Peoplehub's response to the Personal Health Budget targets in the 10 Year Health Plan for England

Executive Summary

This response examines the Government's proposed expansion of personal health budgets, as outlined in the 10 Year Plan for Health. We explore the contrast between policy intent, the experiences and evidence from the 2012 personal health budget pilot evaluation, and people's current experiences of personal health budgets. We outline our concern that the Government's proposed expansion of personal health budget numbers will further dilute the quality, and therefore success, of personal health budgets.

The Government intends that the expansion of personal health budget numbers will deliver a shift of power and control closer to people, on a vast scale. Without due oversight and a careful focus on quality, the proposed expansion risks turning that intended shift of power and control into a token offer that will deliver no real benefit to people. This will not only mean that the Government will fail to deliver on their intended impact, but that true choice and control will be further eroded from the lives of people with the most complex health and care needs.

We outline the essential steps that must be taken, including that the Government must evaluate the quality of personal health budgets, and work to improve the experiences of budget holders. This is the only way to ensure that personal health budgets remain a meaningful tool to improve people's health outcomes and quality of life, and a sincere means of supporting more people to become active partners in their care.

Context

In July 2025, the Government published the 10 Year Health Plan for England. Peoplehub welcomes the strategic aim of empowering patients – "*This is a Plan to put power in patients' hands*" - and of putting *"patient choice, voice and feedback at the heart of how we define and measure quality."*

In the Plan, the Government sets out the ambition to *"at least double the number of people offered a Personal Health Budget by 2028 to 2029, offer 1 million people a Personal Health Budget by 2030, and ensure it is a universal offer for all who would benefit by 2035."*

Personal Health Budgets were first piloted by the Department of Health in 2009, after the publication of the 2008 Next Stage Review. Following the publication of a 3 year independent evaluation, the legal "right to have" a personal health budget was created in October 2014, for adults and children in receipt of NHS Continuing Healthcare and NHS Continuing Care.

A further expansion of the legal "right to have" was rolled out in December 2019, for people eligible for after care services under section 117 of the Mental Health Act, and for people in receipt of NHS wheelchairs. Additionally, in 2019, personal health budgets became the "default operating model" for home care packages funded by NHS Continuing Healthcare and Continuing Care.

It is good to see the recognition of the positive impact that personal health budgets can have in people's lives mentioned in the 10 Year Plan for Health – "*Evidence shows that this approach not only improves patient experience and quality of life, but helps patients become active partners in their care*."

Peoplehub wholeheartedly agrees that personal health budgets can have transformational impact in people's lives, **when they are done well**. There are a number of factors that are pivotal to the success of personal health budgets in achieving this positive impact. The most crucial of these is the defining, measuring and maintaining of quality in personal health budgets.

Defining quality

The Guidance on the legal rights to have personal health budgets and personal wheelchair budgets states that: "*The use of personal health budgets is one way of providing more personalised care and means tailoring services and support for people to enable them to have choice, control and flexibility over their care*".

When personal health budgets were first being developed, policy makers and people with lived experience were keen to find a way to ensure that the learning from personal budgets and direct payments in social care - both positive and negative - was used to inform how personal health budgets were created and implemented.

Working closely with the Department of Health, and later NHS England, a broad group of people with lived experience co-produced a set of Key Features of Personal Health Budgets. These key features were created to support both people with lived experience, and staff, to be able to identify and understand what good looks like in the delivery of personal health budgets. The key features still stand today, and are listed on NHS England's website as:

"What the person with a personal health budget can expect

The person with a personal health budget (or their representative) should:

1. *Be central in developing their personalised care and support plan and agree who is involved*
2. *Be able to agree the health and wellbeing outcomes* they want to achieve, together with relevant health, education and social care professionals*
3. *Get an upfront indication of how much money they have available for healthcare and support***
4. *Have enough money in the budget to meet the health and wellbeing needs and outcomes* agreed in the personalised care and support plan*
5. *Have the option to manage the money as a direct payment, a notional budget, a third party budget or a mix of these approaches*
6. *Be able to use the money to meet their outcomes in ways and at times that make sense to them, as agreed in their personalised care and support plan.*

**And learning outcomes for children and young people with education, health and care plans.*
***There may be flexibility when an indicative budget is discussed as part of a one-off budget."*

NHS England's Personal Health Budget Mandatory Data Collection Guidance also documents the key features and states: ***"To be able to count as an ongoing personal health budget the six key features… above need to be in place."***

These key features remain the fundamental determinants of the quality of a personal health budget. It is these key features that ensure that people are offered a **genuine** experience of having meaningful choice and control over their own health and care.

Evaluation of quality

The personal health budget pilot programme was evaluated in 2012. That evaluation showed that "*use of personal health budgets was associated with a significant improvement in the care-related quality of life and psychological well-being of patients*."

