

**Manchester City Council
Report for Information**

Report to: Health Scrutiny Committee – 6 November 2018

Subject: Prepaid Financial Cards - Adult social care (MLCO)

Report of: The Executive Director of Commissioning & DASS

Summary

This report provides Members of the Health Scrutiny Committee with some background information regarding Prepaid cards, an update on the Procurement process and an outline of the Implementation process of Prepaid Financial Cards within adult social care, now delivered through Manchester Local Care Organisation.

The Prepaid Cards are aimed at Citizens who use a Cash Personal Budget/Direct Payment to manage their own care and support and will enable them to have a more accessible way of managing their care and support. In addition, this approach will support officers in MCC finance to better manage the routine processes currently undertaken by a number of different sections in the Finance and Audit teams in relation to the Cash Personal budget process.

By implementing this approach, Manchester has joined the growing numbers of Local Authorities and Clinical Commissioning Groups in England who use a Prepaid card option. The next steps involve integrating the approach into existing processes and raising the awareness of staff, as well as promoting the use of cards to existing citizens who use a personal budget as well as new users of a personal budget option.

Recommendations

For Members of Health Scrutiny Committee to note the developments of service improvements in relation to Prepaid Financial Cards within the adult social care statutory processes.

Wards Affected: All

Alignment to the Our Manchester Strategy Outcomes

Manchester Strategy Outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse	The provision of Prepaid cards to adult social care eligible citizens enables people to be empowered in their care and

and distinctive economy that creates jobs and opportunities	support needs. This could also include the employment of Personal Assistants so citizens become employers and contribute to Manchester's economy and job creation
A highly skilled city: world class and home grown talent sustaining the city's economic success	Putting citizens in control of their own Personal Budgets enables them to have Choice and Control over where to spend their budget to meet their identified needs, as opposed to being a passive recipient of arranged care
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Older and disabled people who are eligible for statutory care and support will be empowered to lead their own care arrangements which will support them to reach their desired potential
A liveable and low carbon city: a destination of choice to live, visit and work	
A connected city: world class infrastructure and connectivity to drive growth	We want older and disabled people who need statutory adult social care services to play a full and active part in life in our city. By enabling them to have more Choice and Control through Prepaid cards, they can take advantage of Manchester's world class offer and play their part in driving growth around jobs and opportunities

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

See previous report to Health Scrutiny on 7 November 2017:
https://secure.manchester.gov.uk/meetings/meeting/3089/health_scrutiny_committee

1. Introduction

- 1.1 Many local authorities and Clinical Commissioning Groups have introduced prepaid cards as a mechanism to process direct payments and Personal Health Budgets without the need for a separate bank account, and to help with the financial management and audit of personal budgets. The Care Act states that prepaid cards should only be provided as an option to take a direct payment, and that if the citizen or carer prefers a direct payment into a bank account, this option must also be available. The Care Act also states that there should not be blanket restrictions on cash withdrawals which would limit choice and control, and the card should not be linked to an online marketplace which would limit the selection of providers. The Care Act recommends that local authorities develop a card system that encourages flexibility and innovation, and consults user groups on any proposed changes to the direct payment processes. (Statutory Guidance, 12.58 to 12.60).
- 1.2 In the first instance, commissioners will be working closely with Social Care Assessment Teams and the Brokerage Team to agree an approach to Citizen awareness and communication regarding Prepaid cards. As Prepaid Cards are one of a number of options a Citizen can take up when managing their Personal Budget, the implementation team will be looking at an initial voluntary/opt-in approach. This will mean we will be contacting those individual citizens who currently have a cash personal budget to provide their care and support and offer them the option of using a Prepaid card instead of the traditional bank account and cheque book approach. In addition to this, all new Citizens who decide to take a cash personal budget will be offered the option of using a Prepaid card. Accordingly, this relies on the production of suitable marketing and communication material as well as ensuring that care assessors explain the advantages and disadvantages of this option.
- 1.3 Prepaid Cards operate much in the same way as a standard debit card whereby funds are preloaded by the local authority and used by the cardholder to pay for care and support as identified in support planning. Citizens can pay in their contribution or top-up payments, and the local authority can monitor spend and clawback unspent funds if the need arises. Restrictions can be placed on what and where funds are spent on and whether cash withdrawals are allowed. As a consequence, MCC Adult Social Care and Manchester Health & Care Commissioning have taken the decision to introduce a Prepaid card option for Citizens who use a personal budget/direct payment to manage their care and support.
- 1.4 Throughout the build up to procuring a prepaid card option for Manchester Citizens, officers from Commissioning and Finance teams have built links with colleagues at Sefton MBC who have implemented a prepaid card option. This has helped Manchester better understand the issues as well as the benefits to the council and citizens. In a report to Cabinet, Sefton Borough Council identified that Prepaid Cards offered the following benefits:

