Survive and Thrive
How organisations in Lambeth can adapt and flourish through the personalisation of services
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Survive and Thrive: How organisations in Lambeth can adapt and flourish through the personalisation of services
When I attended the launch of the Lambeth Commission on Personalisation in January, it was clear to me how important personalisation was going to be for the future of public service delivery nationally and in Lambeth. It was inspiring hearing from both Edwin and Angela, two local service-users, who have been enabled to take control of their lives through self-directed support. Over one hundred attendees heard how holding a personal budget has allowed Edwin to attend his local sixth form college, build up a close network of friends and get a part-time job, while Angela has used hers to get support from a Personal Assistant, giving her children, who were caring for her, their childhood back. It really hit home to me how exciting and innovative this approach to public service delivery could be. It has the potential to really revolutionise the lives of the most vulnerable in Lambeth.

In many ways, the principles that underpin personalisation are very similar to those behind Lambeth Council’s vision of creating the first ‘Co-operative Council’. Both involve empowering the residents of Lambeth, giving them control over the services they access and ensuring that they are the leading voice in debates over the future of service provision in the Borough. We hope that the drivers for both the ‘Co-operative Council’ and personalisation will lead to the growth of stronger, more resilient communities, local leadership from across civil society and more flexible, responsive services that meet local needs.

My colleagues and I recognise the role the voluntary and community sector will play in taking this vision from beyond rhetoric and making it a reality. Lambeth is home to a strong and vibrant voluntary and community sector; from small community groups to large, regional organisations with multi-million pound turnovers. The sector as a whole contributes a huge amount to the rich and diverse civic life that exists across the Borough and the Council is proud to support initiatives like the Lambeth Commission on Personalisation, which works to increase the capacity of local voluntary and community sector organisations.

We are all aware, however, that the next few years are going to be extremely difficult for all those involved in delivering services locally. The extent of the savings the Council will need to make over the next to 3-4 years is not yet known, but is widely anticipated that the budget allocated to Lambeth from central Government will be reduced by at least 25-30%. Strong cross-sector partnerships are going to become increasingly important if we are to ride out this period of economic turbulence and ensure that it is not the most vulnerable who bear the brunt of the cuts we will be forced to make following the...
Comprehensive Spending Review. It is hoped that, instead of creating divisions and fractures in local communities, taking a ‘co-operative’ approach will herald a new era of public service delivery, based on and driven forward by those whose lives are reliant on the continuation of key services.

This report, aimed at supporting voluntary and community sector organisations to develop a robust business model that will prepare them to ‘survive and thrive’ over the next few years, is, therefore, incredibly timely. The success of the Lambeth Commission on Personalisation over the last nine months is a great example of the power of working together; harnessing the expertise, passion and commitment of those from the Council, PCT and the voluntary and community sector to formulate a range of solutions to some of the key challenges presented by the combination of public service reform and scarce public resource.

I would like to thank all those who contributed to the work of the Lambeth Commission and, in particular, to Jeremy Swain, Chief Executive of Thames Reach, who has chaired it so admirably throughout its lifespan.
Survive and Thrive: How organisations in Lambeth can adapt and flourish through the personalisation of services

Eight years ago an influential cross-cutting review sponsored by the Treasury investigated the role of the voluntary and community sector in the delivery of services. It concluded that the distinctive contribution of the sector arose through its ability to be flexible and innovative, its closeness to local communities and the special relationship it is able to develop with the users of services. If this analysis is true, and I firmly believe it is, no sector is better placed to demonstrate how personalisation – which at its heart has the fundamental shift of choice and control to service-users – can lead to better and more effective support services.

The Lambeth Commission on Personalisation was established by the Third Sector Investment Strategy Programme Board which is chaired by Jo Cleary (Executive Director Adults and Community Service), to help voluntary and community sector organisations develop a clear understanding of the business model required if they wish to play a role within the new commissioning environment being created by the personalisation revolution. We have ensured that our deliberations have been influenced by the ACEVO National Commission on Personalisation, which has been meeting concurrently. The Lambeth Commission has met regularly over a period of ten months and in this time has heard from a variety of organisations both large and small which have been busy developing new and innovative ways of giving service-users greater control and influence over the services they receive. I have been extremely heartened by the enthusiasm and commitment shown by the representatives of the organisations we have spoken to and impressed by their willingness to share the story of how they are personalising services. These organisations are listed on page 72 and, without their contribution, this report would not contain the richness of the voluntary and community sector experience which I believe makes it such a compelling read.

At an early stage the Commission decided to concentrate on four main areas of investigation covering workforce development, marketing services, costing and pricing and measuring outcomes and impact. We felt that these were the most crucial and relevant subjects to be addressed by voluntary and community sector organisations in the context of personalisation and that if effectiveness in these four areas could be improved then the range of organisations in Lambeth able to thrive within the developing commissioning framework would be impressively varied. I hope that you will find this report especially valuable in this context and I would urge you to give special attention to Chapter Three: Defining the business model.
Chairing the Commission has been an enormously positive experience. I have been supported throughout by an extremely able group of individuals who have openly and honestly debated the many complex issues thrown up by personalisation and commissioning. Lambeth Officers on the Commission have provided invaluable guidance and colleagues from the voluntary and community sector have demonstrated their willingness and ability to work effectively together; epitomising how a Commission established by a ‘Co-operative Council’ should operate. The full list of Commission members is provided on page 72 and, while it is always difficult to single out any one individual, I must give special thanks to Amy Richards from ACEVO who has worked tirelessly and efficiently to keep the Commission organised and led on writing this excellent report that has been unanimously accepted by all Commission members.

I hope that this report will be read by many organisations in Lambeth and play a part in helping the voluntary and community sector effectively personalise its services. As a representative from the sector, I know that we provide some fantastic services of the highest quality to the citizens of Lambeth. I am also certain that we must take further steps to pass greater control, influence and power over to our service-users and that we will be even better organisations as a result of doing so. Personalisation is a challenge, particularly in the context of a recession, but I am confident that through a co-operative partnership we can reach a new level yet.
Survive and Thrive: How organisations in Lambeth can adapt and flourish through the personalisation of services
Chapter One

Personalisation: the story so far

1.1 Setting the scene

There has been a growing consensus that the age of ‘top-down’ public services is coming to an end. It feels wrong in an era in which people choose from an ever-increasing range of food, entertainment, holiday destinations and TV channels, that the design of services provided to people in need are shaped predominantly by those who deliver them rather than by the users of the services themselves. Whilst commissioners and public service professionals frequently seek the views of service-users, the balance of power lies primarily with the funders and deliverers of services, not the recipients. In essence, many service providers, whilst they may seek to be responsive to need, ultimately, often unwittingly, impose tight restrictions on the freedom and opportunities available to their service-users.

Additionally, there is a sense that, although targets, government-sponsored programmes and initiatives have done a lot to improve the quality and accessibility of public services, they are now delivering a diminishing return for each pound of public money being spent. Despite a decade of intensive investment, 67% of those leaving prisons reoffend within two years, alcohol consumption is a contributing factor in 1 in 16 hospital admissions, nearly a quarter of adults are obese and 23% of schoolchildren play truant.

In many ways, the Government’s vision of developing a ‘Big Society’ is a direct response to this. The Prime Minister, David Cameron, has described this as being “the biggest, most dramatic redistribution of power from elites in Whitehall to the man and woman on the street.” It is a “huge culture change” in which, it is hoped, individuals feel “both free and powerful enough to help themselves and their own communities”. This has the potential to be hugely positive for the voluntary and community sector, with Children and Family’s Minister, Sarah Teather, describing it as “the vanguard” of the movement. This could lead to an increase in the proportion of public services delivered by the sector and should result in a much greater role for organisations in setting and influencing the trajectory of policy decisions being made. Some scepticism has been expressed about the intentions behind the concept of ‘Big Society’ and how the overall vision will be achieved. However, the term has rarely been out of the media since its launch in mid July and there is no doubt that it will have a huge impact on the future of public service delivery.

Running alongside this is the unavoidable issue of the current economic climate in which levels of public spending are being significantly reduced. Since the general election, Lambeth Council has been working hard to see how they can cut approximately £62 million from a budget of around £300 million over the next three to four years. This has been focused on trying to make efficiency savings on the processes...

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1 There are a range of different words used to describe the beneficiaries of services in the VCS, including ‘client’, ‘service-user’ and ‘customer’. For the purposes of this research we have chosen to consistently used the generic term ‘service user’ to describe the individual receiving a service from an organisation.

2 Making it Personal: ACEVO Commission on Personalisation Report, November 2009

and systems local statutory agencies have for commissioning and delivering services. However, it is clear that there will also need to be more endemic changes to the kind of services offered, the way they are delivered and the role individuals and communities will have in shaping and directing commissioning processes.

1.2 A new approach

In order to make public services work better for those accessing them, as well as to respond to the fundamental change in the level of public funding available, a new approach is required.

Personalisation is a central tenet of the new approach. It emerged in the 1980s, following extensive campaigning by the disability rights movement, as a radical new way of reforming public services to make them more responsive and tailored to modern society. This has had a considerable impact on commissioners, policy-makers and practitioners in Lambeth and a number of different organisations from across the voluntary and community sector have been exploring new ways of delivering services in response to personalisation. A number of these are described in this report. Personalisation was pushed forward by the previous Government and, since the election, the Coalition has done much to affirm its support for this kind of reform. Indeed, the Coalition Agreement (the basis of the Government’s policy programme) features a pledge to extend personalisation, giving more control to individuals accessing services.4

At its heart personalisation is about responding directly to people’s expressed needs and preferences, rather than expecting people to conform to a service delivery model based on what an organisation believes is best for them. It is about finding creative and flexible solutions to enable the best possible outcomes for service-users, ensuring that they have the means and support to live a full life and contribute to society on terms that they define. For the organisations delivering services it will often mean giving the service-user the opportunity to take risks; accepting that, inevitably, their level of control reduces proportionately.

“Personalisation is often described in terms of making services more ‘people-centred’, i.e. more tailored to their needs, more controlled by them, and more ‘co-produced’ by them.”5

In many ways personalisation fits with what many progressive voluntary and community sector organisations have been doing for a long time; that is, seeking ways of giving power and influence to service-users and responding with practical solutions based on real empathy for the needs of those they work with.

1.3 Devolved budgets

More recently, the term ‘personalisation’ has become inextricably linked with budgetary mechanisms, such as personal budgets and direct payments, that are becoming increasingly commonplace in social care.6 It should be emphasised that these budgets are only allocated to individuals who meet the ‘Fair Access to Care’ criteria (also known as FACs criteria) and eligibility for these will be based entirely on an individual’s level of need. More

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4 http://www.cabinetoffice.gov.uk/media/409088/pfg_coalition.pdf
5 Making It Personal: A Social Market Revolution, ACEVO Commission on Personalisation, November 2009
6 For more information on personal budgets etc., see glossary in Appendix 1.
information on this can be found on the Department of Health website. Although these budgetary mechanisms are extremely significant and this report includes a range of tools designed to assist organisations to adapt their working practices in line with the changes these will bring, it is the approach and ethos that is encapsulated in definitions of ‘personalisation’ that is paramount. This report, therefore, does not limit itself to the impact and benefits of personal budgets but explores a full range of personalised approaches. From the outset, the Commission has worked on the premise that delivering services that empower individuals, respond directly to their needs and are outcomes-focused, is an aspiration for any voluntary and community sector organisation, regardless of whether their beneficiaries are personal budget holders or not.

However, with the expectation that an increasing number of service-user groups will become eligible for personal budgets in the near future, the devolution of budgetary control to service-users cannot be ignored and is a welcome, inexorable part of the change in the way that people in the UK wish to select and receive services. It has, in fact, been possible for an individual to apply for and manage the funding for aspects of their care for over a decade. Direct payments were introduced in 1997 following the passing of the Community Care (Direct Payments) Act. In 2007, the Government published Putting People First: a shared vision and commitment to the transformation of adult social care. This was a groundbreaking concordat between central government, local government and the social care sector, which officially introduced the idea of a personalised adult social care system.

Although personalisation is most advanced in adult social care, there are pilot programmes across a number of public service delivery areas, including health, criminal justice, welfare to work, education, children’s services and substance abuse. Some of these pilots are likely to be extended and certainly reports from the ACEVO National Commission on Personalisation and the Chartered Institute of Public Finance and Accountancy advocate the use of personal budgets across as many areas of public service delivery as possible.

1.4 Personalisation in Lambeth

The leader of Lambeth Council, Cllr Steve Reed, has been clear that he is ambitious about what can be achieved through personalisation. He has, along with senior Council officials, also been vocal in his commitment to enabling the voluntary and community sector – both large and small organisations – to play a full role in shaping and operating successfully in the new commissioning landscape. The establishment of the Lambeth Commission on Personalisation and the Third Sector is an important starting point for this and it is hoped that the continuation of constructive cross-sector dialogue will ensure that all reforms are rolled out in a way that is fair, equitable, sustainable and inclusive.

Since July, Lambeth Council have offered personal budgets to all newly referred adults with learning or physical disabilities and older people, as well as those receiving a review of the support they currently receive in any of these areas. In October 2010 this was extended to those affected by mental health and substance misuse. Over the coming years, all service-users accessing social care services will be phased on to personal budgets. Lambeth will be looking at how they can support local voluntary and community sector organisations through this transition period.

For some time now, Lambeth has been preparing for personalisation, producing a range of strategies and plans for extending its implementation. It is recommended that organisations wishing to embark on the journey towards operating within the personalisation
commissioning framework familiarise themselves with the most pertinent of these which include:

- **Commissioning for Personalisation: Direction of Travel**
  This useful overview describes the early vision the Council has of the transition period and ultimate shift from what the Council describes as government commissioning to citizen commissioning. It includes information on the intended outcomes of the reforms, findings from national and local pilots, funding streams that could be incorporated into a personal budget and initial ideas for developing a multi-level model of commissioning.7

- **Information, Advice and Advocacy Strategy for Adult Social Care and Social Welfare Advice Services (under revision subsequent to feedback from consultation)**

  Information, Advice and Advocacy (IAA) will be essential for the successful implementation of personalisation. The cross-Governmental report ‘Transforming adult social care: access to information, advice and advocacy’ urged local authorities to be more strategic in the way they make provisions to provide the highest quality, tailored IAA.8

  Currently, the Council is proposing a range of models to disseminate IAA, including an online portal which would be a single, but not exclusive entry point for accessing information on a whole range of services available in the area, and a number of client group-based hubs for the provision of advice and advocacy. The consultation on this strategy continues.

  In health, conversations around IAA are focusing on ‘Self Managed Support’. This is the process by which those with long-term health conditions, like diabetes and heart disease, are taught to manage their own conditions. Individuals are then in a position to mentor others to reach the same level of independence. This puts patients into the driving seat and creates robust networks of peer support. This approach is being extended across the NHS and Lambeth is clear that this is something that they would like to promote.

- **Third Sector Investment Strategy**

  The third sector investment strategy is designed to ensure that future capacity building is targeted, relevant and informed by the challenges of the personalisation agenda. The work of the Lambeth Commission on Personalisation is part of implementing this strategy and one of the key outputs from this will be a single capacity-building contract.