Importantly, the evaluation found that "*a more positive effect on outcome indicators was seen where sites: choose to be explicit in informing the patients about the budget amount; provided a degree of flexibility as to what services could be purchased; and provided greater choice as to how the budget could be managed. Some negative impacts were found for sites using configurations with less flexibility and choice than other sites."*

Since then, NHS England has commissioned two independent surveys of the experiences of personal health budget holders, in 2018 (390 respondents) and 2019 (419 respondents). Key themes identified for improvement in the 2019 survey included: restricted choice over preferred budget options, unreasonable restrictions on budget spend, difficulty finding information about personal health budgets, insufficient money, and recruitment of personal assistants.

In 2023, NHS England published the Personal Health Budget Quality Framework. The Quality Framework was co-produced with personal health budget holders, and was designed to support *"integrated care boards to create the conditions to meet PHB performance expectations, with a focus on improving operational delivery…"*

However, there appears to be no monitoring of how integrated care boards are implementing the Quality Framework. There has been no further national evaluation of personal health budget holders' experiences beyond the 2012 pilot evaluation, and the 2018/2019 surveys.

Data collection

At a national level, the only data that is routinely captured is the number and type of personal health budgets that each integrated care board has delivered every quarter, which is published by NHS England. NHS England's data suggests that, so far this year, 108,000 people had received a personal health budget in England by the end of June. Of those, 17% were delivered as direct payments, 3% as third party budgets and 80% as notional budgets.

It is helpful to gather data about numbers and types of personal health budgets. However, there are limits to the amount of useful information that these numbers can provide. Data on experiences and impact is missing. This data would provide much richer information about quality and effectiveness; and crucially would provide a feedback tool to keep personal health budgets working well.

Personal health budgets now – best practice versus current practice

We are aware that in many instances, the current personal health budget offer has become distorted from the original intent and quality.

Knowledge

Every person who holds any form of personal health budget should have a personalised care and support plan, which they have been supported to develop, and which details (amongst other things):

- the agreed eligible health and wellbeing outcomes that their personal health budget will be used to meet
- the amount of money that is available for them to use, and
- the agreed ways that the money can, or will be used to meet their needs and outcomes.

Every personal health budget holder should hold, or have access to, this personalised health and care plan. Yet we know that there are people who are told they have a "notional personal health budget", who do not know the amount of money available for them to use, or who have not been involved in identifying the outcomes that their personal health budget will be used to meet, or who do not have access to their plan.

6 years ago, in the 2019 survey:

- Only 64% of respondents said that they received good support to develop their personalised care and support plan
- Only 59% of respondents said that they understood how much money would be available in their personal health budget

Choice and flexibility

Everyone who holds, or is offered a personal health budget, should be given the option of having that budget as a notional budget, a third-party budget, or a direct payment (in line with guidance). The person should be offered sufficient support to make an informed choice about which of those options is best for them. We know that this choice and support is not always offered.

Furthermore, the personal health budget pilot evaluation showed that flexibility in the use of a personal health budget correlated with greater success in meeting people's health and wellbeing needs. Despite this, the flexibility in how people can spend their personal health budgets has been increasingly limited, and we know from our contact with personal health budget holders that many people have little option or choice in the ways that they can use their budgets to meet their needs and outcomes.

6 years ago, in the 2019 survey:

- Only 24% of respondents were informed about third party budget options and 19% about notional budget options
- 27% of respondents said there were unreasonable restrictions on how they were allowed to spend their budget.

Sufficient money

A personal health budget should offer sufficient money to meet a person's agreed health and wellbeing needs and outcomes. As with most public funding, personal health budgets continue to be subject to spending restrictions and funding reductions. We know of instances where funding for required respite, hours, support and even some health and well-being outcomes, have been removed from personal health budgets.

Under-funding the support for people with complex health needs is counterproductive, since it can lead to health crises and emergency hospital admissions. The 2012 evaluation showed a reduction in the use of hospital care by the personal health budget groups compared to the control group, a gain now put at risk through under-funding.

Another instance of how under-funding can impact directly on the success of a personal health budget is the issue of pay rates for Personal Assistants. The amount that a direct payment personal health budget holder can pay a Personal Assistant is set by their local Integrated Care Board. We know of too many areas providing low, and even national minimum wage rates, to personal health budget holders for employing Personal Assistants.

Personal Assistants employed through a personal health budget are often providing extensive support and care for people with significant and complex healthcare needs, which they are trained to provide. It is not possible to recruit and retain Personal Assistants to carry that level of responsibility for minimum wage. Yet the NHS will often pay a commissioned provider **twice** the hourly amount that they are prepared to offer to a personal health budget holder. This discrepancy is inefficient, and at complete odds with the intended shift in power and control towards people.

6 years ago, in the 2019 personal health budget survey:

- Only 37% answered "yes, absolutely" when asked if there was sufficient money for their identified needs
- 49% of respondents said it was very or quite hard to recruit their own Personal Assistants.

