

With rising demand for adult social care services, at a time of declining resources, identifying and disseminating best practice has never been more important

Given the rising demand and declining resources which face adult social care, it is more necessary than ever to identify and disseminate good practice. However in spite of increasing agreement on core aims, there is little consensus on what these entail substantively. [Lauren Lucas](#) reports on research conducted by the Local Government Information Unit which sought to address this issue.



There are some words, which have become almost totemic in recent debates around council provision of social care. Services should be 'personalised', we should invest in 'prevention' and that we should provide 'choice' for service users. But consensus about what these terms constitute in practice is harder to reach. Outcome-based commissioning is another such term.

In a recent LGiU survey, nine out of ten local government respondents said they regard outcome-based commissioning as 'important' or 'very important' to the future of adult social care. But what do we actually mean by outcome-based commissioning, and to what extent does the theory reflect the practice?

To investigate, the LGiU, supported by social care provider Mears, undertook a programme of research focusing on the challenges, opportunities and examples of innovative practice that shape council commissioning of domiciliary care.

Context

With rising demand for adult social care services, at a time of declining resources, the goal of promoting independent living and high quality outcomes for the individual has never been more important.

The Office for National Statistics states that the population aged 65 and over will account for 23 per cent of the total population in 2035, while the proportion of the population aged between 16 and 64 is due to fall from 65 per cent to 59 per cent. However we resolve the short-term challenges to social care budgets, if we are to respond to the huge increase in demand for services, there will need to be a longer-term shift in provision, which may have some of the following features:

- greater investment in preventative support;
- more support for people to live independently at home for longer, and commissioning processes that support this;
- breaking down barriers to and supporting informal care;
- better support, information and advice to ensure that people make good decisions about their care arrangements.

Outcome-based commissioning is widely regarded as part of this shift. We undertook a survey of local authorities to find out more about their current position and future challenges.

Findings

Our survey received 210 responses from 113 councils, of which roughly half were officers and half councillors. The results showed a fairly contradictory picture:

- while most respondents reported the regular use of outcome-based commissioning, more than a third said that it was only used 'to a limited degree' in their authority. Over 90 per cent saw

commissioning for outcomes as an 'important' or 'very important' priority for social care in future;

- Three quarters of respondents disagreed with the statement 'our current systems and processes will be sufficient to manage our adult social care provision in future', reflecting the present resourcing challenge facing social care;
- Three quarters of respondents regarded 'a culture of running services on a time-task basis' as an important barrier to outcome-based commissioning in future. However, over 90 per cent still pay providers according to the time they spend with a service user, rather than outcomes;

These results show that while outcomes are valued by commissioners, outcome-based commissioning in its strictest sense, is by no means universal. The vast majority of councils still pay their providers on the basis of the time they spend with a service user (an output), rather than the outcomes they deliver for the individual.

This is a real concern for outcome-based commissioning. In an increasingly unstable market, with providers competing against one another on framework contracts, paying providers for the time they spend with a service user puts pressure on the hourly rate, potentially affecting care quality. It also gives unscrupulous providers an active incentive to increase their clients' dependency on services.

Further research highlighted a range of illuminating case studies from councils tackling this issue, which can be found in the full report. From these examples we have developed a five-point checklist for commissioners.

- 1) *Are you contracting for outcomes?* Explicitly linking the payment of providers to the outcomes, rather than the outputs that they deliver, is a powerful tool. When providers are paid on an hourly rate, they are offered no incentive to reduce dependency on services or respond flexibly to individual changes in circumstance. Giving them the right target will help to improve the efficiency of the service and result in better outcomes for the individual.
- 2) *Have you considered the local drivers for need?* Service user need can be manufactured by badly designed services. If we are to deal with the current pressures on adult social care, and continue to meet the needs of our communities, domiciliary care services should be based on the premise of reducing or stabilising dependence on service provision wherever possible, in line with service users' own expressed preferences. This will not be possible in all cases of course, but it is worth stating as a principle of commissioning.
- 3) *How well aligned is your commissioning for housing, health and social care?* Housing, health and social care are the three pillars of independent living. Identifying shared outcomes between these three areas and commissioning together will offer more efficient and integrated services.
- 4) *Do you empower providers?* The focus on a time-task method of commissioning, along with tight budgetary constraints and several high profile safeguarding scandals, have shifted the council's role into one of invigilator, often leading to a command and control approach to dealing with providers. Commissioning for outcomes involves putting the onus on the provider to solve the problem, alongside the service user. Market management should be about increasing the range of care products available, rather than simply increasing the volume of providers in the market.
- 5) *How engaged are elected members?* Councillors have a crucial role to play in connecting council processes to the outcomes they see through their case-work in the community. At present many people in receipt of care, and older people in particular, find it difficult to make their voice heard. Elected members can act as important advocates for people in the care system, while also holding influence over the internal processes for commissioning.

Responses to this set of challenges will necessarily depend on local circumstance: there is no one-size-fits-all model of service delivery that will provide the answers. But by sharing practice we can move towards a better understanding of how outcome-based commissioning can help to deliver high-quality, cost-effective, personalised services for the individual in times of great financial pressure

For more details on the report, please contact Lauren Lucas at lauren.lucas@lgiu.org.uk or follow [this link](#).

Note: This article gives the views of the author, and not the position of the British Politics and Policy blog, nor of the London School of Economics. Please read our [comments policy](#) before posting.

About the author

Lauren Lucas joined the LGiU as a policy manager in May 2011 after five years in local government. She previously worked for the London Borough of Havering and was part of the National Graduate Development Programme between 2006 and 2008. She has a Masters in Cultural Policy and Management from Warwick University and a postgraduate diploma in Local Government Management from Warwick Business School. At the LGiU, she focuses on care and support, housing, commissioning and community involvement in service delivery. Her recent reports include [Risk and Reward: local government and risk in the new public realm](#), [Promoting Independence: the future of housing related support](#) and [Future Service Partnerships](#).

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