- **Support Brokerage Pilot**

  In 2009 Lambeth Council commissioned Advocacy Partners, Southside Partnership, Mosaic Clubhouse, Action for the Blind and Rathbone to provide a support brokerage to individuals who were moving on to personal budgets.9 In this role they will be providing active support, advice and signposting to individuals as they are drawing up their initial support plans.

- **Domiciliary Care**

  Over the next few months Lambeth Council are looking to develop a list of accredited providers for domiciliary care and personal assistants. Service-users should not be restricted by these lists as they should effectively be able to spend their budgets on any provider that can assist them to achieve their agreed outcomes. However, the

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7 www.lambeth.gov.uk/NR/rdonlyres/.../personalisationstrategy0402.ppt
8 www.lambeth.gov.uk/NR/rdonlyres/B7732EB8-6C44.../IAAstrategy.ppt
9 For more information on brokerage see the glossary in Appendix 1
accreditation will undoubtedly have an impact on the decisions an individual makes about the support they wish to receive. The process which providers will need to go through to be included on the accredited list is currently being developed and more information should be available shortly.

• Other strategies
  There are a number of other strategy documents that have been published or are in development which will impact on the services which it may be useful to look out for:
  - Joint Prevention Framework (under development)
  - Positive Ageing – Older People’s Strategy
  - Carers’ Strategy
  - Adults with Learning Disabilities Strategy
  - Physical and Sensory Impairments – (under review subsequent to feedback from consultation)
  - Cultural Strategy – (under development)

Personal Health Budgets Pilot

Personalisation has not progressed as far in health as it has in social care and there is still quite a lot of work to be done before local statutory health agencies develop an effective, standardised Resource Allocation System or embed the principles of personalisation across their workforce. However, this process of transformation will move somewhat faster in Lambeth than elsewhere because NHS Lambeth is involved in the Personal Health Budgets pilots.

The pilots were initiated by the Department of Health in 2009. Since then, the chosen pilot sites have been working on identifying participants, drawing up support plans and allocating the amount that will go into each personal health budget. More information on this is available on the Department of Health website.

In Lambeth, the programme has been set up to identify and evaluate how personal health budgets can be introduced to a small sample of mental health service-users across the Borough.

This has involved:
  - Setting up a steering group which includes three voluntary and community sector organisations
  - Developing support plans for each individual
  - Establishing a brokerage service
  - Developing the skills of the voluntary and community sector/organisations and service-users to engage in this pilot

For more information on the pilot, contact Claire Rapoport at South London and Maudesley NHS Trust and Denis O’Rourke at NHS Lambeth.
1.5 Building the ‘Cooperative Council’: How does personalisation fit in?

Currently the most significant strategic aim for Lambeth Council is to create the first ever ‘Cooperative Council’, based on the following seven principles:

**Principle 1**: The council as a strong community leader.

**Principle 2**: Providing services at the appropriate level, personalised and community based.

**Principle 3**: Citizens and communities empowered to design and deliver services and play an active role in their local community.

**Principle 4**: Public services enabling residents to engage in civil society through employment opportunities.

**Principle 5**: A settlement between public services, our communities and the citizen (this is what we provide, this is what you do for yourself) underpinned by our desire for justice, fairness, and responsibility.

**Principle 6**: Taking responsibility for services – regardless of where they are accessed or which agency provides them.

**Principle 7**: Simple, joined up and easy access to services – location and transaction; “one place to do it all”, “one form, one time to do it all” – providing visible value for money.

A Citizens’ Commission on the Co-operative Council has been established with the aim of understanding the practical steps needed to create the conditions to empower and enable a diverse and complex range of communities to play a bigger role in delivering public services. This report from the Lambeth Commission on Personalisation has been received by the Co-operative Council Commission and will ensure that the impact of personalisation in Lambeth is fully understood and incorporated into the overall Co-operative Council approach.

The Council’s White Paper *The Co-operative Council: A new settlement between citizens and public services, a new approach to public service delivery* is very clear that services must be personalised as appropriate around individuals, families and communities. Central to the vision outlined in the White Paper is the creation of an active, engaged community which plays a significant role in shaping and delivering public services. This lends itself to the values that underpin many voluntary and community sector organisations, which are committed to connecting vulnerable and socially excluded people to communities, building networks of support around individuals and delivering innovative interventions that deliver value to whole communities, as well as specific individuals and families.

However, to build on this over the next few years, it will be essential that the transition to operating within the new commissioning framework being created by personalisation, is accompanied by an increased focus on:

- Harnessing self-help and mutual support, through, for example, the promotion of volunteering opportunities for service-users and the wider community.
- Building up the confidence and self-esteem of service-users to enable them to play a more active role in providing peer support to others in the community.
- Making connections with communities through links with local youth centres, libraries, residents groups on behalf of service-users.
Throughout the lifespan of the Commission, we have engaged in the kind of frank, open and mature dialogue that already reflects some of the ethos behind the Co-operative Council. There has been a commitment from everyone who has contributed to this report to sharing examples of best practice, knowledge and learning in order to help all organisations make the difficult transition towards operating with personal budgets and embracing all other aspects of personalisation. The work of the Commission will need to be extended and built upon in the coming months to ensure that the services available are able to deliver the best outcomes for the people of Lambeth. We hope that individuals from across the public and voluntary and community sectors will continue to commit to sharing information and providing support going forward.
GP commissioning in Lambeth

In a meeting organised by the Lambeth Commission on Personalisation, a group of GPs from practices across the Borough and voluntary and community organisations came together to discuss the impact the change in commissioning will have on future service provision. There was broad consensus that more will need to be done to 'map' the services on offer from the wide range of voluntary and community sector organisations operating locally. Lambeth Council is already working on this and are hoping to have an accessible information portal that GPs can make use of to identify and make links with providers in the area by the end of the year.

The key messages to the sector from GPs:

- It is unlikely that the structures put in place to enable GP commissioning will be restricted to Lambeth. Instead there have been initial conversations about working alongside neighbouring boroughs, such as Southwark, Lewisham and Wandsworth, to create a sub-regional commissioning consortia.

- GP commissioning consortia will almost certainly not have the capacity to engage with lots of organisations on an individual basis and, therefore, forming robust partnerships is essential.

- Being able to evidence the outcomes achieved in a way that GPs can relate to will become extremely important. It is advised that a constructive cross-sector dialogue is established now to ensure that the voluntary sector is aware of the kind of evidence around performance that they will be expected to produce and GPs understand the capacity restrictions facing organisations and are able to offer appropriate support.

There was general commitment to partnership working on both designing services and on the framework put in place for commissioning them. There are regular meetings of local GPs that take place in different localities across the Borough, which voluntary and community organisations would be welcome to attend.

More information on this and the rest of the meeting will be available shortly on the Lambeth Voluntary Action Council website.¹¹

For more information about local GP practices, visit the Lambeth Practice Based Collaboration site.¹⁰

¹⁰ http://lpbcc.wordpress.com
¹¹ www.lambethvac.org.uk
1.6 Going Forward

Clearly, the reforms required to introduce personalisation on a larger scale and the interventions to promote a cooperative approach to the delivery of public services are being implemented in an economic and political landscape that has altered dramatically since the concepts were first developed. We have moved from a relatively benign operating environment for the voluntary and community sector when funding was relatively plentiful to a period where very significant public spending cuts are inevitable. While it would be misleading to portray personalisation as a cost-cutting measure in itself (indeed, some aspects of personalisation are regarded as relatively expensive), changes in commissioning within a personalisation framework will need to take place within the context of an overarching and unavoidable need to reduce the cost of delivering services. Those organisations that can shape their service delivery to offer more choice and control to service-users and can deliver new approaches in a cost effective way will be in an excellent position to grow and develop over the coming period.

To add to the complexity the recently published white paper ‘Equity and Excellence: Liberating the NHS’ highlighted the Government’s commitment to introducing GP-commissioning. Described as one of the biggest shake-ups of the NHS in its 60 year history, this creates a new system of commissioning in health in which GP practices are expected to work together in local consortia to commission services. These will replace Primary Care Trusts and Strategic Health Authorities (both of which are being abolished) and will, by 2013, be responsible for administering budgets of approximately £80 billion a year across the country. The aim of this reform fits in with the wider intentions behind personalisation – to ensure budgetary control is devolved as far as possible to those on whom the money is being spent. As GPs have daily contact with the community they work in, the idea is that they are best placed to respond to the evidenced health needs across a locality. It is yet to become entirely clear how this will work in practice on a large scale, but it is important to recognise that relationships with GPs will become far more significant for voluntary and community sector organisations over the next couple of years (see box opposite).

In order to prepare for the turbulent times ahead, organisations will need to think carefully about reducing their cost base without compromising on quality, perhaps exploring consortia models to bid for and deliver services, and forming partnerships in order to deliver the best outcomes for service-users. Many are already in the process of doing so. Ultimately, if the sector is to “survive and thrive” in Lambeth it will need to harness the qualities for which it is renowned- flexibility, innovation, links with communities, effective use of volunteers and closeness to the service-user – and which historically separate it from the statutory or for-profit sectors. It will also need to cultivate a wider range of alliances, including some with the business sector, if it is to take full advantage of the opportunities a commissioning framework based on personalisation offers in the context of a council committed to a co-operative, ‘big tent’ approach.
Survive and Thrive: How organisations in Lambeth can adapt and flourish through the personalisation of services
Chapter Two

Personalisation: the way forward for all organisations?

The great majority of those we have consulted from the voluntary and community sector in Lambeth understand and support the values and principles behind personalisation, seeing them as closely aligned to those of their organisations. But we also heard reasonable concerns regarding the major challenges that organisations face in shifting power and control towards service-users and in making the business-based transitions which will enable them to respond successfully to a new commissioning framework based on personalisation.

Some organisations, particularly the smaller ones have relied primarily on trust funding and small grants from local authorities and other statutory funders. For them, the notion of competing for services under a commissioning and procurement structure is a big change bringing understandable apprehension. Even those organisations experienced at competing for local authority or PCT contracts are wrestling with the impending requirement to develop sustainable business models based on receiving income from individual service-users or groups of users and not through block contract funding which is easier to anticipate and set priorities against. This report seeks to offer as much guidance as possible to those organisations seeking to re-shape their services and acknowledges that each organisation will be at a different point on the journey.

Personalisation, which has the potential to totally transform the way public services are designed, commissioned and funded, is unlikely to be implemented in a speedy and streamlined way. On the part of individuals, statutory agencies and independent providers there will be delays, stumbling blocks and interventions that do not deliver the anticipated results.

We feel it is important to acknowledge that this journey of change will not be one that all organisations will wish to be part of. For some, it may be that, although they feel committed to greater service-user empowerment, the elements of commissioning that involves marketing, pricing and competing against others may dissuade them from wishing to seek funding through statutory funding channels. Of course, there is no obligation for anyone to change the way their organisation operates in response to the personalisation agenda, but if this is a decision an organisation makes (in consultation with trustees and staff) and its service-users are eligible for personal budgets, then it is essential that they do not rely on on-going contractual support from Lambeth, the PCT or other statutory agencies which are committed to a new commissioning model based on personalisation.

Over the next few years, the number of block contracts and grants will be reduced. Although Supporting People funding, which is now absorbed within Area Based Grants is still available, there is considerable pressure on this funding stream and Lambeth, like every local authority, will be expecting organisations to review and reduce costs as it seeks to cope with a smaller settlement from central government. Organisations, particularly those delivering health and social care services, are highly likely to receive at least some of their
funding, currently provided through block grants, from personal budgets over the next few years. Those who do not want to adjust to these new requirements will need to start looking at how to bring in funding from other income streams.

Making the decision to engage with personalisation undoubtedly necessitates significant changes to the way organisations operate and it may be necessary to purposefully review the services currently on offer. Pilots have shown that those holding personal budgets are often shying away from some of the more traditional services on offer and opting to draw up creative support plans that develop skills and self-confidence and build links with local communities. As increasing numbers of service-users become more familiar with the options open to them it is hoped that brokers, local advocates and support staff working directly with them are able to think more creatively about what can be achieved. In this sense the rules of engagement can change fundamentally as support workers begin to positively challenge the service-users they are working with and become more aspirational about the outcomes they are working towards.

**Innovative use of personal budgets**

At the event to mark the launch of the Lambeth Commission in January, delegates heard from Adam Barrett who, before receiving his direct payment, was moving between emergency mental health units and temporary residential accommodation. He worked with mental health charity *Together* and used his direct payment to live independently, improve his fitness and develop his social network. His self-esteem has developed significantly over the past year and, having been shy and nervous about meeting new people, he now speaks regularly at events, sharing his story with others in a similar position.

Experiences like Adam’s are fairly common and others have opted to spend their budgets even more creatively - on horse-riding lessons, arts and crafts material, self defence classes, having a new haircut etc. As far as possible, it is hoped that those signing off care plans will take a similar approach to that of the *Look Ahead* pilot in Tower Hamlets (please see page 22): Anything should be possible as long as it is legal and contributes towards achieving a mutually agreed outcome!

Adapting to this new way of working will require real commitment and an understanding of the risks involved from chief executives, trustees, managers and front-line workers.

Once the decision has been made to change, organisations (particularly those in the fields of health and social care) must move quickly to ‘get the ball rolling’. If the voluntary and community sector is not ready to operate with personalisation, it is all too likely that profit-making organisations will move in and become the dominant sector for service delivery in Lambeth. Therefore, depending on the size of the organisation, it may be necessary to start making some progress on one or all of the steps below imminently:

1. Ensure your chair and trustees are truly supportive of your intention to fully engage with this agenda.
2. Communicate effectively with senior management to ensure they understand the implications of and are supportive of the values associated with personalisation and are aware of the vision you and your board have for the future of the organisation.
3. Ensure front-line workers and volunteers are aware of how personalisation is being rolled out across the borough and the potential impact this could have on their working practices.
Their buy-in will be crucial to the success of any organisations’ response to personalisation, and it will be important to engage in various meaningful consultations with them as any changes are implemented.

For some organisations a starting point may be to allocate responsibility for driving personalisation across the organisation. SHARE Community has been given a grant from a non-statutory agency to employ one person to manage all the changes that personalisation will necessitate. Meanwhile Southside Partnership have appointed a ‘Personalisation Project Team’ which has allocated areas of responsibility to current members of staff for changing the organisation in line with personalisation. This includes everything from organisational strategy, creating a ‘person-centred culture’ through to invoicing processes. All staff including those involved in ‘back office’ roles need to be engaged with this agenda as in a truly personalised organisation everyone’s role will change.

The next section of this report includes a range of top tips and best practice to help the voluntary and community sector position itself as provider of choice in the new commissioning landscape being created by personalisation. This is followed by a summary of some of the most effective models for ensuring that the transformation of service delivery in Lambeth takes place within the overarching framework of the ‘Co-operative Council’.
Survive and Thrive: How organisations in Lambeth can adapt and flourish through the personalisation of services.
Chapter Three
Developing a personalised business model

The main focus of the Commission’s work has been on understanding the business model the voluntary and community sector in Lambeth needs to adopt to really capitalise on the opportunities presented by personalisation. This section is designed to act as a practical tool, equipping organisations to manage the complex changes required to continue delivering services in a personalised world. In the main part, this focuses on the four key areas that all those we consulted highlighted as the most significant:

1. Developing and supporting a skilled workforce that is responsive, flexible and creative
2. Assisting organisations to market their services in a way that informs and benefits service-users and commissioners
3. Helping organisations effectively cost services that can be purchased within a commissioning framework that engages service-users and commissioners
4. Helping organisations measure and evidence what they do so that they can be clear about the outcomes of their work and the impact they are making.