The risks and effects of numbers and targets

When further expansion of the legal "right to have" was rolled out in 2019, and personal health budgets became the default operating model for continuing healthcare and continuing care packages, the number of personal health budgets grew substantially.

Erosion of choice

Universal Personalised Care was published in 2019, and set the expectation that 40% of personal health budgets in a local area would be managed as a direct payment or third-party budget. NHS England's data suggests that that figure is currently at 20%.

Of the 108,000 total personal health budgets delivered so far this year, how many people were enabled to make an informed choice about which type of budget would best suit them?

How many of the 86,000 notional budget holders knew how much money was being spent on their health needs, or had a choice in how that money was spent on their behalf?

How many direct payment budget holders have been forced to return to using NHS commissioned providers through a notional budget, because they were unable to recruit personal assistants due to low payment rates?

Quality unknown – and at risk

There has been no evaluation of personal health budget holders' experiences beyond the 2012 pilot evaluation, and the 2018/2019 surveys. The 2019 survey highlighted key statistics and areas for improvement. The Quality Framework was published in 2023 to support integrated care boards to improve operational delivery in order to meet personal health budget performance expectations. However, there appears to be no oversight of how integrated care boards are implementing the Quality Framework, and nothing to enforce its application.

In practice, current personal health budget holders, many of whom are people with complex health needs, are already seeing the purpose and use of their budgets being eroded and restricted, as numbers increase.

Experiences of personal health budget holders would suggest that as the numbers of personal health budgets have increased, the quality of personal health budgets offered has decreased, and is now markedly different from the experiences evaluated in the 2012 pilot programme.

The evidence that the Government cites in the 10 Year Plan, that "*personal health budgets both improve outcomes and deliver value*" originated from the 2012 evaluation. The recognition of the positive impact of personal health budgets has been translated, some 13 years later, into an ambition to significantly increase the number of personal health budgets. The Government plan to offer them to one million people by 2030, yet there is no process in place to monitor quality.

Increasing the numbers of personal health budgets like this, risks turning personal health budgets into little more than an imitation of choice and control, and a pretence of putting power in patients' hands.

Where do we go from here?

Every personal health budget should meet the 6 key features in order to qualify and be counted as a true and valid personal health budget. Without some way of ascertaining the validity, there is no way to know if the personal health budget delivery numbers published by NHS England are **genuine** personal health budgets.

Furthermore, without some way of measuring and monitoring the quality of personal health budgets, there is no way to know whether they are continuing to deliver their intended purpose: - to improve health outcomes and provide choice and control for people with complex health needs.

We know that, because of the power imbalance between service providers and people reliant on services, evaluation must be done independently. This is so that people feel confident and safe to honestly express their experiences without fear of repercussions.

It will therefore be imperative to commission national independent evaluation to:

- Ascertain the validity of each personal health budget, measured against the six key features - as experienced by the person named in the budget;
- Co-produce measures of quality and impact, such as:
    - How supported and empowered budget holders feel
    - How much choice and flexibility budget holders are offered

- Whether the personal health budget has enabled a positive impact in the budget holder's quality of life
- Whether a budget holder would recommend having a personal health budget to someone else
- Whether the benefit of positive impacts outweighs the increased responsibilities (for direct payment, and third-party budget holders).

It will be vital to act on the results from evaluation, to retain the positive aspects and address the negative aspects. The Government must do this to ensure that personal health budgets remain a meaningful tool to improve people's health outcomes and quality of life, and a sincere means of supporting more people to become active partners in their care.

Given that current personal health budget holders are already seeing the purpose and use of their budgets being eroded and restricted, quality must be ensured before numbers are increased. The danger of increasing numbers without quality control risks undermining the intentions laid out in the 10 Year Plan for Health.

Conclusion

When personal health budgets were first created, they achieved real transformational impact in people's lives because they were done **well**, and because they delivered improved quality of life, and true choice and control to people with complex health needs.

The Government's Plan proposes to "*offer 1 million people a Personal Health Budget by 2030, and ensure it is a universal offer for all who would benefit by 2035."*

The current 108,000 personal health budget holders, the people with the most complex health and care needs living at home, in the community, are already experiencing less choice and control, with poorer health outcomes than they should be. Lessons from social care are being forgotten, and personal health budget policy and practice has become distorted as numbers have grown. The Government's Plan to increase the number of personal health budgets risks further erosion of health outcomes for these people.

The Government promises "*to put power in patients' hands*" and put *"patient choice, voice and feedback at the heart of how we define and measure quality."*

Without appropriate oversight and monitoring of validity and quality of personal health budgets, increasing the number of personal health budgets means they will become merely a pretence of a shift in power to patients.

The only way to ensure successful delivery of the Government's personal health budget targets is through evaluation, measuring of quality, and staying true to the key features and purpose of personal health budgets.

Our deep concern is that these essential elements will not happen, and the real, long-term gains of people with the most complex health needs will be lost.

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