Briefing Paper 30

The personalisation agenda: implications for the third sector

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Introduction

'One thing that has emerged strongly from our research is that many third sector organisations are still not fully aware of the implications of this reform and how they should react to it' (Bartlett & Leadbeater, 2008: p. 32).

Personalisation has received much attention of late, but there is a high degree of confusion over this concept. Some of the mechanisms that have been introduced to facilitate personalisation (e.g. direct payments, individual budgets, personal budgets) have provoked controversy as these ultimately represent a different way of delivering welfare services, which can be perceived as threatening to some individuals, organisations and value bases.

As the quote from Bartlett and Leadbeater set out above suggests, the concept of personalisation is not always well understood and many third sector organisations are unsure of how they should react in terms of this changing agenda. This paper sets out the major features of the personalisation agenda and, drawing on existing evidence, sets out the key implications of this for the third sector and for future research.

Overview

Personalisation has a considerable history not only in health and social care, but also beyond into other service delivery areas. Personalisation has the potential to offer very different services to those that have been delivered in the past. Moreover, the underpinning philosophy of personalisation is aligned with the types of values which a number of third sector organisations have been advocating for some time now.

The first section of the paper sets out an overview of personalisation, drawing attention to the significant history of this agenda particularly in terms of the independent living movement. Further, this account also defines the key terminologies that are employed in discussions in this field. This section draws attention to the fact that personalisation is not a coherent model but might be interpreted across a spectrum. One end of this spectrum is not qualitatively different from the types of services that tend to be delivered under the present system. However,

the other extreme of this spectrum offers the potential for very different services, whereby the state empowers citizens to shape their own lives and the services they receive.

The paper then moves on to consider the existing evidence base - which suggests that direct payments can lead to greater satisfaction, greater continuity of care, fewer unmet needs and more effective use of scarce pubic resources. Although this evidence has been contested by some, similar successes have also been reported in relation to personal budgets which are now being rolled out rapidly in adult social care, and are being piloted in health care and in children's services. These have the support of all three main political parties, and broader debates are starting to take place as to whether personalisation could become a more general organising principle for other areas of the welfare state.

After making a brief note about the nature of the third sector and the range of roles that third sector organisations might hold in relation to personalisation, the paper moves on to set out the key implications of this agenda. These implications are set out according to a series of themes, including:

- Demand
- Finance
- Administration
- Workforce
- Marketing
- Relationships with partners.

One point that emerges strongly is a concern that the third sector is not yet 'ready' for the personalisation agenda. There is some concern that some areas of the third sector do not sufficiently understand personalisation. A lack of understanding of the key debates around the notion of personalisation might mean that third sector organisations are unable to support service users and their carers. This might ultimately mean that the form of personalisation enacted is closer to the type of services that currently exist and the potential for change may not be realised.

Finally, the paper sets out the implications in terms of practice, policy and the future research agenda.

Implications for practice

Although not exhaustive it would appear that the main practice implications that are highlighted by this paper are:

- Providers need to 'truly personalise' services to appeal to micro-commissioners. This could have a series of implications in terms of where and when services are delivered;
- providers need to have a good understanding of the groups they are aiming to deliver services for, and their associated wants and needs;
- providers need to have a good understanding of the costs of their individual services;
- new opportunities for business, or expansion into new service areas, may become available for providers;
- a larger role may develop for managing budgets on behalf of

individuals, or in terms of brokerage or advocacy;

- providers need to understand the mechanisms to bring about personalisation and their potential impact on the financing of public services;
- reduction in block contracting will mean third sector providers will need to market their services in a different way and to a different audience;
- Potential for increased 'back office' costs to contract with and chase funds from micro-commissioners. Smaller providers may wish to consider mergers or consolidation of these types of functions;
- providers may lose staff who take up roles as personal assistants directly employed by individuals with direct payments;
- providers need to think carefully about how they might effectively ensure the 'user voice' is heard within their organisations;
- Providers will need to forge close relationships with a range of public and third sector partners.

Implications for policy

The policy implications which emerge from the discussions set out in this paper include:

- changes in levels and types of demand placed on third sector providers will need reviewing as a part of market management so that we can understand what individuals want and need in terms of services and support;

- if there is an increased role for third sector organisations in terms of advocacy or brokerage then it is important that this role is appropriately funded and supported;
- the impact of local RAS levels on the ability to deliver personalised services will need to be monitored;
- How can the 'irregular' usage of services be co-ordinated in a multi-provider system?
- How can third sector providers be best supported to deal with the increased administrative costs that may come with personalisation?
- third sector providers will need support in recruiting and retaining high quality staff and there may be a local role in overseeing the local labour market in conjunction with a variety of partners;
- How might third sector organisations be encouraged to share innovation and best practice across the sector?

An agenda for future research

This paper is the first stage in informing the future activities of TSRC's service delivery stream of research. The discussions set out in this paper seem to suggest many more areas for future research activity rather than necessarily answer questions about the nature of personalisation and the third sector. The main research implications that arise out of this paper include:

- How is personalisation being interpreted and implemented locally in different areas and to what effect?
- Does personalisation lead to better outcomes for individuals?

- Are individuals choosing different services to those which are 'traditionally' provided?
- What will be the long-term impact of the implementation of mechanisms like direct payments, personal budgets and individual budgets?
- How can prices of services be effectively broken down to the individual level?
- Does the personalisation of services impact on levels of volunteering for third sector providers?
- How does personalisation impact on the existing workforce?
- How can third sector organisations effectively market their services to local authorities and micro-commissioners?
- How can third sector organisations and local public sector partners work together to effectively manage local markets?
- How can third sector organisations facilitate the sharing of best practice across the sector?

This paper has focused predominantly on the concerns of provider organisations, with rather less mention of commissioner bodies.

The next stage of TSRC's work around personalisation in health and social care will focus on the commissioning function - particularly in terms of how third sector organisations can understand and become involved in more effective commissioning processes at the local level.

A discussion paper on commissioning is currently under production and this will highlight the gaps in the existing evidence base in more detail, as well as providing case studies of best practice in terms of commissioning.

Conclusions

Personalisation has the potential to deliver services in new and different ways that are nearer to what service users and their carers want and need. However, personalisation is a broad concept and if it is to be implemented in a 'deeper', rather than 'shallower' sense then arguably third sector organisations will play a strong role in supporting the development and implantation of a range of reforms.

If the third sector is to play a role in the shaping, designing and delivery of personalised services in the future then it is important that the full implications of this agenda are understood and thought through at some length.