In the first meeting of the Lambeth Commission on Personalisation, we heard from Look Ahead Housing and Care who had already made some significant headway with changing their business model in response to personalisation. Their journey was one of many that inspired those on the Commission with the potential that personalisation has to change lives and is included as an interesting example of the process some organisations are going through to enable their service-users to become the dominant voice in discussions around the provision of support.
Case Study One

Look Ahead Housing and Care

*Look Ahead Housing and Care* is a specialist supported housing association, which provides accommodation-based services and floating support to vulnerable people across London and the South East. Working in partnership with the London Borough of Tower Hamlets, they piloted a personalisation initiative centred on a housing project for 20 residents with severe mental health issues funded through a traditional block contract arrangement.

The basis for the model they introduced was a ‘core and flexi’ approach to delivering services. The ‘core’ refers to the fixed range of support required by all service-users and is the main income that enables this kind of accommodation-based service to function successfully. This funding pays for general services such as cleaning, cooking and night support. The ‘flexi’ refers to 3.5 hours of individual support that service-users can use in whatever way they want and at a time specified by them. Service-users were able to choose which member of the Coventry Road staff supports them during this ‘flexi’ time.

Alongside this, the organisation freed up resources from within the value of their statutory contract to allow each service-user to have a ‘personal budget’ of £40 a week with no restrictions on what it could be spent on, as long as it was being directed towards meeting an agreed outcome (for example, building confidence) and legal. This cash sum could be saved up, spent on getting additional support from Look Ahead or spent on other items or services outside Look Ahead.

A mixed group of customers and staff met several times to help steer the direction of the project. They jointly advised on the customer personalisation handbook, chose the person-centred planning tools that were used and were fundamental in reviewing the trial as it progressed. Before the pilot project got underway, one-to-one interviews were conducted with all customers and staff. Quite a lot of time was allocated to this as it became apparent that neither customers nor staff had prior experience of articulating their ideas and experiences around choice and control. They began by asking service-users who the main decision maker was in their lives. At the outset, only 3 of the 20 believed it was them, with many more saying it was their key worker or care manager. By the end of the trial, the situation was transformed with all but one service-user identifying themselves as the main decision-maker and no one saying this role was occupied by a key worker or care manager.

This model has opened up a huge number of opportunities for individuals who had previously been very socially isolated. Each individual created their own personalised plans detailing how they wanted to change their lives and how they intended to use the flexible support hours and cash to achieve this. One woman used some of her ‘flexi’ budget to buy presents for her children when, previously, all she had been able to offer them was out of date food. Another service-user used the funding to have her hair styled, increasing her overall sense of well-being and her self-confidence. One used it to make regularly trips to a city farm, whilst another used it at a pub as a way of making contact with a local darts team. Although this was initially challenging for staff, these activities reconnected those living at Coventry Road with the local community, developed skills in communication and social awareness and, ultimately, began making them believe that there was a route to recovery. It has also increased staff satisfaction as they felt part of a positive support process.

For more information on this pilot, see the ‘Choice, control and independence: Personalised block contracts in supported housing’ report that can be downloaded at the Look Ahead website.12

12 www.lookahead.org.uk
3.1 Developing a responsive and flexible workforce

The voluntary and community sector workforce will have to undergo a very considerable transformation in order for organisations to be able to offer individuals the personalised services they require.

The Commission has spent a significant amount of time looking at how roles and responsibilities will change for front-line workers, team leaders, senior management and chief executives. Even in smaller organisations which do not have these different levels of management, it is imperative that staff, whether paid or volunteers, renegotiate the relationship with service-users with the objective of shifting control and offering greater choice and opportunity towards those receiving services. This is not to say that local voluntary and community sector organisations are not currently doing a significant amount to ensure they are as responsive as possible to their service-users, just that personalisation will require some to go even further, tailoring the way they do things more directly to the long-term aspirations, personal interests and skills of the individuals they work with.

Although there are different challenges facing small organisations, which have predominantly volunteer-led workforces, in comparison to larger organisations, which have a mostly paid workforce, there are a range of issues that will effect almost all organisations providing services in the borough. These include re-assessing basic working practices, policies and procedures in response to personalisation as well as adapting training requirements for paid staff and volunteers.

Most significantly for some, however, will be the shift in mindset that will be needed to create a workforce and/or volunteer-base that operates with greater flexibility and is responsive to service-user demand. This shift needs to be supported by a robust marketing strategy and plans that demonstrate the future direction of an organisation in terms that enable staff to identify their role in making this a reality. It will be vital that all the individuals delivering services on behalf of an organisation, paid or unpaid, can demonstrate the competencies that will ensure service-users are given maximum opportunity to shape the services they receive and the outcomes that they have defined in consultation with their provider and the relevant local statutory agency.

During the deliberations of the Commission, members were privileged to hear about some of the ways that voluntary and community sector organisations in Lambeth of varying sizes and serving different client groups are already adapting their services with great imagination to make them more responsive to service-users and shifting power and control away from staff, often in small but nonetheless enormously significant ways. We have used a number of examples of progressive change in this report to illustrate the outcomes that can be achieved where there is the drive and commitment across an organisation.
3.1.1 Developing a person-centred culture

Developing a person-centred approach must be one of the top priorities for voluntary and community sector leaders looking to engage with personalisation. It will be important in the first place to ensure that all employees are given the opportunity of understanding how any changes being made link with wider reforms in public service delivery and understand the impact this will have on their role in the organisation. Depending on the time, resource and the size of each organisation it might be worth considering the following options:

- Holding a short workshop with staff and volunteer coordinators to explain the background to personalisation and some of the broader detail behind the reform, such as the difference between personal budgets and direct payments. As far as possible it is useful to relate the impending changes to the impact this could have on the future of the organisation. For example, if the majority of an organisation’s income comes from block contracts then this has the potential to completely alter the way in which it will receive income for providing support going forward.

- Sending out regular ‘Personalisation Email Updates’ to all staff and volunteers keeping them informed on the way personalisation is being rolled out locally, how this will affect the organisation they work for and the strategies or ideas in place for responding to this.

Some organisations, including Look Ahead Housing and Care, have begun to develop specialised training programmes to raise the profile of personalisation among their employees. In the case of the pilot described above, this was formed of modules on:

- Principles and background of personalisation.
- How the service is funded and how resources can be reallocated to increase control.
- Staff and customer approaches to choice and control.
- Developing a personalised model to suit the customers, their specific needs and aspirations and the environment in which they live.
- Staff skills for personalisation.
- Risk: moving from defensive to defensible decision making.
- Person-centred planning and thinking, and support planning.
- Outcomes-based person-centred reviews.

Elsewhere, local organisations such as Flipside, which works with vulnerable young people and their families to help them to learn new skills and try new experiences, are planning to include a section on personalisation in the induction they offer to all new staff and volunteers.

The Commission’s discussions on personalisation have emphasised the potential it has to increase the significance of ‘softer’ skills such as communication, empathy, coaching and facilitation. Many of those holding personal budgets have expressed an interest in working with individuals who are able to develop their skills, converse with them about their interests and support them to make links with local communities. It may be worthwhile for organisations to dissect any budget they have for staff development and look at channelling a bigger proportion into courses that develop some of the core competencies outlined above.

In a review of their current training offering Southside Partnership was prompted to simplify their compliance training in order to increase funds for new personalised training to meet the needs of

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13 Please see Glossary for more information
individual staff and service-users. In particular, they have increased their leadership
development training, recognising that driving these kind of changes across an organisation
will require all the management team to have strong leadership skills.

**Peer learning will also become an increasingly effective way of sharing knowledge and
passing on experiences.** For organisations that do not have a budget for staff or volunteer
training (and even those that do!), it could be useful to set up a regular forum in which
individuals share techniques, skills or experiences that have enabled them to deliver for a
service-user within their organisation. If appropriate these could be facilitated by a manager
or team leader; but they could also be self-managed, staff-led initiatives. For example, *SHARE
Community* are intending to cascade a range of softer skills, like coaching, from the chief
executive to front-line workers. This is designed to create a broad peer support network
within the workplace that can be utilised by staff and service-users alike. *SHARE
Community*’s Chief Executive, Annie McDowall, hopes that this will build up the capacity of
her staff, enabling them to think creatively for themselves and on behalf of the service-users,
make decisions about their workload and act independently to support each other.

### 3.1.2 Empowering front-line workers

While voluntary and community sector leaders will have a vital role to play in guiding their
organisation through the transition to a service delivery approach based on personalisation
and team leaders will need to change the way they manage and support their staff, it will be
those at the front line of an organisation who transform the experiences of service-users
and ensure that personalisation delivers the outcomes intended. With the assistance of the
personalisation project team at *Southside Partnership*, the Commission has outlined some of
the most significant characteristics and competencies that will enable front-line workers to
operate effectively within the new commissioning framework.
Whilst front-line support workers often have a good range of skills, these may not always prove to match the changing needs of service-users as they become increasingly confident about asserting their own requirements. For example, there is evidence that a significant proportion of service-users want to use their personal budgets to develop new skills, e.g. improve their IT knowledge, or to get help with tasks that aid their independence, e.g. managing a household budgets.

Front-line staff should be less focused on what those they are supporting are unable to do and focus on being aspirational for their service-users. It may even be appropriate to set positive challenges for individuals who are lacking capacity or motivation to achieve their personal goals.

With service-users having more opportunities to choose who supports them, it is important that front-line staff are empowered to share interests and develop more meaningful relationships with beneficiaries. In some organisations staff are not encouraged to discuss areas of common interest that can lead to productive relationships forming with service-users.

A new organisational culture will be required which encourages front-line workers to constantly strive towards improving the way they support service-users. This should be based on a person-centred model which genuinely shifts decision-making and control to the service-user. It will be very important for support workers to understand that service-users moving on to personal budgets are on a journey which may be difficult. The more tailored and proactive their support, the easier it will be for them to achieve the best results.

For many organisations it will require a significant investment of time and effort to embed these competencies into their daily working practices. Progress for Providers, a tool developed by In Control to help organisations make an effective transition towards personalisation, offers five steps to get an organisation from:

“Our organisation doesn’t think that we need to change the culture internally”

“We have worked with our staff and the people we support to identify the culture change that needs to occur throughout the organisation and ensure that our leaders are modelling the change we want to see, and actively support our managers to do the same (through training, coaching and problem solving). We have looked at all the ways we communicate in the organisation and have made sure that we give the same key messages.”

For more details on using this tool, please see page 64.
Case Study
Dimensions

In their publication *Making it Personal, Dimensions*, a national charity working with physically disabled people, outlined how they started shifting the culture in their organisation to make it more ‘person-centred’. Their chief executive, David Wolverson, outlines how his organisation used the life story of one service-user to transform the way they thought about the experience of individuals accessing their services.

“We ‘met’ Jennie through seeing a DVD of her, by meeting her family and support circle, and by using her Person-Centred Plan. This helped us understand who Jennie was, what she wanted in her life and how she wanted to be supported. Jennie and her circle of support were looking for a provider from whom they could buy support using her personal budget. We talked about what would happen in each stage of her journey through our organisation. How we would respond if the support circle approached us? What would we do? Who would do this? How would they be with Jennie, her family and circle?

In the style of television’s *The Apprentice*, we worked in small groups and presented our proposals to be hired or fired by a representative of her support circle who explained what this circle was looking for – what they wanted, what they did not want, what would attract them to a provider, and what would turn them off.

Looking back, what Jennie and her circle wanted was rational, understandable and reasonable. In other words this was not rocket science; however, there were two immediate challenges. First, many of our systems, processes and policies were incompatible with the response Jennie and her circle of support would need. Second, it soon became clear that we would need to change our approach while continuing to support people using traditional services which many local authorities were still commissioning through block contracts.

We have frequently used the phrase “…but would that work for Jennie?” in further workshops, meetings and discussions about the various initiatives we have started.”

For further information on Dimensions’ experience of organisational change, refer to *Making it Personal: A provider’s journey from tradition to transformation.*

3.1.3 Putting the voice of individuals at the heart of your organisation

In order to develop a pool of workers or volunteers able to respond to personalisation, organisations will need to learn directly from the experiences of their service-users and involve them in any processes they put in place to make changes. This could result in personalisation not only delivering better solutions for the individual service-user, but also stimulating an overall improvement in an organisation’s policies and processes. As shown in the case study above, it is only by understanding what service-users want and seeing things from their point of view that organisations really begin delivering the best outcomes for them.

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Survive and Thrive: How organisations in Lambeth can adapt and flourish through the personalisation of services
As a first step, organisations may want to:

- Consult service-users on the skills and competencies they would like to see in a support worker and adapt training strategies accordingly. As Southside Partnership found what people want is simple – to be treated with respect and given the opportunity to take greater control in their lives. “It’s important they listen to us.”
  “They should treat us with respect.”
  “Understand what we need.”
  “Get to know me!”

Some organisations, like the homeless charity Thames Reach, have taken the step of involving service-users directly in the recruitment of staff at all levels in the organisation so that they can directly affect decisions on who should be recruited. To do this it has, of course, been necessary to provide service-users with the same training as any member of a recruitment panel would receive and to make sure their role on a panel is not tokenistic.

- Introduce, where possible, joint training programmes for staff and service-users. This is particularly relevant for personalisation where both will need to gain an understanding of how this is being implemented in the area. It may be that organisations can put on joint sessions on:
  - The process through which people get a personal budget
  - Using a Personal Budget to employ a PA
  - Person-centred planning

It may also be possible to organise joint courses on core skills like managing a household budget or using the internet to create social networks.

Service-users must also be able, as far as possible, to choose who supports them. Many organisations, like Southside Partnership and Thames Reach, have already started doing this, establishing a database of front-line workers that service-users can choose from. When Look Ahead introduced this kind of system at their pilot at Coventry Road it generated quite a lot of criticism as people believed some service-users would make prejudiced decisions based around ethnicity, gender or sexual orientation. Ceri Sheppard, Transformation Manager, was asked what would happen if a service-user refused, for example, to be supported by a black support worker. How would this work alongside legislation banning this kind of discrimination?

