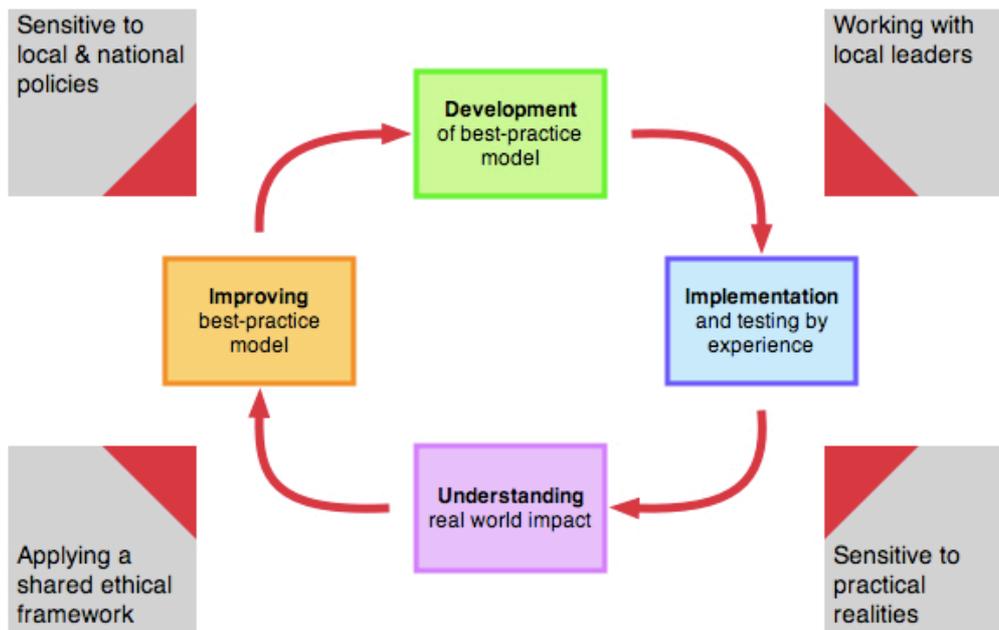


## Appendix - What is a Resource Allocation System?

in Control has been developing its approach to Resource Allocation since its foundation in 2003. During that time we have worked with local and national partners to improve our model and the latest version of our Resource Allocation System is Version 5. Almost all local authorities currently offering people Personal Budgets are using one of in Control's Resource Allocation Systems which can be downloaded, used and adapted by our members from the in Control website: [www.in-control.org.uk](http://www.in-control.org.uk)

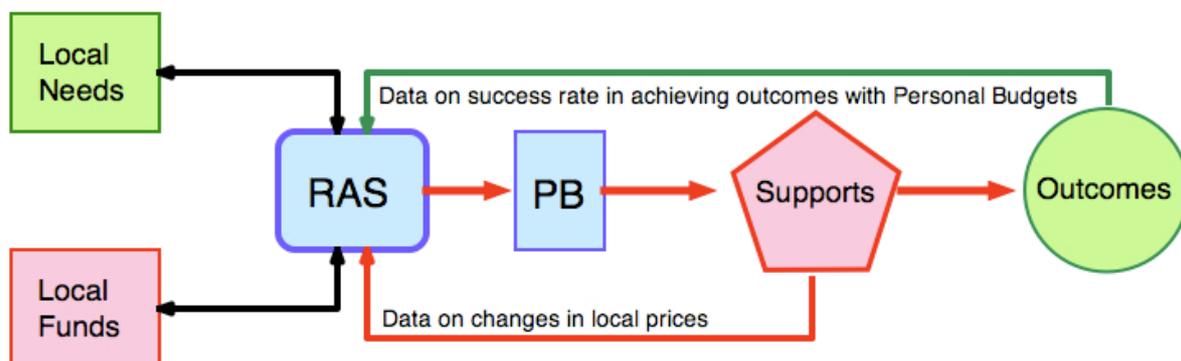
in Control's approach to innovation and development is set out in the diagram below. It has proved a very successful systemic approach - linked to in Control's role as social innovation network.



Building on earlier work in Scotland in Control began working on systems to allocate resources in 2003. Version 2 was published in 2004, Version 3 was published in 2005, Version 4 was published in 2006 and Version 5 was published in 2007. These models were developed, like all of in Control's materials as part of this process of co-production with our members.

## How RAS works

Any RAS should allocate appropriate levels of resources to individuals who require support according to their needs and circumstances. The RAS should also define the outcomes that these resources must be used to achieve. Systems can be configured locally to draw information from both the needs of the local population and local costs. The system can be calibrated so that it is tuned to local priorities and can be adjusted over time to reflect changing conditions.



## Criteria for a successful RAS

A resources can be allocated by any number of rules to any number of purposes; but in Control and its members are only interested in creating a Resource Allocation System that is ethical and effective. Together with our members we have identified 12 properties of a successful RAS. They are set out in the table below:

Criteria	In order that system...
1. Control	...gives the person needing support or those closest to them genuine control of the money allocated
2. Transparency	...makes it easy for those administering the system and those using a personal budget to make decisions
3. Efficiency	...runs smoothly, is easy to use and requires the minimum resources possible to administer
4. Innovation	...encourages people to use resources flexibly and find the best possible means of meeting their needs
5. Collaboration	...encourages those administering the system and those needing support to work together productively
6. Equity	...treats all individuals fairly, respecting relevant individual needs and circumstances.
7. Integrated	...operates as an integral part of a wider system of Self-Directed Support
8. Realism	...reflects the local economic situation, local prices and changes over time
9. Contribution	...avoids creating poverty traps and encourages people to earn, save and build social capital
10. Portability	...lets people who need support move home without undue cost, complication or uncertainty
11. Prevention	...allocates resources at the right time and minimises the risk of people coming into crisis.
12. Citizenship	...recognises and define needs in the terms of rights and entitlements.