1. **Low Cost of Operation** - Prepaid Cards can lower the costs associated with carrying out business processes.
2. **Better monitoring and auditing** - Prepaid Cards provide more effective monitoring of what money is being spent on as all transactions are recorded electronically and details are immediately available for analysis. This, in turn, allows for more effective and timely auditing of accounts thereby allowing for surpluses to be recovered from accounts immediately. In addition, by accessing spend on data through portals or by downloading transaction details, the time and costs associated with more traditional methods such as asking citizens to submit bank statements and complete paperwork are minimised.
3. **More effective use of staff time** - as staff are able to spend less time on paper-based administrative exercises which typically include staff requesting hard copies of information and then conducting manual checks of the information submitted. This time can then be used to obtain surplus recoveries from Direct Payment (Cash Personal Budget) accounts and to ensure that citizens are making their required financial contributions.
4. **Supports the Personalisation Agenda** - Prepaid Cards provide citizens with greater control with respect to whom and what their money is spent on. The use of cards can also assist some citizens with developing life skills, promoting independence and self-sufficiency or for those who do not have bank accounts. In addition, the Prepaid Cards can be used to check that client contributions have been made onto the card by the citizen.
5. **Assists with the identification of safeguarding issues** - via more robust and regular monitoring, issues such as the misappropriation of funding can be identified more quickly.
6. **More responsive service** - Prepaid Cards allow funds to be loaded immediately and can therefore be used to respond to emergencies (either initiated by the citizen or the LA). As soon as funds are transferred onto the Prepaid Card, they are instantly available to the citizen.
7. **Wider use** - there is scope for Prepaid Cards to be utilised for other service areas across the Council.

1.5 Benefits to the Council

1. **Low Cost of Operation** - Prepaid Cards can lower the costs associated with carrying out business processes.
2. **Improved monitoring and auditing** - Prepaid Cards provide more effective monitoring of what money is being spent on as all transactions are recorded electronically and details are immediately available for analysis. This, in turn, allows for more effective and timely auditing of accounts thereby allowing for surpluses to be recovered from accounts immediately. In addition, by accessing spend on data through portals or by downloading transaction details, the time and costs associated with more traditional methods such as asking citizens to submit bank statements and complete paperwork are minimised.
3. **More effective use of staff time** - as staff are able to spend less time on paper-based administrative exercises which typically include staff

requesting hard copies of information and then conducting manual checks of the information submitted. This time can then be used to obtain surplus recoveries from Direct Payment (Cash Personal Budget) accounts and to ensure that citizens are making their required financial contributions.

4. **Supports the Personalisation Agenda** - Prepaid Cards provide citizens with greater control with respect to whom and what their money is spent on. The user of cards can also assist some citizens with developing life skills, promoting independence and self-sufficiency or for those who do not have bank accounts. In addition, the PFC can be used to check that client contributions have been made onto the card by the citizen.
5. **Assists with the identification of safeguarding issues** - via more robust and regular monitoring, issues such as the misappropriation of funding can be identified more quickly.
6. **More responsive service** - Prepaid Cards allow funds to be loaded immediately and can therefore be used to respond to emergencies (either initiated by the citizen or the LA). As soon as funds are transferred onto the PFC, they are instantly available to the citizen.
7. **Wider use** - there is scope for Prepaid Cards to be utilised for other service areas across the Council.

1.6 **Benefits to the Citizen**

1. There is no need to open a separate bank account.
2. Payments are made straight into the account by Adult Social Care Finance.
3. There will be a debit card attached to the account which has the same appearance as other credit or debit cards.
4. Like any other current account cards, the Citizen can make transfers online or by phone and set up direct debits/standing orders.
5. The Citizen can make payments in person using Chip and PIN.
6. It is a secure and easy way to make payments for the Citizen's care and support with a range of providers.
7. The Citizen can nominate a trusted person to help run their account with them.
8. The Citizen can make cash withdrawals from an ATM as long as this has been agreed beforehand and is part of the Citizens Care Plan. However the Citizen must provide relevant receipts. There will also be a daily limit on cash withdrawals.
9. There will no longer be a need for the Citizen to send reconciliation forms to MCC Finance/Audit service.
10. The existing ways to receive a direct payment are still available to Citizens these include, opening a separate bank account or via a Supported Managed Account.