She found that, the reality was very different. Most people chose support workers with similar interests, e.g. a shared love of animals or support for the same football team, or those who they enjoyed being around because they were funny, chatty, quiet or particularly interesting. In some cases, decisions were made based on the fact that the service-user and support worker had the same background, but it was just as often about being brought up in the same area or sharing the same religious beliefs, as being from the same ethnic group or having the same sexuality. Clearly, there will be times when decisions are made for the wrong reasons but, as shown by the experiences of organisations like Thames Reach and Look Ahead, this will only happen in a minority of cases and is not a justifiable reason for taking away an element of control that could so significantly enhance the experiences of those accessing services.
Aisling Duffy, Chief Executive of Southside Partnership:

“Matching staff skills and interests with those of service-users is fundamental to delivering a personalised service. At Southside Partnership we invest time and resources in finding out, using person-centred techniques, what our customers really want from their support to lead a more independent life. We then work with the individual and their family, where appropriate, to recruit and select support staff with those skills and interests. This requires a more creative approach to recruitment, for example advertising at Crystal Palace football ground for a PA who is also a Crystal Palace fan! At Southside many of the people we support have complex needs but it is our view that we can train you to understand how to best support someone with a learning disability but what we can’t do is train you to be a Crystal Palace fan!”

In response to service-users wanting a greater stake in the operation of the organisation they get support from, it may be possible to open up internal volunteering opportunities to service-users, in a similar way to Streatham Darby and Joan. Apart from giving service-users the chance to influence service delivery directly and, in the commonly used phrase, ‘put something back’, volunteering opportunities can often lead to the development of new skills.

When Thames Reach asked its service-users what they wanted from the organisation, the answer that was most frequently received was ‘the chance to work for you and receive a wage’. Eventually Thames Reach put in place a programme that led to service-users being supported to develop the skills to become salaried members of the workforce. The experience of being a service-user was seen as a positive experience that, in certain circumstances, might be disclosed by the staff member and used to show the service-user they were supporting that recovery is possible. In short, they were seen as positive role models who could raise aspirations and inspire change.

The Thames Reach work-force currently includes 103 individuals who are current or former service-users. Many of those who have made this transition feel that it is a misplaced fear of the risk involved in service-users becoming volunteers or salaried staff that prevents all organisations taking this step. Sadly, they also suspect it may reflect a deep-seated pessimism or negativity in some organisations about the extent of progress that service-users can make, described by one former service-user, now a Thames Reach manager, as a ‘poverty of expectation’.

The Mosaic Clubhouse in Lambeth is another great example of an organisation which really harnesses and develops the skills of their service-users, utilising them as constructively as possible with the aim of supporting them into paid employment, education or community activities. This is a membership organisation in which individuals recovering from mental ill health are given the opportunity to work and learn by volunteering alongside the small staff team to manage and run the charity. Each morning, a house meeting is called, where work is collaboratively shared out based on the skills and interests of each service-user and any issues discussed. Many service-users develop a real loyalty for the organisation, giving substantial additional time over the weekend to garden, fix electrical appliances and go through accounts, as well as playing an active role in the Clubhouse’s football team and other activities.

“Mosaic has helped me to better understand what I am good at, build my confidence, improve my employment situation, but most of all it has made me feel part of something, part of something bigger and more meaningful.” Mosaic Clubhouse service-user.
A Person-Centred Approach to Risk

1. Who is the person?
   - What people like and admire about the person, what is important to them and how best to support them

2. Where are we now?
   - What is working and not working from the person’s perspective and others’ perspectives?
   - Clarify the risk – what is the problem you are trying to solve?

3. Where do we want to be?
   - What does success look like, for the person and others?

4. What have we tried and learned already?
   - What have you tried and learned already?
   - What are the consequences if we do nothing?

5. What shall we do next?
   - What is obvious?
   - What are potential solutions?
   - How do the potential solutions measure up to what matters to the person?
   - What will you try? Who will do what, by when?
   - How can you ensure that the person has as much choice and control in this as possible?
   - What are the responsibilities?
   - What does good support mean in implementing the action plan?
   - How will you record what you are learning?
   - What can you do if things don’t go to plan?
3.1.4 Moving towards ‘person centred’ risk

Over recent years service delivery has become increasingly driven by a desire to ‘protect’ service-users. Given the vulnerability of some service-users and the catalogue of cases over the years where people with little power have been exploited and abused, this trend is understandable. However, there is an important balance to achieve and at times, an overly cautious approach to risk has been allowed to prevail, preventing some people from making reasonable choices about how they live their lives. As one contributor to the Commission’s work concluded, “Risk assessments are important mechanisms for analysing and predicting risk, but should not result in a service-user’s request being denied unless it is entirely risk free.”

Much of the anxiety around the introduction of personalisation focuses on the consequences of giving more control to service-users—how will they manage their money? Will they make the right decisions on what to spend their money on? What safety-net exists if they make the wrong decision? Will they seek to involve people in their lives who might exploit them?

Developing a ‘person-centred’ approach to risk will require a huge shift in attitude from both the voluntary and community sector and public sector workforces.

The officers from Lambeth Council who have sat on the Commission have all recognised that risk will be an inevitable consequence of people making decisions about their lives. For them the development of a Self Directed Support programme has highlighted the need to effectively manage risk, balancing the need to protect vulnerable people and empowering and promoting individual rights. Throughout the lifespan of the Commission, Lambeth has remained committed to taking a positive approach to risk, with emphasis on the development of a support plan which has agreed outcomes. This helps to ensure that people understand their responsibilities and implications of their choices including any risks. The new processes have checks built into them, most important of which is that a support plan will not be validated unless the council is confident that the service-user is not placing them at unacceptable risk in their proposed support arrangements and, where there are risks, that these are mitigated.

Empowering the voluntary and community sector workforce to respond in a constructive way to risk will require every organisation to take on board the principle that it must be the service-users perception of risk that is dominant during the support planning stage, rather than their own view. Those working in the voluntary and community sector will have a responsibility for ensuring that individuals (and their families) are fully aware of any risks their choices may leave them open to, but they should not restrict them from taking a risk if it seems likely that this could lead to the achievement of a desirable outcome.

At its heart, personalisation is about organisations ensuring that people can live full, active and satisfying lives and it will be those organisations that enable service-users to undertake new and exciting experiences that will flourish.

Taking a ‘person-centred’ approach to risk requires an organisation to go through a journey with each individual. Depending on the level of risk and the kind of activity being discussed,

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15 Lambeth’s Self Directed Support Programme is a Council-led initiative aimed at enabling as many individuals accessing social care services as possible to have greater control over the support they receive. The programme works with individuals to agree what they want to achieve, decide how best to spend a personal budget or direct payment and have greater choice over the kind of interventions they access. More information can be found at http://www.lambeth.gov.uk/Services/HealthSocialCare/SelfDirectedSupport/
developing a support plan may involve a relatively short, hour-long interview to a process which takes a few days. Clearly, if you are discussing a full package of support it will be valuable to invest quite a lot of time in this as it will make future changes to support plans less likely.

The diagram on page 28 represents the journey of an individual service-user and their support network towards identifying a package of support that fits with the vision they have of their life. It is important to recognise that many organisations will struggle to make the significant changes required to ensure this kind of practice is a deeply entrenched, standardised part of the way they work. Again, the Progress for Providers tool developed by In Control outlines five measurable steps which allow an organisation to formulate a sustainable strategy for managing this fundamental shift in working practices.

“We try to ensure that staff and people avoid taking risks. This is a major focus of our work and all potential risks relating to the people we support is recorded in detail and authorisation is needed before we support people to try certain activities”

“We developed our approach to risk in conjunction with the people we support and their families and believe we have an approach to risk that is based on listening to what is important to people. This approach is embedded across the organisation and all staff are clear about their responsibilities in this respect. Positive risk-taking is rewarded and we accept that this will not always be successful. We have a no-blame culture and learn from successes and mistakes as an organisation.”

For more details, see page 55.

**Service-users as employers**

One of the key risks identified by those the Commission has spoken to has been around service-users becoming direct employers of personal assistants without having a full understanding of the complexity of the relevant employment law that will impact them.

Through its involvement in the brokerage pilots in Lambeth, Southside Partnership has begun developing work around personalised recruitment. Through a number of intensive workshops and consultations with service-users they have produced a sample job description and person specification, which can be used by others going through this process (see appendix 2). They offer training to service-users to help them understand the roles, responsibilities and risks associated with becoming an employer. They also offer ‘one-to-one surgeries’ through their human resources team to give advice and guidance on process, quality assurance and support with getting Criminal Record Bureau (CRB) checks, which are required under law in order to protect service-users and organisations.

For more detailed information on this issue, please see ACEVO’s *Exploring the Legal Implications of Personalisation.*

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3.1.5 Building flexibility into your workforce

Being responsive to service-user need, adapting working practices to fit in with the kind of support they want and ensuring that employees are able to fit in around their lifestyle and timetable will be one of the most effective ways of ensuring an organisation is able to capitalise on the opportunities personalisation may offer. It is also the case that a requirement to provide flexible services is being introduced as a feature of Lambeth’s future commissioning documents.

There are various ways of creating greater flexibility within an organisation, particularly in the way staff are recruited and the wider internal culture created.

Zero-hour contracts

Some organisations are looking at employing a proportion of their support workers on ‘zero-hour contracts’. These are legal contracts of employment which do not specify a set number of hours that the employee will be required to work. Instead, with this kind of contract, employees are only paid for the hours they actually work. In turn, for periods when they feel unable to work they can turn down offers without it impacting their ability to return to employment once they have recovered. Employing small teams or pools of support workers on this basis, whose skills and interests are matched with individual service-users will ensure that organisations can respond quickly and decisively to service-users requests.

It should be noted that this employment arrangement will not work for everybody. It may lead to an unsteady, fluctuating income for some employees and it can make it difficult to get a mortgage or rent with some private landlords. It will be very important for the terms of this kind of contract to be fully explained to potential employees and ensure that their expectations are carefully managed. However, for many this flexible arrangement is desirable, especially among students, new parents and, most significantly, service-users. It may be that zero hour contracts work as an effective mechanism to bridge the gap between formal, standard hour contracts and unemployment as they would allow service-users more opportunity to return to work in a measured way and ensure they are in a position to turn down work if they do not feel able to do it.

There are, however, risks to the employer in using this kind of contract. The flexibility it provides needs to be off-set against the certainty and higher expectations around reliability and investment in the organisation that a permanent, salaried work-force offers. As a result, many organisations use zero based contract staff to complement the work of salaried teams.

It seems likely that many organisations will be required to operate using a proportion of zero hour contracts, especially during the unpredictable transition period when it will be very difficult to know how many personal budget holders an organisation will be supporting. However, as the situation stabilises it may be preferable for employees to move onto more standardised contracts. This is certainly the experience of Southside Partnership who, at one point, had around 20% of their workforce on zero hour contracts. As these staff developed relationships with service-users and were selected as their personal assistant (PA), they were moved on to more standardised contracts.
Key time contracts
These contracts guarantee some work, but do not guarantee regular hours each week. It could be
that some organisations look to set expectations by specifying a range of hours that could be
available, e.g. 2 – 15 hours per week. This approach, which is used by organisations such as Thames
Reach, offers a little more security to employees than zero-hour contracts, while still maintaining a
similar level of flexibility.

Core and flexi
This is a model in which a number of core hours are guaranteed, alongside a number of hours that
will not be fixed or at regular times. This is similar to the model that Look Ahead implemented,
which freed up time for support workers to spend with service-users on activities of their
choosing, whilst also ensuring that enough workers were available at any one time to maintain
safety standards and the core activities within the organisation. Interestingly, this approach led to an
increase in staff satisfaction as their work became more varied and they had time to focus on really
enhancing the lives of the people they worked with. Jean Gibb, manager of Look Ahead’s Coventry
Road accommodation-based service summarised the positive change it had had on their day-to-
day working environment:

“Before, we used to spend a lot of time cajoling and convincing (service-users); now they are
proactive and look forward to going out!”

There are other models for flexible working available and Business Link has developed a tool for
organisations to identify the right type of flexible working for them.17
3.2 Assisting organisations to market their services in a way that informs and benefits service-users and commissioners

As organisations move towards receiving a significant proportion of their income from personal budgets, it will become increasingly important to be able to promote the services and products they offer to individual service-users. For some organisations, this will be their first experience of actively marketing what they do. Others will be experienced in presenting their service offering to commissioners, but will need to develop a new way of communicating similar material to individuals and their families who may not be familiar with some of the semantics that are widely recognised in the statutory sector. Finally, there will be those who have always understood the importance of marketing, but may need assistance to ensure they are being effective in the way they are marketing and are able to evaluate the level of success of any campaigns/specific marketing tools they utilise.

3.2.1 What is marketing?

There is sometimes confusion about what constitutes marketing, with some feeling alienated by a term that is more regularly associated with the for-profit sector. However, many organisations are already undertaking practices that constitute fairly sophisticated marketing techniques, without labelling it or doing it as part of a formalised, marketing strategy.

- Marketing is about meeting the needs and wants of customers
- Marketing must be a business-wide function – it is not something that operates apart from other business activities

The diagram below highlights the range of activities that are involved in developing an effective, strategic and sustainable marketing strategy.
Voluntary and community sector marketing in Lambeth

Marketing can be fairly costly and most organisations do not have a budget available for this. However, over the next few years, the voluntary and community sector as a whole needs to become a lot smarter about the way it promotes and communicates the services it delivers to individuals if it is to compete against the for-profit sector. Recent studies have shown that commercial organisations spend 10 – 15% of their revenue on marketing. Some voluntary and community sector organisations may choose to prioritise spending on enhancing their marketing to ensure that they are also able to reach out to individuals and communities across a locality.

To assist organisations in doing this, Lambeth Council are setting up an online information portal detailing all the services in the Borough. This will be launched at the end of 2010. It is designed to be used by individuals, professionals and commissioners alike and, ultimately, it is hoped that this will become an online platform through which individuals will manage their budgets in a similar way to internet banking*. This will certainly provide an important starting point for voluntary and community sector organisations looking to produce a marketing strategy for the first time. However, to ensure the maximum number of potential service-users are reached, organisations may want to explore other avenues available for promoting their brand, identifying and communicating their core service offering and understanding their position in the local market.

* Providers will be able to make information available on the services they deliver and the localities they cover and the service-users will be able to rate providers on the services they receive.

3.2.2 Understanding your service-users

Understanding service-users and their specific needs, wants and aspirations will be at the heart of any successful marketing strategy. If the services an organisation offers are not as relevant, convenient, affordable or high quality as that of other providers, service-users will spend their personal budgets elsewhere.

Most organisations base their understanding of their service-user’s needs and aspirations on the conversations their staff and volunteers have with them on a day-to-day basis.

- What is important to them?
- What are their key likes and dislikes?
- What is their care background?
- What makes them feel good? What makes them feel bad?
- What would they change about their current care plan?
- What is missing? What would they really like to see?
- How do they perceive your organisation and those similar to yours?

Questions like these are a great starting point for establishing the kind of service an individual wants and needs and, it may be sensible to create a system for capturing the outcomes of these casual conversations, e.g. a simple spreadsheet or at a regular team meeting etc.

