakeholders' families, finance colleagues and providers and consider comments and the ensuing discussion and where necessary amend the allocation table.

Agree and publish the allocation table - the table should be open for viewing to all stakeholders. Families should understand how it has been constructed, the contingency that has been used and any reductions or increase of the overall budget that is projected within the figures.

Making this document public follows through, as does the whole process of being transparent and participative. The RAS is an important part of giving families a chance to control the support their child or children get.

Conclusion

This document set out to explain resource allocation systems in a more accessible way than we have managed in the past. Hopefully this document will help people to start and take forward work on resource allocation. It is very easy, especially at a time of financial pressure across public services to become consumed by the allocation system. It is important to remember that a personal budget will always be only one part of the solution to meeting a child or young person's support needs and making outcomes real. A resource allocation system simply allocates an indicative budget; the real work and focus is on supporting the family to make best use of all the resources and to develop a plan which supports their child and themselves to live a safe, healthy, and happy life together.

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Appendices

Appendix 1

A condensed version of Newcastle City Council's allocation table; this is a banded system

Primary aged school children. (Key stage 1 and 2)

Assessed needs and Access Criteria	RAS Points	Indicative budget per year
<p>No Support (no specialist support required)</p> <p>Under 69 points means the child's needs are established and good outcomes can be met through universal services.</p>	0-69	n/a
<p>Small Support- Low level needs</p> <p>Between 70 and 115 points to a budget of up to £500 per year is available to support a child's involvement in activities they enjoy.</p>	70-115	£500
<p>Indicates a higher level of need within the small support band. At this score an Individual Budget may be required if universal services cannot meet the child's needs.</p>	116-130	£1,000
<p>Indicates the highest level of small support and shows usually that there is a mix of needs for support depending on the child's activities. An Individual Budget may be required if universal services cannot meet the child's needs.</p>	131-145	£1,500
<p>Some Support Moderate Support Needs</p> <p>The child has continuing support needs and will require an Individual Budget to meet assessed need if universal services.</p>	146-160	£2,800
<p>Indicates a higher level of some support. The child has continuing support needs and will require an Individual Budget need if universal services cannot meet all identified needs.</p>	161-170	£4,000
<p>Indicates the highest level of some support needs and shows that there is a mix of needs identified including some 1:1 support an Individual Budget may be required if universal services cannot meet the child's needs.</p>	171-185	£6,000
<p>Lots of Support - High Level Needs</p> <p>The child has significant one to one support needs and will require substantial funding through an Individual Budget.</p>	186-200	£8,500

Indicates a higher level of some support with some scores indicating exceptional support in some areas.	201-210	£10,000
Exceptional Support - Very Complex Needs and/or Exceptional Circumstances The child has high care needs and requires a multidisciplinary discussion about how education and health funding will work in tandem with the substantial social care Individual Budget.	211-220	£12,500
Indicates a higher level of Exceptional Support. The child has high care needs and requires a multidisciplinary discussion about how education and health funding will work in tandem with the substantial social care Individual Budget.	221-230	£14,000
Indicates the highest level of Exceptional support. The child has high care needs and requires a multidisciplinary discussion about how education and health funding will work in tandem with the substantial social care Individual Budget.	231 plus	£17,500

The above example uses bands of support but some council also use single points as their allocation table.

Appendix 2

An excerpt from Newcastle's pilot point based tables; an example of a points table.

The table below uses single points or groups of points based on the data amended from the analysis spreadsheet. The five points groups produce some smoothing of the jumps.

Points funds five point groups

179	£15,452	13,550.22
178	£15,423	
177	£13,109	
176	£11,883	
175	£11,883	
174	£11,623	11,536.34
173	£11,623	
172	£11,623	
171	£11,538	
170	£11,276	
169	£10,999	10,623.02
168	£10,999	
167	£10,767	
166	£10,314	
165	£10,037	
164	£9,448	8,342.31
163	£8,866	
162	£8,300	
161	£7,772	
160	£7,326	
159	£6,471	5,793.57
158	£6,138	
157	£5,906	
156	£5,409	
155	£5,044	

