In-house vs Outsource Provision - FAQs

- What evidence is there that externalisation of homecare re-ablement provision is better and cheaper than in-house provision, or otherwise?

  It is still early days for the outsourced homecare re-ablement services known to CSED. Services have either only recently been outsourced or are still going through the process so, at present, there is still limited evidence. However, from the experience and examples gathered by CSED, the single most important factor in successful outsourcing is a clear vision for what is to be commissioned. If councils rely too much on domiciliary care-type contract measures, e.g. inputs, process, time and cost, without a clear understanding of service characteristics and ambitions and the relevant contract performance measures for homecare re-ablement, e.g. volumes of users, outcomes for service users and efficiency gains achieved, experience shows this can lead to severe underachievement. See council examples

- Where can I get a specification for outsourcing homecare re-ablement?

  Most examples we have worked on are confidential to the councils and external providers concerned. However, we would re-iterate that these should be no different to the other service specifications you use whether for in-house or outsourced services as earlier sections of this guidance explain. What will be different will be the need for a contract and how/which elements of the specification carry weight in the contract eg: in terms of affecting price paid.

- When outsourcing, is there not a conflict of interest for providers who deliver both traditional homecare and homecare re-ablement?

  There is the potential for this. If one organisation provides both your homecare re-ablement service and your domiciliary care service, there is limited incentive for them to successfully re-able service users if they want to maintain viable activity levels for domiciliary care. Councils typically manage this by, for example
  - excluding organisations from providing both services, i.e. they can tender only for either homecare re-ablement or domiciliary care, or
• establishing a geographical division between providers, so that an external provider can provide both homecare re-ablement and domiciliary care services, but not to the same service users. Other councils try to manage this situation through a strong contract with clear performance targets, etc.

If contracted to the same provider, there is an additional issue of capability and skills; the ‘ways of working’ or ‘work culture’ of the staff are different for traditional homecare and homecare re-ablement. See Developing the team and skills. Relatively small providers may therefore struggle to provide discreet services with staff that are focused on one service or the other.

• How are councils addressing the training of private providers?

Most councils are adopting a joint approach and either absorbing the cost as an investment in their financial modelling or reflecting this in the contract, i.e. the external provider pays. For example, one council trains both its own homecare re-ablement staff who are largely focussed on referral and access and goal setting for homecare re-ablement, whilst the outsourced homecare re-ablement staff are largely focussed on delivery and monitoring of homecare re-ablement. The council has absorbed this investment although the external provider releases team members and also provides some trainers/resources. Whatever the extent of outsourcing, there is always bound to be handover points which need to be seamless and so we strongly recommend a collaborative approach to training.

• Do private/independent sector homecare re-ablement providers have access to adequate specialist skills?

Historically, it has been said that NHS bodies and local authorities provide the ‘best’ employment opportunities for those with specialist skills, e.g. occupational therapists, in terms of their professional development, etc. with few working independently, although others including physiotherapists commonly operate independently. However, the market is opening up and those with specialist skills can and will deliver their services in different ways, for example in the private/independent sectors as employees, or through their own businesses. We would recommend dialogue with any external provider and working in partnership with them to create the right environment and development for all team members. Access to specialist staff is necessary for some people during their homecare re-ablement phase, see CSED’s Prospective Longitudinal Study, Table 3.8 and so this needs to be accommodated within service and contractual arrangements.