However, if organisations are going to be offering truly personalised services, it will be necessary to go even further; investing time into really understanding what individuals would
like to achieve with the organisation they are working with. Throughout the lifespan of the Commission we met many organisations which described service-users as expressing real positivity about the services they were currently receiving. But it was only through the use of techniques such as person-centred planning tools that additional information was released that offered a far more holistic and comprehensive view of an individual's interests and aspirations. In the Look Ahead pilot they decided to start this process by asking ‘Who is the main decision-maker in your life?’ In turn, United Response, which works with people with learning disabilities, mental health needs and physical disabilities have developed their own person-centred planning framework called ‘The Way We Work’\(^\text{18}\), which encourages a totally collaborative approach. They have built on this by creating a multimedia tool called “About Me and My Life” which has been adapted locally to support people with highly complex needs to plan and to choose their daily activities. Their Director of Communications, Diane Lightfoot, said that, through using this tool, people have been able to make and articulate their choices in a way that has not been possible before. One man with very complex needs and no speech who is supported by United Response is not only able to use the tool but has demonstrated it to others at external events (including the In Control Big Event). After watching him do this, one local commissioner remarked that he had known this service-user for a long time but that this was the first time he had ever known that his favourite social activity was having a beer and a curry! Use of this tool opened up huge opportunities for this service-user who has gone from being a user of traditional day care to someone who is control of his life and now experiences a wide range of different activities.

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**Case Study**

**SHARE Community**

*SHARE Community* is an organisation that provides vocational training, employment guidance, personal development and educational opportunities to disabled people and those facing health-related barriers to employment. Operating primarily in Wandsworth, they work with a number of service-users based in Lambeth. Currently, approximately 9% of their service-users are personal budget holders.

They recently invested in overhauling their marketing as they recognised that there may be major opportunities for their organisation in the personalisation agenda. Previously the marketing materials they produced were largely aimed at social workers. This meant they were fairly technical, based on inputs and outputs, rather than the outcomes they achieve for their service-users. In consultation with service-users they have now changed this and are creating leaflets that are directed at potential users of their service. These are simplified, more user-friendly and include far more stories from those who have benefited from working with the organisation. In particular, they have attempted to highlight the key points of a case study in emboldened font so that they can be easily digested by those who may have difficulties reading a lot of text. Leaflets are distributed to libraries, GP surgeries and social workers, as well as JobCentre Plus and Housing Associations. *SHARE* is actively building networks with service brokers and service-user organisations.

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Effective questionnaires/surveys

The guidance given by Lambeth providers indicates that these should be short, typically 5-10 minutes with 10-12 questions.

It is important that service-users feel that their contact with an organisation is an open, transparent, two-way dialogue. If issues are raised in questionnaires and surveys, publishing a response shows clearly how much service-user input is valued. Below is a survey published by Wheels for Wellbeing, a small charity which supports a range of people with disabilities to learn to cycle in Lambeth and Croydon.

Our Annual Survey

A big thank you to everyone who took part in our annual survey. We had 66 responses this year. The key messages we heard were:

As a result of cycling with us:

- 48% of you have made new friends.
- 66% of you feel fitter.
- 65% of you can now ride a cycle.
- 83% of you have fun with us.
- 88% of you gave us a service rating of very good or excellent.

The kinds of things you would like to see more of include:

- More sessions at Brockwell Park
- More cycles (see below for a reply on this)

Some 1-1 lessons – we intend to introduce these in due course.

Things you thought we could do better included:

Not charging £3

- We will need to continue charging £3 even though we have now secured funding from the Big Lottery Fund. This is because we built these charges into our bid. They also help demonstrate that you think what we do is worth paying for which funders like to see. Experience elsewhere also shows that people generally tend to appreciate things more if there is a small charge.
Reducing waiting times by having more cycles

- Although we could prioritise having more cycles, this would cause an increase in the amount of time taken for our staff to get the sessions up and running and so sessions would cost more to run. We will look at using volunteers more in running sessions but cannot afford more costly sessions without having money to pay for them. If you find that you have to wait a long time for a cycle, have a chat to an instructor. In this way, you can help us work out whether we need to introduce a lap policy for certain cycles. A lap policy could be that people can only cycle 3 times round the track before handing the cycle over to the next person.

More equipment such as gloves or elbow pads or foot straps

- We are looking to increase our range of equipment.

Thank you for taking the time to complete the survey. If you have other comments then please make them known to a member of staff – don’t wait till our next survey!

Users are encouraged to feed back on an ongoing basis, maintaining a positive dialogue.

Using focus groups

Holding regular focus groups of current and potential service-users will enable organisations to really understand what motivates those they work with, what their decision process is, why they make certain decisions, their perception of an organisation (its brand, what it stands for; how it works, what it does, what makes it different etc). This will allow organisations to delve more deeply into how the services currently on offer can be improved and how interactions with service-users can become more ‘person-centred’.

It may be that existing networks of service-users can be used to conduct focus groups, negating the need to set up and maintain new ones. Making links with organisations like Disability Advice Service Lambeth, Age Concern Lambeth, People First, Kid City, First Step Trust as well as officials in Lambeth Council’s Self Directed Support team should give organisations a clear understanding of the networks that are already well-established.

3.2.3 Gathering intelligence: understanding the market and evaluating competitors

Analysing the local market involves asking in-depth questions about how an individual organisation operates in comparison with those delivering similar services. This is an essential part of developing a marketing strategy as it will shape the way organisations choose to disseminate the marketing material they produce, the content of that marketing and the way the organisation chooses to position itself as a ‘provider of choice’ as a marker is developed.

Some questions to ask when conducting market analysis include:

1. What group of service-users are we trying to reach with this marketing?
2. What other organisations – from both the voluntary and private sectors – are already supporting this group of service-users?
a. Are they successful?
b. Are there other organisations with services or products similar to ours?
c. Are they successful?
d. Do we know what their proportion of the market is?

3. Is the local area saturated with organisations delivering services to a similar group of individuals as us or are services similar to ours difficult to find? If so, why?

4. How many potential service-users are there in the area, e.g. how many registered disabled people are there? How many claim state pensions locally?

5. How can we reach this market?
   a. How do competing organisations reach the market? Leaflets? Online? GP surgeries?

6. What do service-users expect from this type of product or service?
   a. Are they striving towards a tangible outcome, i.e. getting a job?
   b. Is this a whole support package, e.g. a Personal Assistant, residential care package, or an ad hoc service, e.g. an art workshop, a travel buddy scheme

7. What is the cost of running the service? (see chapter on costing and pricing)
   a. Is this similar to that of competitors?
   b. How does this relate to the price we are intending to charge?

8. Are there opportunities to work together with other organisations to deliver a service?

Following this, it may be important to delve down in further detail into the kinds of organisations that are competing for the same groups of service-users.

3.2.4 Communicating what you do

Organisations reaching out directly to service-users need to be able to explain succinctly what they do, what makes them special and different and the costs associated with the services they offer. Effectively, all those involved in delivering services with voluntary and community sector organisations – from reception staff to managers to front-line support workers – will become ambassadors for the quality and integrity of the brand they are associated with. They can only do this if they fully understand what their organisation’s long-term aspirations are, what kind of service they offer, what differentiates them from their competitors and the image they want to project to service-users and their families.

One technique used by some organisations is the 35-second ‘pitch’ which is prepared to explain succinctly what their organisation can deliver for service-users. This can be a fun, interactive way of ensuring that key messages are being disseminated across all parts of the organisation and that anyone contacting the organisation will be met with consistent and accurate information.

The ‘pitch’ should be built around the following three areas:

- Concept - who are we, what do we do?
- Target audience – who are we trying to reach?
- Market positioning – where do we fit in?
3.2.5 Using the stories of service-users to market your services

One of the most effective ways of marketing services is through sharing stories. This is especially true in the voluntary and community sector which is renowned for being close to service-users and can really compete with the public and private sectors through some of the less tangible ‘added value’ they deliver which is frequently best expressed by the service-users themselves. Organisations like United Response have gone further and are looking at using ‘Ambassadors’ of personalisation among their service-user base. These individuals can show new service-users what can be achieved through the choice and control that a personal budget offers, thereby mitigating some of the anxiety that the application process can cause. However, they also show the kind of outcomes that can be achieved in partnership with organisations like United Response.

As some of the services currently on offer are replaced by alternatives which increase independence, stories illustrating their effectiveness will have all the more impact. When an individual is given a personal budget, it is likely that stories of other service-users increasing their wellbeing through, for example, the cycling services offered by Wheels for Wellbeing or pottery workshops from Cooltan Arts will have an effect on the services they opt to purchase.

Organisations can be creative in the way they use these stories. Thames Reach, for example, has produced podcasts which feature individuals telling their stories of their road out of homelessness. These can be found on the Thames Reach website. Alternatively, you can see the huge impact that short videos made by organisations such as Chance UK can have by visiting the BBC website.

Voluntary and community organisations must become more comfortable asking service-users if they can use their story as part of their marketing and, where appropriate, ask if they would be able to tell their stories directly, for example, to groups of new service-users or at fundraising events. This is a model used very effectively by Together, who, as part of their service, work to increase the confidence of their service-users so that, if they want, they can undertake public speaking on behalf of the organisation. They work with a number of service-users with personal budgets, a large proportion of whom offer incredibly inspiring accounts of how their life has been transformed because of the support offered by Together.

20 http://news.bbc.co.uk/1/hi/ws/england/7727836.stm
Case Study

Wheels for Wellbeing

It is not just large organisations with official marketing budgets who need to take marketing seriously. Organisations like Wheels for Wellbeing also need to think about how they reach a larger group of potential service-users. They use feedback and photos from a wide range of individuals who have benefited from their services to promote the organisation. This means that whoever is reading the marketing - service-users themselves, teachers, family members, friends – can relate to the stories.

What do our participants have to say? Here’s a range of views from people who’ve been cycling with us.

“You provide something we can’t do elsewhere. You provide equipment that all people across the impairments can use. In our case, people who struggle to walk can ride a bike non-stop, giving them exercise they can’t do otherwise. You also give more social opportunities, a rare place where people with multi-impairments can meet and mix.”

Will Plant, who has a physical impairment

“We love cycling with you! There are cycles to suit everyone’s needs. The track provides a safe and secure environment for everyone to ride confidently. The instructors are helpful and understanding and enable all of our pupils to participate. We would like to come all the time.”

Collin Jones, Head of Physical Education, Turney School (Lambeth special school)

“I think this is a wonderful scheme for kids with special needs, where they can practice their cycling skills in a very safe place. There is a nice selection of bikes. Harvey (who has autism) loved the afternoon and will definitely come again.”

Jo Ward, Harvey’s mum

“I actually look upon cycling for health as ‘getting my life back’. After the initial first visit of nerves, I managed to ride around the track slowly without wobbling. After visiting twice a week I soon picked up speed and confidence.

My riding skills improved (off-road) and I bragged to my family. My 2 daughters decided to join me, along with a granddaughter. I bought my own bike and had a council 1-1 lesson to give me road confidence. I have now been on a few 25 mile rides with the Pollards Hill Cyclists. I love cycling as it takes me back to my childhood and I love the feeling of freedom it gives me. I have met a lot of nice people socially through my new found fitness. Everyone I know knows I have become a cycle person.”

Fran Taylor, a Cycling for Health regular visitor

3.2.6 Choosing a distribution channel

Each organisation will need to decide on the most effective distribution channels for their marketing. These will broadly be split into direct and indirect marketing techniques.

Direct marketing

Direct marketing is very targeted, enabling an organisation to reach their audience with a specific message. Examples of this include:
Leaflet drops
Direct mails
Direct emails
Phone campaigns

These tools allow organisations to segment their base of potential service-users and ensure each one is contacted in a way that is appropriate to them and with the kind of language and imagery that they are most receptive to, e.g. direct emails may be more effective with younger service-users, while older users may prefer contact by leaflet or phone.

Indirect marketing (also known as 'Above the Line')
This is a less targeted form of marketing, but may reach a wider audience. Examples of this include:

- Newspaper/magazine advertisement
- TV/radio advertisements
- Billboards
- Sponsorship

Social networking websites
There are various ways of using social networking sites to promote services offered by voluntary and community sector organisations. Although some people are sceptical about these kind of websites, it is important to recognise that service-users and their families are becoming familiar with an increasing number of methods of communication, including Facebook, email, SMS, Twitter, LinkedIn and Cable TV. All these techniques are currently being used by many to have an ongoing dialogue with potential and current service-users about how they can improve their service offering and what more they can be doing to create an effective online support network. Most significantly, these are extremely cost-efficient means of reaching potentially large numbers of service-users.

This is the Age Concern Community Facebook page. Many of those who are commenting on the page have been contacted by post by the organisation for the first time. It is interesting that people are choosing to connect with Age Concern in this way, rather than through their phonelines or email addresses. The organisation also uses the page to share information about events, relevant news stories and fundraising ideas.

Twitter is a useful way of keeping donors, service-users and their support networks up to date with an organisation’s news. Event details, campaigns and interesting articles/blogs can be shared. It is also an effective way of finding out the key issues impacting groups of service-users. This is the Twitter page of Mencap. It has over 5,000 followers, ranging from similar organisations, trustees, relevant press contacts and, most significantly, service-users who regularly post pictures and share stories or news.
3.3 Helping organisations effectively price services that can be purchased using a personalisation model

Over the last two decades, the voluntary and community sector has had to develop a range of new skills to allow it to compete for statutory funding. There is still some way to go, but there is no doubt that real improvements have been made in areas such as bid-writing, costing, financial modelling and evidencing outcomes. The introduction of personalisation means organisations will need to move beyond costing and start understanding the complex world of pricing services – a careful balancing act between cost, affordability, quality and market position. This is one of the most complex areas the Commission has looked at and there is certainly not one model of pricing that will work for all organisations. The section below is designed to enable those in the voluntary and community sector to start asking the kind of questions that will result in the production of a sustainable pricing strategy.

It has been raised as an issues that some in the voluntary and community sector will feel uncomfortable charging individuals for the services they offer. However, across sectors the public are becoming increasingly familiar with paying for services they receive. Similarly, the expectation that charities in particular should raise all their money through fundraising, donations or grants is also diminishing as people have begun to recognise that the sector is a significant player in shaping the local economy. In many cases it will be expected that classes, workshops, membership fees, care packages, activities and the provision of quality information or advocacy will be paid for by those beneficiaries who can afford it. Pricing may also be an opportunity to increase transparency across the sector as it will be necessary for organisations to be clear about what an individual’s money is being spent on.

As a starting point, it is important to understand the difference between cost and price. To date most organisations have been operating with the central aim of recouping the costs of the services they deliver. However, moving to a model where it is necessary to set a price for each individual an organisation works with will require a much more strategic approach.

**Cost** refers to the amount paid to produce a good or service. The cost represents the sum of the value of the inputs in production – premises, salaries, capital and enterprise.

**Price** refers to the amount of money that individuals are willing to pay to acquire a good or service and is dependent on many different factors, including the local market and economy.
In the for-profit sector, some organisations use a format comprising six basic steps to set a price for a new service/product or review the price of an existing service/product. These are outlined below and may be a useful starting point for some organisations:

1. Perform market analysis

   This builds on some of the concepts outlined in the section on marketing. However, the key questions that need to be asked include:
   - What service do we want to offer?
   - Who are we competing against?
   - Are we high quality/low quality/run more cheaply/run more expensively than our competitors?
   - What is our unique selling point?
   - Where is our organisation based?
   - What can people in the area afford?