- 1.7 There will continue to be a high degree of financial control and a heavy audited process of this approach on an ongoing basis, together with restrictions on how a Prepaid Card can be used. For example, it could not be used for Alcohol,

Tobacco products or in certain outlets or online e.g. Betting Shops, online gambling sites and the National Lottery etc.

2. The Procurement Process

- 2.1 Manchester City Council has joined the Surrey County Council Framework agreement for prepaid cards; the framework agreement has been arranged in accordance with the Public Contracts Regulations 2006 - with suitably experienced, qualified, and resourced providers to provide Prepaid Accounts and Associated Services (PPA). This framework is available for use by other public contracting authorities and currently is only one of two existing frameworks in the country and is currently used by over 70 Local Authorities.
- 2.2 The Framework Agreement is designed to be open to all public Contracting Authorities (this includes Local Authorities and Clinical Commissioning Groups) and, by joining, means MCC has been able to successfully commission a provider - Prepaid Financial Services - who have a proven track record of delivering this type of service across the country. Manchester Health & Care Commissioning (MHCC) officers are still responsible for the day-to-day management of the Provider and the services they provide. Surrey County Council will, however, be monitoring the performance of the arrangements in relation to the framework agreement for the duration of the framework to ensure that requirements are being adequately met.
- 2.3 During the Procurement process, there was a significant delay due to the introduction of the new GDPR requirements introduced in May 2018. Officers worked closely with MCC ICT service, Information Governance and Legal Services to gain additional reassurance from the bidding providers regarding the ongoing use of the cards in relation to data protection and associated responsibility. These issues were fully resolved, however, this had a significant impact on the original timescale, and meant full implementation was held up for a number of months.

3. The Implementation Process

- 3.1 As this is a complex piece of commissioning, commissioning officers are working closely with a number of different council services, such as ASC Brokerage Team, ASC Finance and ASC Assessment in MLCO. Commissioners have established a working group, with representatives from all the above areas, as well as a number of other key areas which include - MCC ICT, Adult Social Care Performance, MCC Legal Services, MCC Procurement Team the new Manchester Local Care Organisation and the Liquid Logic implementation team. This is to ensure all areas that could be affected by implementation of prepaid cards have been involved and round the table from the earliest opportunity.
- 3.2 Commissioning Officers have taken a Project Management approach to implementation which intertwines with the provider's contractual responsibility in relation to the implementation of the card function, as well as support with marketing and training. By working in partnership like this with the new provider

officers will be able to ensure all areas are considered and addressed through the implementation period.

- 3.3 To ensure continued oversight and governance officers have developed a Project Initiation Document (PID) in partnership with the new provider, this will ensure there is a structured project approach to all related activity. This will also ensure each service area is clear about its responsibility regarding implementation in its own sector. In addition to the PID officers have developed a Risk Register, again this highlights any associated risk around implementation as well as establishing mitigation.
- 3.4 Brief timeline - the following table highlights the current project timeline for implementation. It should be noted that there is already significant organisational change taking place at present with the new MLCO taking shape and recruitment processes underway for the new Integrated Neighbourhood Teams; accordingly, it is necessary to not rush the process of implementation and ensure that the correct staff are involved and participating in the new process.

Activity	Duration
Procurement of Prepaid Financial Cards and appointing the new provider - Prepaid Financial Card Services	June - September 2018
Planning and Preparations work with new provider through a Task and Finish Group (key departments represented including Cash Budget Audit team, finance, adult social care, brokers, ICT etc)	September - October 2018
Preparations for staff briefings and development of new procedural/training manuals	November to December 2018
Launch the system and commence Finance staff operating training sessions	1st January 2019
Query Hotline and Site visits with support from the MiCare Team	Ongoing throughout 2019

4. Citizen Engagement and Communication

- 4.1 Commissioners are currently working with the procured card provider to develop accessible information which provides detail on how a card can be used, the benefits of using a prepaid card to the Citizen and the responsibility of use of a card from the Citizen perspective. The implementation group will ensure that information will be available in all suitable formats as per the requirements outlined in the NHS Accessible Information Standard (e.g. meeting people's preferred communication methods such as large print options, Braille, Easy Read or Audio).