## RAS Version 5 - 'State of the Art'

in Control's RAS Version 5 is the current state of the art in Resource Allocation Systems. It provides Personal Budgets that are very sensitive to need and yet it is practical and efficient. Its basic methodology is described below.

RAS Version 5 uses a simple scored self-assessment questionnaire (SAQ), which is then linked to a set of locally-defined funding levels, allowing people who need support and the local authority to quickly and easily determine both the amount of money any individual needing support can reasonably expect in their Personal Budget, and what outcomes their support plan must address.

The SAQ measures the impact of a person's disability on their life in a number of key areas. Each area is scored and the total is adjusted according to the amount of support reasonably available to each person from their friends and family. In this way people with similar levels of needs in similar circumstances can be allocated the same level of funding. Each level of funding is based on local intelligence about how much money has been needed for people in similar circumstances to meet their agreed outcomes. This emphasis on agreed outcomes with strong links to local costs and experiences of planning ensures the system is robust and is seen to be fair and equitable.

Needs Scores					
8	23	27	36	41	46
12	23	31	36	41	47
16	23	31	37	42	47
16	25	31	38	43	49
19	26	31	39	45	51
21	27	32	41	45	56

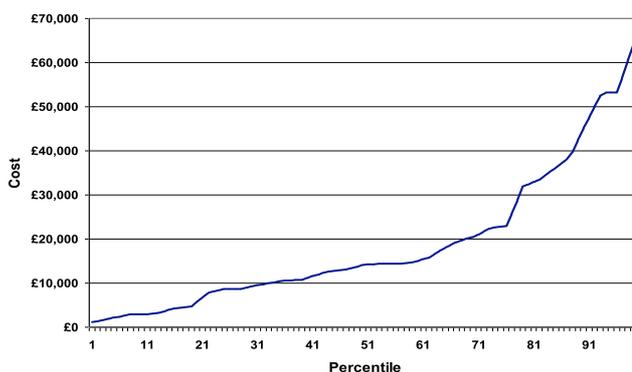
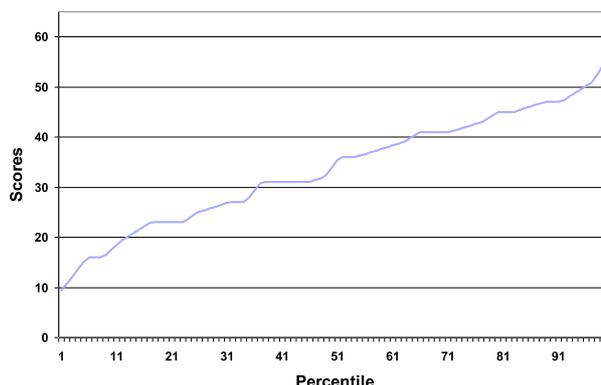
Using an assessment that provides a scored level of needs and building up local intelligence about local costs RAS Version 5 provides a dynamic framework that can allocate appropriate levels of resources attuned to changing market conditions.

RAS Version 5 analyses the needs levels of the local population of peopling needing support using the scored needs assessment, and identifies the scores of each percentile of the population. The costs of support for each individual are analysed in the same way. Initially cost information is drawn from existing care packages however once the system has been operational for some time it is possible to re-calibrate the allocation levels using information from people who have control of personal budgets. In this way some of the inequities of traditional funding can be removed.

An allocation table is then produced by connecting the scores from each percentile in the population with the costs at that percentile. In the following example a sample population of 36 people illustrates the methodology.

Analysing the above data it can be seen that 10% of the group score at most 18 points and that 10% of the group are allocated at most £2,876 so 18 points is afforded £2,876. Similarly 50% of the group score at most 34 points and that 50% of the group are allocated at least £13,710. So 34 points is afforded £13,710. Following this method the following allocation levels can be set.

This methodology provides a way of setting local funding levels that are demonstrably fair and rational. Allocations produced by the system are seen as indicative of a reasonable sum until an appropriate plan has been agreed with the local authority. Presently indications are that up to 20% of allocations are felt to need some adjustment, this adjustment ensures individuals are treated fairly and also ensures the system is dynamic and can change over time. As actual allocations and needs scores can be used to re-calibrate the system periodically.



## Allocation Table

score	£	score	£	score	£	score	£	score	£
56	£64,298	46	£35,312	36	£14,370	26	£8,629	16	£2,712
55	£60,406	45	£32,898	35	£13,710	25	£8,398	15	£1,850
54	£56,515	44	£25,682	34	£13,710	24	£8,075	14	£1,561
53	£56,515	43	£22,989	33	£13,316	23	£6,821	13	£1,272
52	£53,179	42	£22,390	32	£13,083	22	£3,593	12	£1,108
51	£53,179	41	£20,495	31	£12,598	21	£3,304	11	£1,108
50	£53,179	40	£16,601	30	£10,386	20	£2,971	10	£965
49	£52,485	39	£15,378	29	£10,200	19	£2,876		
48	£47,628	38	£14,698	28	£10,200	18	£2,876		
47	£45,093	37	£14,381	27	£10,002	17	£2,876		