In their initial thinking on how they will set prices, Blackfriars Settlement, who run a range of services aimed at creating opportunities for local people to reach their educational, economic and social potential, have raised the following queries for their senior management team to grapple with:

“Our pricing must reflect our costs (and competitors, to a degree) – and what costs are being captured relates to the various inputs that have or need to be identified:

- Staff (full cost including National Insurance, pension etc.)
- Raw material – paper, ink etc.
- Room/facilities (including power)
- Equipment maintenance

How should we account for/factor in volunteer and/or members’ hours? And at what rate (including expenses) should they be paid?

How do we calculate and include the depreciation of equipment (i.e. contribution to replacement of existing equipment)?

What proportion of our income should we contribute to a reserve to fund any expansion and increase capacity?

What management and support do we need to undertake pricing and billing/invoicing, credit control, payroll, IT support, governance etc?

We need to:

- Make some assumptions as to the realistic volumes – of demand as well as capacity
- Benchmark against the pricing of similar products and/or services in the local market
- Consider using price as part of our strategy to build up capability and capacity, e.g. introduce offers which would allow prices to be set lower than would otherwise be the case, as initially volume is likely to be low. This would need to be cross-subsidised from another funding stream, which could be tapered off as the number of service-users increases, and thus unit cost decreases.”

Dominic Pinto, Development Officer, Blackfriars Settlement

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   - What is our unique selling point?
   - Where is our organisation based?
   - What can people in the area afford?
2. Developing market strategy

The table above highlights the complex relationship between price and quality. This is something that organisations will need to consider when setting the price of their service. Can services be delivered at a high quality and also at an affordable price? Will compromises need to be made on quality to be able to offer competitive prices? Is this something an organisation will consider? If not, are there other ways of reducing costs, e.g. sharing back-office functions, zero-hour contracts etc.?

Some organisations we have spoken to do not naturally think along these lines, perhaps associating this with the ‘profit-driven approach of the commercial sector’. However, high quality services generate additional costs and it is reasonable that these should be covered, especially at a time when public spending is being reduced. In developing a market strategy it will be necessary to make difficult decisions about the balance between how much people can afford, the quality offered and the price set. Some organisations may even seek to deliberately create a surplus that can be ploughed back into the business and used to develop new services and products.

3. Estimate demand

- What are your current levels of service?
- Is there any data which gives an idea of the needs within your service area, i.e. number of registered disabled, number of children in care, number of those eligible for state pension?
- Will you be expanding the service geographically?

The outcomes of the market analysis will be an essential part of this.

4. Calculate cost

As outlined above, the new commissioning landscape means that an understanding of the costs associated with delivering a service is no longer sufficient on its own. Instead it becomes a key step in developing a pricing strategy.

For each service it is important to identify all the direct costs, for example the salaries of people working delivering a service, materials and equipment used by the service and the training and travel costs for the relevant staff. In addition, it is important allocate the proportion of overhead costs (also known as core costs, indirect costs and management costs) used by the service to the funding available. Overhead costs may include:

Survive and Thrive: How organisations in Lambeth can adapt and flourish through the personalisation of services
Transaction costs: An additional overhead?

The issue of transaction costs has been raised a number of times during the Commission’s meetings. These are costs relating primarily to staff time that arise through the need to, for example, process a huge number of contracts and invoices where previously there may only have been one. Many organisations believe that personalisation will increase the amount of time they must now devote to meeting these administrative requirements to an unreasonable level, creating an additional, prohibitive financial burden.

There are certainly issues that need to be clarified around who is liable for transaction costs, but it is clear that the Council do not envisage funding for the voluntary and community sector being spent on complicated invoicing procedures when they could be more usefully focused on enhancing the lives of service-users. They are discussing a number of ways through which they can mitigate against this and will be consulting the sector on this over the coming months.

However, there are a number of options that voluntary and community sector organisations might want to explore that have arisen from our conversations with Lambeth organisations as a way of minimising the costs associated with the increased number of transactions they will need to deal with, including:

Premises and office costs, including:
- Renting and maintaining building(s)
- Utilities
- Computers, desks, furniture etc

Directorate, finance, human resources, IT, including:
- Directorate costs, including leadership and overall direction of the organisation (Director, Chief Executive)
- Finance (accounting, budgeting, invoicing etc)
- Human resources (administering payroll, recruitment etc)
- Information technology
- Facilities/office management
- Other administrative tasks
- Governance costs:
  - Audit fees
  - Legal fees
  - Professional fees
  - Trustee expenses

Strategic development costs, including:
- Consultancy meetings
- Special trustee meetings

General fundraising costs

This is the basic concept of the Full Cost Recovery programme that has been running over the last couple of years²¹.

²¹ More information on this can be found at www.fullcostrecovery.org.uk

Survive and Thrive: How organisations in Lambeth can adapt and flourish through the personalisation of services
5. **Determine pricing objective**

It will be necessary to decide what the pricing for an individual service is designed to achieve for the whole organisation. Below are few basic ‘Pricing Objectives’ commonly used in the for-profit sector:

- **Maximising profit** would mean setting prices high and keeping costs relatively low to ensure a significant surplus. This may be desirable where there is a popular, niche service which could cross-subsidise a start-up service or enable an organisation to ride out fluctuating economic conditions.

- **Maximising income** will mean bringing in as much funding as possible either through running low-cost, highly marketable services that many people want to buy or high cost services which will be accessible to fewer, but continue to bring in significant income.

- **Maximising quantity** will require organisations to run accessible, highly popular services which a large number of service-users will be able to pay for.

- **Quality leadership** will be what many voluntary and community sector organisations aim for. This will mean extremely high quality services, which may have a high price tag to match. Organisations will have to be careful that these services don’t become too exclusive, available only to the wealthiest self-funders or those who can top up their personal budget.

- **Partial cost recovery** will be relevant for new services (loss leaders), like those proposed by Blackfriars above, or those that the organisation feel are key to their charitable mission, but are not currently recovering their full costs.

- **Survival** may be the aim of some organisations running services in an era of deep public spending cuts. This may mean that price is set at the same rate as cost, or that price is less than cost and that organisations intend to subsidise this through fundraising, grants or income from other services.

6. **Set price!**
**Case Study**

**United Response**

*United Response* is a large national charity supporting adults with learning disabilities, mental health needs or physical disabilities. They offer a range of support from supported living, residential care, outreach, day time activities and supported employment. Currently, 10% of their service-users have a personal budget for some or all of their support.

When United Response began considering breaking down their packages of support in order to develop an effective method for pricing their services, they started by undertaking an in-depth analysis of their current portfolio of services or products. This focused on looking at whether the products were good enough to be marketed, asking questions such as:

- Would I, if I were a customer, want to spend money on this? Why? Why not?
- Would I buy the service offered? Why? Why not?
- Could I sell it convincingly to customers? Why? Why not?
- Would I invest in it if I had the opportunity? Why? Why not?

They then moved on to looking at how to present their services – at one end of the spectrum, whether they should simply offer “person-centred support”, i.e. a blank sheet of paper; or whether it would be helpful to give a very specific “menu of options”, for example daytime support, support to find a job, help with budgeting and money management, 24 hour care and support, support with community activities etc. It soon became clear to them that it would not be possible to be too prescriptive as all individuals have different needs and want to achieve different goals and aspirations. For example, two of their service-users were supported to use their personal budgets to establish their own social enterprise - a local gardening business. How do you make that kind of support consistent with a rigid framework for pricing? This emphasised the huge importance of getting the menu of services right – and costing and pricing accordingly.

**Costing for personal budgets**

When moving to personal budgets, there has been some debate within the organisation about how transparent they should be with service-users given that costs should include overheads like training, management costs and rent/ payment for premises. *United Response* are clear that there is a real difference between, on the one hand, making every single one of your costs public and, on the other; ensuring service-users understand what they are buying. Low level buyer “literacy” is a problem that providers will have to overcome, particularly in the transition period when the process of purchasing services will be unfamiliar to many. *United Response* gave an example of an individual (a parent) who approached them with what she perceived to be a fairly substantial Personal Budget (£40,000) only to realise, following a conversation and budgeting exercise with their support team, that the services it would purchase over a year were quite limited when all the different factors and support that was needed were accounted for. It will be vital that local authorities and voluntary and community sector providers work together to manage
the expectations of service-users going through the process of understanding what their personal budget can purchase.

United Response has always worked on a full cost recovery basis and, at the moment is looking at budget models to ensure that this remains viable when individuals are purchasing their services. If budgets do not meet costs, they will seek to cut their own costs and/or look at different ways of delivering services, rather than subsidising the service with fundraising as this is felt to be too high a risk for both the organisation and the service-users who will rely on a core and consistent service being available.

**Setting the price**

When setting the price (as opposed to cost) of a service, *United Response* has considered the following factors:

- What will the market bear? i.e. what will people be able and prepared to pay?
- What are buyers’ motivations? They are likely to be far more complex than just price
- What will the balance be between price sensitivity versus quality?
- Evidence suggests quality, reputation and brand all key - are they more important than price?
- Might customers be interested in purchasing fewer, quality hours rather than cheaper hours?
- How often should prices be reviewed? How much detail will we need to/want to give?
- Should we break down the costs in full? And should any of the costs be negotiable?
- Should different models of pricing be offered?

They are now considering a number of different ways of pricing in addition to the standard hourly rate model, including:

- Pricing by outcome, e.g. offering a flat rate price to find someone a job or learn a skill
- Pricing time-limited interventions, e.g. a short break costs £xx.xx
- Basic price with add ons, e.g. a flat rate cost for basic supported living with add ons for activities, additional support etc.
- Example packages, e.g. for £40,000 you could buy...
- Varying price by geographical location.

They are reaching the conclusion that they will have to offer a mix of pricing models depending on what individuals want to achieve with their Personal Budgets. While some will find the idea of pricing by outcome attractive, others may prefer to guarantee that they are getting a service for a specific, agreed amount of time.
3.3.1 Working towards sustainable funding – diversifying income streams:

The voluntary sector income spectrum

Donor

Funder

Purchaser

Consumer

Gift Economy
Philanthropic giving, voluntary donations, pure charity. Provides unrestricted income for an organisation to use at their discretion to further charitable aims.

Grant Funding
Usually restricted funding provided to deliver specified outputs and/or mutually agreed outcomes. Grant funders are likely to want to monitor what is done with their investment and have clear expectations about what will be achieved.

Structured Market
Payment for goods or services according to the terms set out in a contract between an organisation and a third party purchaser, be it from the public, private or voluntary sectors.

Open Market
Within the overall realm of trading, the range of services and goods that can be sold is potentially endless. Some types of trading are undertaken purely to generate profit, while other types can also contribute to the delivery of an organisation’s mission. Income generated in this way is unrestricted.

Asking

Earning

With statutory funding becoming harder to secure over the next few years, it is likely that voluntary and community sector organisations will have to look elsewhere for some of their income. Very few of the organisations we spoke to anticipated generating all their income through personal budgets, particularly in the early stages of personalisation.

There are a number of other ways that funding can be channelled into an organisation from a range of sources. Some organisations who engaged with the Commission are doing, or considering doing, the following:

• Increasing fundraising through:
  – Major donors and legacies
  – One-off donations
  – Committed donors (payroll and direct debit)
  – Endowment funds
  – Tax efficient giving

• Maximising the income earned from any assets owned, e.g. buildings, equipment, back-office functions

• Introducing a membership model in which service-users pay a small annual fee for access to the information, advice, equipment or specific expertise an organisation possesses

• Investigating the accessibility of statutory grants, lottery grants and funding from foundations or trusts
• Setting up a trading arm which would enable an organisation to develop, market and sell products or services that don’t link directly to their charitable message

Many of the organisations which have been most successful in achieving sustainability have started by addressing the following questions:

• How diverse are your income streams, i.e. how many sources of income do you have?
• Which income streams are the most vulnerable?
• Are there some which you take for granted?
• In which areas should you be looking to develop income?
• What does the current economic climate mean? What opportunities could it present?

NCVO has pulled together a range of tools and useful resources to help organisations to move towards a more sustainable funding model. They can be found by visiting the NCVO website22.

22 http://www.ncvo-vol.org.uk/advice-support/funding-finance/sustainable-funding/first-steps

Survive and Thrive: How organisations in Lambeth can adapt and flourish through the personalisation of services
3.4 Helping organisations measure and evidence what they do

Policy-makers, commissioners and elected officials are starting to respond to service-user-driven campaigns which emphasise their desire to access services that allow them to work towards positive goals that they define, e.g. getting a job, living independently, overcoming social isolation etc. Over the past few years many voluntary and community sector organisations have expressed their frustration at some public service contracts which are framed in a way that focuses much too firmly on monitoring fairly crude inputs and outputs. In recent years, all Lambeth Council’s strategies have been based on achieving clear outcomes for individuals and communities. These differ depending on the service-user group, but broadly include outcomes such as increased well-being, independence, reduced use of statutory services and reduced admissions to long term residential care. Therefore, effectively measuring and communicating outcomes achieved has become increasingly important for voluntary and community sector organisations.

The shift towards outcomes has generally been welcomed by most voluntary and community sector organisations and there is an expectation that this change will contribute towards a reduction in transaction costs mentioned above as it assumes a simplification in the way that returns are provided to commissioners and funders and a reduction in the monitoring and regulatory burden. However, this is a fairly complex area and, in many ways, it will be the way organisations measure and demonstrate outcomes that will provide the overarching backdrop to issues of quality, pricing and effective marketing.

Personalisation may provide an opportunity for simplifying this. In most cases it will be possible for service-users and their families to formulate a clear outcome that they want to work towards, leaving the organisations they work with far greater freedom to introduce a variety of interventions that will help them achieve this. When Ceri Sheppard from Look Ahead asked service-users who the main decision-maker was in their life and only three in twenty thought it was themself, it became self-evident to all those involved that one key outcome of the personalisation pilot should be to empower and enable the residents of Coventry Road to start taking control of their own lives. In the case of this pilot, it did not really matter whether this was achieved through holding a budget, having more flexi-time, spending more time with a specific member of staff or increasing contact with close family.

The only important element was that through regular monitoring (undertaken alongside each individual) it could be demonstrated that progress was being made towards achieving the ultimate set of outcomes for an individual and, where this was not the case, solutions were being put in place to overcome any obstacles.

With some groups of service-users it may be harder to define mutually agreed outcomes. However, information from organisations such as United Response who work with those with very complex needs, 40% of whom cannot speak, suggests that models of personalised support, even for those who may have more difficulty articulating their needs, can still be hugely life enhancing and that detailed engagement with support networks, as well as the individual, can lead to the development of a set of outcomes that form the basis of a support plan.
There are various tools that can be used to define and measure progress towards outcomes, but the one that appears to fit most naturally with personalisation is the Outcomes Star. Many of the commissioners within Lambeth have acknowledged its effectiveness and some have spoken of their wish to introduce the Outcomes Star as part of the formal assessment process that each individual will go through before being given a personal budget. In mental health this is already commonplace since the Department of Health funded the use of the Recovery Star, a version of the Outcome Star, in five strategic health authorities in late 2009.