This information will enable individual Citizens, their families, Carers and supporters to gain a clear understanding of the benefits of using a Prepaid card. In addition, the implementation group are also exploring using face to face sessions with groups of interested Citizens; this will be aimed at existing cash budget holders and, in particular, Citizens with a Learning Disability, their families, Carers and supporters. The following timeline provides an indicative overview of the approach:

Citizen Information Awareness Timeline	
Activity	Dates
Contact with Corporate Communication Team to discuss/agree timeline for completion/publication of Citizen Prepaid Card Information.	Completed by 16th Nov 2018
Design/agree format of the following - Introduction letter (all communication to the Citizen will be based on their requested format/language requirement)	Completed by 26th Nov 2018
Design/Agree format for easy read version of all documentation relating to all Prepaid card information literature.	Completed by 3rd Dec 2018
Agree with Corporate Communication Team the format of electronic information which will be placed on the MCC website - explore the potential of having links to the Prepaid cards information on the MCC website from partner organisations websites	Completed by 7th Dec 2018
Begin Prepaid Card mailshot to Citizens with an Individual Cash Budget.	Completed by 14th Dec 2018
Plan face to face information session based on interest.	Begin 4th Jan 2018
Begin evaluation of the approach in terms of response to the mailshot and interest in using a Prepaid card.	By 7th Jan 2018
Evaluate the number of Citizens who are new to a cash Individual Budget take up of a Prepaid Card	To be monitored on a monthly basis - ongoing

- 4.2 Building on the current integration agenda, commissioners are also exploring the potential to develop links with the CCG around the use of Prepaid Cards; currently Citizens who use a Personal Health Budget (PHB) can access a prepaid card to use to manage their PHB via an arrangement the CCG have established. This could contribute to the ongoing aim to develop a joint Personalisation approach across health and social care in the city, as well as opening the door to wider

integration at a Greater Manchester level as prepaid cards are widely used across health and social care by organisations across Greater Manchester.

- 4.3 An ongoing benefit of the introduction of a prepaid card option is the ability for it to be used in a wide variety of other areas. To support this, commissioners are currently exploring with colleagues the cards further use in areas such as Carer's personal budgets, for both Adults and Parent/Carer recipients. This would again make the management of a personal budget for a carer more simplistic and potentially lessen the demands on an individual's valuable time in terms of the audit process in particular.

5. **Changes to Adult Social Care Assessment Practice - Strength-Based Model of Social Care**

- 5.1 The introduction of pre-paid financial cards are important enablers for moving to a broader strength-based model of social care. Embedding the Our Manchester approach within adults social care will promote self-care and independence, reduce dependence on statutory and commissioned service and connecting people to the assets in their local neighbourhood.

- 5.2 To move to a strength-based model, there are four interconnected priorities that will be progressed:

- Enable people who carry out social care assessments currently to have new and **different conversations** with residents that focus on what's strong, not what's wrong. That we support people to support themselves, step in to support where they cannot and stimulate communities to support each other.
- Ensure that we are able to connect local people into networks and assets that already exist in neighbourhoods as well as empowering local people to develop their own solutions through a **community development** approach.
- Develop a new **relationship between commissioners and practitioners and providers** that enables a two-way flow of information and intelligence with deeper joint working.
- **Empower staff** to lead the changes, to change and remove things that get in the way of working in a strengths based way and to co-design new ways of working supported by the right infrastructure - systems, processes, forms, decision making.

- 5.3 Activity is currently being progressed to scope the activity required to move to strength-based model and align timescales to the prepaid card launch and implementation. This will enable care assessors to have a new assessment approach and a new offer for citizens to encourage more take-up of Personal Budgets. Currently, Manchester is a poor performer of Cash Personal Budgets which is a national performance indicator on how well adult social care authorities are performing in respect of the Personalisation of Care and Support Services. It is

considered that having a modern, technological solution to offer citizens a new Direct Payment will improve our national performance rankings, and, more importantly, improve outcomes for citizens.

6. Conclusion

- 6.1 The procurement of a prepaid card service is a significant step forward for Manchester City Council and Adult Social Care to support our ongoing journey of reform and innovation together with integration. The Personalisation of Adult Social Care Services is vital to ensure that Manchester citizens can exercise choice and control over how their care and support needs can be met.