The Outcomes Star is designed to be used by service providers to measure a service-user’s journey of change. One of the most useful aspects of the tool is that it can be used by service-users to take a ‘snap shot’ of their current condition and compare it with that taken at another time or used over time to map progress made. A number of variations of the model have been developed for different groups of service-users and they are all free to download on the Outcomes Star website.²³

Each of the tools comprises a number of scales arranged in a star shape. Each point on the star represents an outcome area – an aspect of the person’s life in which the service is seeking to create change.

For different Outcome Stars the end goal is different. For the homelessness and recovery star the end point is self-reliance, i.e. not needing a specialist service any longer. For the older person’s star the end point is that independence and well-being has been maximised.

Organisations are able to work with the individuals they support to plot scores on the star to give a visual summary of where the person is at a specific moment in time on each outcome area. When the measurement is repeated at a later point in time the second score can be plotted. The difference between the two, and hence the change, can easily be seen and understood.

²³ www.outcomesstarsystem.org.uk
Pauline Etim-Ubah, Community Development Manager at Fanon Resource Centre, described how using the Recovery Star stimulated staff and service-users to have a whole range of different conversations. Service-users and staff were trained together on the use of the Star, an approach which led to far more meaningful engagement by both parties. Instead of focusing on 'need', the approach supported them to explore issues around hope, trust, identity and self-esteem. It also, she added, emphasised the need for genuine partnership to work towards recovery. Feedback from her staff was almost universally positive:

"I've learned more about this person doing the Star than from years' worth of notes."

"We used to be seen as little more than cleaners; now we're able to engage in real recovery work."

Service-users also experienced an improvement in the outcomes achieved:

"I love this; it's all about me!"

"It helps me see where I am."
Survive and Thrive: How organisations in Lambeth can adapt and flourish through the personalisation of services.
Chapter Four
Next steps

The vision of building a ‘Co-operative Council’ challenges all those engaged in the delivery of public services to create the conditions where constructive, open and honest cross-sector dialogue can flourish. There are a number of highly pragmatic reasons that make this a necessary, as well as a desirable, way of working. It seems likely that, as public spending is restricted, statutory agencies will not have the capacity to engage with the number and range of organisations that they do at the moment. Those that currently rely heavily on funding from either Lambeth Council or the PCT may be required to deliver similar services for less money, demonstrating the real need for all those involved in public service delivery to look at ways of promoting efficiency and reducing overhead costs as far as possible.

Over the coming weeks and months it will be essential that organisations start thinking about the way they work together; the way they enable service-users to benefit from being part of an exciting growth in mutual models and the way in which they can stimulate better cross-sector working with local statutory bodies and the business sector. This section of the report summarises some ways in which a new focus on mutualism can be achieved which overcomes some of the boundaries between organisations, between providers and service-users and between the public, private and voluntary and community sectors.

4.1 The Cooperative Council: making it real

4.1.1 Working together: voluntary and community sector organisations

The Commission has discussed a number of ways that the voluntary and community sector can play a part in the development of the Co-operative Council, working together to make sure that ‘every penny of public funding available locally is stretched to deliver the best results for local people’.

While there may be potential benefit from small and more specialist providers banding together to address some of the capacity gaps they face, discussion has largely focused on partnerships between large and small organisations. In the past these have often been fairly difficult to forge. However, those larger organisations that have been involved in the work of the Commission – United Response, Southside Partnership, Thames Reach – have acknowledged that the current economic climate places responsibility on those with more resources to support the development of smaller organisations so that a genuine mixed market can be created.

Historically, the most successful partnerships between large and small organisations have been between those that complement, rather than compete against, each other. They rarely work in circumstances where both parties are offering the same services to a similar group of users. In addition, it must be recognised that there will always be a number of complex reasons behind an organisation’s desire to form partnerships, some of which will be commercially driven e.g. a larger organisation offering housing advice may be looking to reach out to a particular community and would, therefore, look to link up with an organisation which holds weekly lunches for service-users from that community.
Jean Carpenter, Chief Executive of *Flipside*, a local organisation supporting young people to achieve their aspirations, talked about the elements that have made their partnership with *Fairbridge* (a much larger charity) work.

“It was important from the outset to recognise that we were the junior partner in the partnership. Both organisations had to adapt the way they worked, but there was an openness that allowed us to share concerns. Communication is vital”.

Forming consortia

Forming consortia is a formalised way of delivering services together: *it allows organisations to harness a broad range of expertise to deliver a high quality service to those accessing support*.

### Case Study

**Carers’ hub**

The Carers’ Hub in Lambeth is a consortium formed of three main partners — *Crossroads Care — South Thames, Age Concern Lambeth* and *Disability Advice Service Lambeth* — who are working with carers, Lambeth Council, NHS Lambeth and other voluntary and community sector organisations to develop and deliver services identified in the Lambeth Carers’ Strategy 2008 – 2013. This was formed in recognition of the different strengths offered by the organisations in the partnership with the aim of offering a *truly local service for carers in the Borough*.

Since December 2009, they have been delivering the following services:

- Carers’ Enquiry Line
- Face-to-face advice and information
- Maintain, update and develop the Carers’ Register
- Build and maintain the Carers’ Hub website
- Publish a quarterly newsletter
- Create a number of Carers’ Forums
- Carers’ Advocacy Service
- Carers’ Telephone Out Service which is a peer support service for carers who become socially isolated because of the responsibilities they have taken on

During Carers’ Week the Hub ran a range of events, such as Caring for Carers Day, and it is currently working with JobCentre Plus to improve the employment support available to carers.
Although the Hub has, in many ways, been a big success, forming consortia can be quite a challenging process and any organisation entering into one should look at how the risks – both financial and reputational – can be managed effectively. In the case of the Carers’ Hub it has been problematic finalising areas of responsibility and, in particular, developing an identity and brand for the consortia which is separate from those that have been created by the three organisations involved.

Certainly, before embarking on this kind of partnership it will be important to talk to local commissioners and other decision-makers to work out how this kind of delivery model can fit with the overall vision of the future of local service provision. Those who have been part of the Lambeth Commission’s work have indicated that consortia could be an effective means of reducing the Council’s transaction costs and that commissioning one lead body may become preferable to commissioning many smaller organisations to deliver the same services.

For those who feel that being part of a consortium would be a viable way forward for their organisation, it may be beneficial to make contact with Lambeth’s Voluntary and Community Sector Consortium Development Project.

### Lambeth’s Voluntary and Community Sector Consortium Development Project

Lambeth’s voluntary and community sector has secured a support package from ACEVO consisting of 10 days of support to develop a consortium. The support package will cover key areas needed to launch a successful consortium including developing a membership prospectus, business planning and raising finance. The consortium is being developed to:

- Enable small specialist and local organisations working in the field of health and social care to come together to offer support brokerage and other services to users
- To share ideas and joint working between large and small organisations
- To strengthen the local market
- To bid for contracts as one body

Lambeth Voluntary Action Council (LVAC) supported the application and is acting as a lead body, working with a steering group drawn from the voluntary and community sector. The consortium development project began in October 2010 and will run until March 2011 when the consortium hopes to be fully established.

Although it was published some time ago, the Cabinet Office’s guide to ‘Working in Consortium’, remains a useful starting point for organisations considering this. It can be downloaded from their website.\(^24\)

\(^24\) [http://www.cabinetoffice.gov.uk/media/107235/consortium\_guide\_final.pdf](http://www.cabinetoffice.gov.uk/media/107235/consortium_guide_final.pdf)
**Collaborative approach to developing the voluntary and community sector workforce**

The following are a series of options that it would be useful to consider in order to encourage greater collaborative working that is less formalised in structure:

- **Large organisations working in Lambeth should be encouraged to offer subsidised or at cost places on any courses or training programmes they are organising to small organisations in the Borough.** This could be based on a Memorandum of Understanding or a looser agreement. It would not be costly to big organisations and would provide an invaluable platform for those employed in the local voluntary and community sector to learn together and create networks of support.

- **Alternatively, where training courses being organised by large organisations are not filled, free places should be advertised to small organisations.** Information could be disseminated via local authority mailing lists or those maintained by Lambeth Voluntary Action Council, although it would have to be recognised that places would need to be taken up at short notice.

- **It may be worthwhile to set up a local ‘Time Bank’, an online forum bringing together small and large voluntary and community sector organisations to share their time and knowledge of transforming their organisation in response to the personalisation agenda.** This could include online discussions where individuals share their experiences, a ‘knowledge bank’ where resources and research could be shared and a space for organisations to offer short masterclasses or hands-on assistance with particular aspects of the changes they are making, e.g. a guide to using *Progress for Providers* or *Developing the right HR Strategy*.

**4.1.2 Working together: voluntary and community sector and public sector**

There are many examples of really positive cross-sector work in Lambeth, including this project undertaken by the Lambeth Commission on Personalisation! Effective cross-sector working will become even more important over the next few years as spending cuts come to dominate the agenda. If we really are going to continue to improve the quality and responsiveness of services for the most vulnerable in the Borough, close partnerships between providers and statutory commissioners that encourage open, transparent dialogue and joint strategic planning will need to be developed now.

Below are two case studies which highlight practical examples of where this is already happening in the Borough with both the **local authority** and **health professionals**.
1. Lambeth Council have made a concerted effort to work with some of the smaller organisations based locally to support them to operate in a more sustainable way. This has included enabling officials to lend their time and expertise in developing business plans, helping them put in place processes to monitor performance and assist in the development of initial marketing strategies.

Case Study

Streatham Darby and Joan Club

Based at Woodlawns, a Victorian villa set amid peaceful surroundings, the Streatham Darby and Joan Club aims to provide older people with support, companionship and a range of activities that promote their independence, improve their health and well-being, value their diversity, and make later life an enjoyable, fulfilling and more rewarding experience.

In 2002, to respond to the problem that they were only really catering for one section of the local community, Streatham Darby and Joan Club formed partnerships with the Lambeth Asian Centre and Make A Difference Afro-Caribbean Senior Citizens Group. This enabled both the smaller organisations to operate out of Woodlawns, enabling them to become more sustainable. In 2004 they were awarded contracts from Lambeth Council, and worked with the support of Age Concern Lambeth to successfully deliver day services for older people. This enabled them to employ three full-time staff working across all the organisations based in the building.

As the services developed and the Centre became increasingly busy the groups developed their plans and, in 2008, Streatham Darby and Joan Club submitted a bid to Lottery Community Assets with the support of the Council, which led to the organisation receiving a £1 million grant to develop the Coach House at Woodlawns. Lambeth Council agreed to help the organisations manage the grant, extending the lease on Woodlawns to 99 years and providing funding for the maintenance of the building on a temporary basis. Over the last few years the Council has worked with all three organisations to draw up a five-year business plan aimed at increasing the number of activities on offer and the diversity of users accessing support from Woodlawns. They have provided expertise from their Active Communities team and assisted the organisations to manage the different monitoring processes that they are now required to undergo as a recipient of funding from the Big Lottery Fund.

It is hoped that, over time, the building will start to function as a community hub, a centre for active inter-generational support. A key way of enabling this is through a new partnership being formed with the Lambeth Carers’ Hub. Over the next few months, this consortium will join the organisations at Woodlawns and have their main base on the second floor of the building. With Streatham being home to the highest concentration of carers in the Borough, it is hoped that a growing number of those – both young and old – whose lives revolve around supporting loved ones in their own homes will come to Woodlawns and engage in activities such as piano playing, having ‘pamper’ treatments, getting informal peer support etc. Woodlawns is also looking at renting some of the space to other voluntary and community sector organisations including one working with young people in the Borough.
2. As mentioned previously, the next few years will make partnerships with health professionals incredibly valuable as responsibility for commissioning is transferred from NHS Lambeth to front-line GPs. During the transitional phase, organisations may want to prioritise making links with local GPs to find out how they intend to commission in the future and ensure that they fully understand the quality and wider social value of the services currently being delivered by the voluntary and community sector.

Case Study

Lambeth Living Well Collaborative

Lambeth Living Well Collaborative was formed to help overcome the confusing, poorly coordinated way service-users access support for mental health. This brings together service-users, members from Vital Link (a service-user and carer mental health engagement group), local GPs, members of the community, representatives from local NHS organisations and the voluntary and community sector to explore ways of going beyond current concepts of ‘partnership’ or ‘joint’ working. The ultimate aim of the group is to make it easier for people to get the help they need, when they need it.

The Living Well Collaborative has published its early ideas about how a new model of service delivery could be developed which is shaped entirely round the needs of an individual. This would involve GPs becoming a "layer of expert help", developing skills to recognise symptoms and provide meaningful support, voluntary sector organisations working together to provide a single access point for new service-users, better management of care across NHS organisations and a commitment from all those involved in delivering services to support the creation of a network of service-users to provide user-led services where appropriate.

For more information on this, please contact Denis O’Rourke at NHS Lambeth

4.1.3. Working together: voluntary and community sector and private sector

Partnerships between private sector and voluntary and community sector organisations are set to play an increasingly important role in the effective delivery of public services. Indeed, the kind of skills that have been developed in the private sector over the last few years could be a vital untapped resource for the voluntary and community sector going forward.

There are a number of forms these partnerships can take- from formalised service delivery arrangements to the offer of more casual ad hoc support.

- There are examples of private and voluntary and community sector organisations working together, pooling their resources to improve the services they offer: G4S and the Pre-school Learning Alliance (PLA) have been in a partnership for six years, providing services for prisoners and their families at HMP Wolds in East Yorkshire. Following a start-up grant from the Lottery, PLA set up a Prison Project Group offering support to families visiting offenders. This has been made sustainable through an agreement with G4S, who now provide the core funding.

- Corporate Social Responsibility can be an opportunity for voluntary and community sector organisations to run fundraising events in partnership with private firms, gain
short term access to pro bono (free) expertise and develop sustainable networks across the commercial sector. Examples of this include Thames Reach, who have an agreement to receive a number of business support days from consultancy firm Bain; law firm Slaughter and May who have worked with homelessness charity Crisis to launch an innovative fundraising campaign which raised over £120,000; and Knight Frank, a national property company, who offered their services to Fairbridge (which is working alongside local provider, Flipside) for free, helping them get the best value for money when they needed to move offices.

There are various organisations that are able to act as a conduit between the voluntary and community sector and private sector (see chapter 5 for more information). It may be, however, that some of the larger organisations operating locally are able to get involved with promoting opportunities for cross-sector working on behalf of some of the smaller organisations in the Borough.

4.1.4 Working together: service-user co-operatives

One of the most exciting concepts that has arisen as a result of personalisation which links directly into the framework being created to deliver the Co-operative Council is the idea that service-users could pool their resources and spend them collectively.

There are a few examples where this has been extremely effective, particularly those piloted by Co-operatives UK and Mutual Advantage. They have developed a ‘cluster model’ which is stakeholder led – with a balance of service-users, staff and carers – and offers completely flexible services with users controlling their own day-to-day care. This has worked most successfully in Croydon where groups of older people have formed Caring Support which recently obtained Council for Social Care registration and is now trading.

In this organisation, each ‘cluster’ is made up of both service-users and staff working in a locality and is overseen by one part-time Support Worker who has overall responsibility for staff and service-users. Five or six clusters form the organisation, which has a manager who reports to the Board. This is made up of a combination of employees, service-users, carers and supporters and sets the strategic direction of the organisation.

The structure

- Stakeholders
  - The Board
    - Employee, service-users, carers and supporters
  - The Manager
    - Policies, systems, records, supervision and training
  - Service delivery clusters
    - Cluster support worker
    - Service-users and carers

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The report, ‘Self-managed Care – A Co-operative Approach’, has more details on making this model work. It can be downloaded from the Co-operatives UK website.25

Service-users in less formal structures can also benefit from pooling their budgets to strengthen local support networks and ensure funding is stretched as far as possible. When the Care Services Improvement Partnership undertook a survey to find out how individual budgets were being used they found an excellent example of the effectiveness of mutualism when five service-users with severe mental health issues used their direct payments to establish a creative arts group. They currently employ two trained artists who work with a local arts-based voluntary and community sector organisation and have spent a lot of time helping each individual explore their own creativity. All five reported improved morale, emotional stability and engagement with their local community. They are now looking at options for displaying their artwork publicly. Wherever possible, organisations should look to promote this as a way of improving the outcomes for those they work with.

4.2 Shaping a market

The success of personalisation will be dependent on there being a thriving market of quality providers. There is clearly no point in individuals being offered choice and control over the support they receive if there is not a range of services available to choose from. In addition, the key drivers behind both the Co-operative Council and the Coalition Government’s Big Society vision rely entirely on the existence of a healthy, sustainable and competitive voluntary and community sector.

The London Borough of Lambeth will retain a responsibility for ensuring that those voluntary and community organisations providing quality, person-centred and relevant services are able to survive the tough economic times that are anticipated over the next few years. If the sector is going to be a significant player in the future commissioning landscape, it will continue to need support in building its capacity in response to personalisation.

There is growing consensus that the combination of significant reductions in the level of public funding available and the need for organisations to develop a different set of skills to respond to personalisation requires a new approach to programmes aimed at building the capacity of the voluntary and community sector.

Over the last ten years, the Government invested in creating a strong and professional voluntary and community sector. However, the National Audit Office’s report, Building the Capacity of the Third Sector, published in 2009, painted a mixed picture of the effectiveness with which this funding was spent, highlighting in particular the failure to measure the outcomes that were being achieved by many capacity-building programmes.

Over the next few years, therefore, Lambeth Council and the PCT need to shift towards an approach towards commissioning that is targeted, demands-led and assists organisations to build their own capacity in order to create a resilient and diverse voluntary and community sector market that is responsive to the changing needs of service-users. As a starting point, it is recommended that further capacity-building builds on the work of this Commission and is framed around the four critical components outlined in this report:

25 [http://www.uk.coop/sites/default/files/CoopsUK_Care_Report%5b1%5d_2.pdf](http://www.uk.coop/sites/default/files/CoopsUK_Care_Report%5b1%5d_2.pdf)
1. Developing and supporting a skilled workforce that is responsive, flexible and creative

2. Assisting organisations to market their services in a way that informs and benefits service-users and commissioners

3. Helping organisations effectively cost services that can be purchased within a commissioning framework that engages service-users and commissioners

4. Helping organisations measure and evidence what they do so that they can be clear about the outcomes of their work and the impact they are making.

There are many tools available that will assist organisations in developing and implementing strategies that will prepare them to operate in the new commissioning landscape, including building flexibility into their workforce, managing change, developing leadership etc. However, one in particular appears to encompass all the elements outlined in this report while maintaining its focus on specifically preparing for personalisation.

The Progress for Providers tool, developed by In Control, is already being used by many organisations across the Borough. It can be adapted for smaller organisations and is, therefore, more inclusive than many of the more structured quality assurance tools available. Promoting the use of Progress for Providers could be a cost-effective way of ensuring that as many voluntary and community sector organisations as possible are enabled to play a part in the new commissioning landscape, delivering high quality, flexible and responsive services. It will also build on the work being done by Mosaic Clubhouse, Southside Partnership and Fanon, who have already started working in partnership to cascade their knowledge and experience of using this tool to other organisations in the Borough – epitomising the ethos behind the Co-operative Council.

To download Progress for Providers, visit the Helen Sanderson Associates website.26

26 http://www.helensandersonassociates.co.uk/media/35062/progressforproviders2.pdf
Resources for further help

Lambeth Voluntary Action Council
LVAC has created a downloadable resource library. The documents here are intended as a starting point for voluntary and community groups, with more intensive help being provided through workshops and other training programmes.
http://www.lambethvac.org.uk/s-LVAC_Documents

Age Concern Lambeth
Age Concern Lambeth can provide support to small voluntary and community groups and projects working with older people. This can include providing general information or help with development, networking and fundraising.
http://www.ageconcernlambeth.org.uk/index.cfm?id=3139

Health and Wellbeing Voluntary and Community Sector Forum
Lambeth Adults’ and Community Services and NHS Lambeth facilitate a forum for the voluntary and community sector who provide, or are interested in, the health and wellbeing of Lambeth’s residents.
http://www.lambeth.gov.uk/healthsocialcareVCS

Children and Young People’s Services Voluntary and Community Sector Forum
The equivalent forum for voluntary and community sector organisations who provide services, or are interested in providing services, to the children and young people of Lambeth.
http://www.lambethfirst.org.uk/voluntary-community-forum/

bassac
bassac is a membership body for community organisations. They organise training and events, highlight funding opportunities, and offer tailored support to a range of small community groups.
http://www.bassac.org.uk/

Community Matters
Community Matters publish a range of resources aimed at helping community and neighbourhood groups develop a business model, create robust organisational structures, bid for contracts etc.
http://www.communitymatters.org.uk/Resources/Shop
Charity Commission
The Charity Commission has put together a range of resources for charities with an annual income of under £5000 to assist them to gain charity status and operate sustainably.
http://www.charity-commission.gov.uk/Start_up_a_charity/Do_I_need_to_register/Resources_for_very_small_charities.aspx

East London Business Alliance
ELBA act as a conduit for charities and the business community in London.
http://www.elba-1.org.uk/

ACEVO: Resources for Personalisation
ACEVO has a range of events, publications and practical resources to support organisations making the transition towards operating within the new commissioning framework.

NAVCA’s Local Commissioning and Procurement Unit
NAVCA’s Local Commissioning and Procurement Unit provides support for all those engaged in the commissioning processes

NCVO: Putting Personalisation into Practice
A personalisation support package delivered jointly by Community Catalysts Ltd. & NCVO to help providers and infrastructure organisations respond to personalisation more effectively
http://www.ncvo-vol.org.uk/psd/pip

The ICT Hub
The ICT Hub is a partnership of organisations that came together to provide a range of good practice resources and guidance to help the voluntary and community sector benefit from ICT.
http://www.icthub.org.uk/about/#ICTHub

The Small Charities Coalition
The Small Charities Coalition exists to help small charities access the skills, experience and resources they need to achieve their aims.
http://www.smallcharities.org.uk/

Futurebuilders Consortia Fund
The Consortia Fund offers a combination of loan finance, £50,000 or above, and professional support specifically for consortium groups aiming to work together to win public service contracts.
http://www.futurebuilders-england.org.uk/what-we-offer/products/consortia-fund/
Appendix 1

Glossary

Budgets

What is a Personal Budget?
A Personal Budget is the amount of council money available for an individual’s care and support costs. It must be spent in line with an agreed support plan. The amount in the Personal Budget is derived from an indicative allocation determined before support planning starts. Councils must make Personal Budgets available to all eligible people with ongoing care and support needs. A Personal Budget can be received by an individual in a number of different ways:

Over the last few years it has been most common for people to receive this as a direct (cash) payment, held by the individual or, where they lack capacity, a ‘suitable person’ such as a family member, friend or carer.

What is an Individual Budget?
Individual Budgets are very similar to Personal Budgets; the difference is that Personal Budgets only include money that the person receives from Lambeth Council/ PCT. An Individual Budget can include funds from a variety of sources, like Supporting People Funding, or the Independent Living Fund (ILF). It is intended that other funding may eventually be included in the budget.

What is an Individual Service Fund?
Lambeth Council are currently looking to develop and introduce the option of Individual Service Funds (ISFs) for individuals. Under this arrangement the Council would lodge the ‘fund’ allocated to an individual for their support with a provider, although control over how the money is spent is retained by the individual. As time, task and type of support is not pre-determined, the individual can personalise the exact requirements and negotiate with the provider to deliver the support plan. Every provider responsible for a Personal Budget must account for all spending related to an individual for whom the ISF is established. Any associated costs, e.g. overheads, for which the individual may be required to pay must be declared. If the individual does not spend the entirety of the Personal Budget housed with the provider they must be able to ‘bank’ the surplus to pay for additional services.

What is a direct payment?
A direct payment is a cash payment paid to an individual to be spent on social care services.

For more information on direct payments, visit the Disability Advice Service Lambeth website.
Other useful terms:

**Advocacy**
Speaking up for yourself, or getting help if you need it, to explain your views to other people.

**Assessment**
A conversation, sometimes using a questionnaire, to work out what support you need.

**Broker/Brokerage**
A broker is an organisation that can help individuals organise and commission their support. Brokerage can be done by the Council, voluntary and community sector organisations/charities, or a private company.

**Carer**
A friend or family member who supports a person with social care needs either full time or part time.

**Outcomes**
Your outcomes are the positive results of the social care you received as an individual. They represent changes or improvements that have taken place during the time the individual has been receiving support.

**Personal Assistant**
A Personal Assistant is a person employed to help someone with their daily social care. Using their Personal Budget, a person can employ a Personal Assistant to provide support like: cooking; cleaning; help with personal care such as washing; driving or help with getting around; medical tasks; shopping; banking or paying bills.

**Putting People First**
This is a Government agreement to transform public services. The aim of this agreement is to enable people to live their own lives as they wish, confident that services are of high quality, are safe and promote their own individual needs for independence, well-being and dignity.

**Resource Allocation System (RAS)**
This set of questions enables Lambeth Council to work out how much an individual requires in their Personal Budget, based on the support they need.

**Self Directed Support**
A new system of Social Care, in which people who need care or support can choose, organise and control the support to meet their needs.

**Support Planning**
In a Support Plan an individual can outline the support they require to live their lives in the way they want to and achieve their desired outcomes. It is used as a basis to work out the amount required for a personal budget.

Individuals are able to have help drawing up their Support Plan, from brokers, advocates, family or friends and it can be produced in different ways – whatever is most suited to the individual.
# Appendix 2

## Personal Assistant Job Description and Person Specification

The job description and person specification designed by Southside Partnership

<table>
<thead>
<tr>
<th>Personal Assistant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Your job is to help me live the life I want and help me to learn new things. You must respect my choices, help me to make my own decisions and stay in control of my life.</td>
</tr>
</tbody>
</table>

This is what I want my personal assistant to do

- Support me to go out and make new friends
- Come clubbing with me until 3am (one Saturday a month)
- Support me to play football
- Help me improve my computer skills to use Facebook and do shopping online
- Support me to walk my dog, make sure he gets enough exercise and keeps healthy
- Teach me to travel safely on my own
- Help me to look after my money
- Any other things I may need

If anything changes in this list, I will let you know about it.

Sometimes, I may need you to talk to other people who support me. I want you to keep things private and confidential. You must not talk to other people about my life unless I agree you can.
## Personal Assistant Person Specification

This is the kind of person I would like to support me

I MUST have someone who:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="Dog" /></td>
<td>Likes dogs</td>
</tr>
<tr>
<td><img src="image2.png" alt="Public Transport" /></td>
<td>Knows how to use public transport and my local area</td>
</tr>
<tr>
<td><img src="image3.png" alt="Person" /></td>
<td>Can help me to stay in control of my life</td>
</tr>
<tr>
<td><img src="image4.png" alt="Communications" /></td>
<td>Communicates well with lots of different people</td>
</tr>
<tr>
<td><img src="image5.png" alt="Computer" /></td>
<td>Is good on the computer and the internet</td>
</tr>
<tr>
<td><img src="image6.png" alt="Outdoor" /></td>
<td>Likes walking outdoors in all weathers</td>
</tr>
</tbody>
</table>

It would be NICE if I had someone who:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image7.png" alt="Group" /></td>
<td>Has worked with people with a learning disability before</td>
</tr>
<tr>
<td><img src="image8.png" alt="Football" /></td>
<td>Can play football</td>
</tr>
</tbody>
</table>

This job is for 21 hours a week, but you must be flexible about when you can work. I will agree your hours with you every 2 weeks.
The Lambeth Commission on Personalisation

The Lambeth Commission on Personalisation was established to explore ways to make the personalisation of public services work for voluntary and community sector organisations in Lambeth by developing a clear understanding of the business model required of those organisations.

The ongoing work of the Lambeth Commission on Personalisation has been reported into the National Commission on Personalisation and has helped to shape the final report and recommendations of the National Commission on Personalisation.

This report is testimony to the commitment of all those who agreed to be part of this Commission.

Jeremy Swain (Chair of the Lambeth Commission), Thames Reach
Conrad Hollingsworth, Lambeth Voluntary Action Council
Fiona Sheil, Lambeth Voluntary Action Council
Zoe Garbett, Lambeth Voluntary Action Council
Aisling Duffy, Southside Partnership
Julia Shelley, Age Concern Lambeth and Co-Chair Health and Wellbeing Voluntary Sector Forum
David Strong, Disability Advice Service Lambeth and Co-Chair Health and Wellbeing Voluntary Sector Forum
Helen Charlesworth-May, London Borough of Lambeth
Seona Gordon, London Borough of Lambeth
Kevin Dillon, London Borough of Lambeth
Elaine Aherne, London Borough of Lambeth
Ian Jackson, Lambeth First
Amy Richards, ACEVO

Over the last few months, the Lambeth Commission has been indebted to the evidence provided by representatives from a range of voluntary and community sector organisations, including:

Matthew Pike, ACEVO National Commission on Personalisation
Ceri Sheppard, Look Ahead Housing and Care

Diane Lightfoot, United Response
Janet Paske, Wheels for Wellbeing
William Longden, Joy of Sound
Ken Messenger, London Borough of Lambeth
Claire Rapaport, South London and Maudsley NHS Trust
May Lee, Southside Partnership
Peter Lee, Southside Partnership
Nicci Bliss, Southside Partnership
Andrea Rowe, Skills for Care
John Kerridge, London Borough of Lambeth

Other organisations have also provided important case studies for which the Lambeth Commission is extremely grateful. In particular, these include:

Lambeth Mencap
Flipside
SHARE Community
Action for Blind People
Streatham Darby and Joan
CoolTan Arts
First Step Trust
Mosaic Club House
Waterloo Action Centre
Blackfriars Settlement
Rathbone
Advocacy Partners
ACEVO is the professional body for third sector chief executives. We connect, develop, support and represent our members, to increase the sector’s impact and efficiency.

We promote a modern, enterprising third sector, and call upon organisations to be:

- **Professional and passionate** in achieving change and delivering results
- **Well-led**, with a commitment to professional development, training and diversity
- **Well-governed and accountable**, with robust and fit-for purpose systems to protect independence and enable effective decision-making
- **Enterprising and innovative**, taking a businesslike approach to funding issues and striving for continuous improvement and sustainable development.

For more information, visit www.acevo.org.uk