

*The role of brokerage in the independent sector*

# **The role of brokerage in developing the independent sector**

*Gerry Zarb*

Policy Studies Institute

The purpose of this paper is to consider what is meant by brokerage and how participants might apply some of the lessons from existing experiments in brokerage to their own work. In particular, the paper looks at the application of different models of brokerage in the context of encouraging diversification within the independent sector.

## **What do we mean by brokerage?**

Brokerage is something of an abstract concept. Consequently, local authorities and other agencies have tended to adopt numerous – often quite contrasting – models of brokerage in their own practice. It is nevertheless possible to identify certain common features of the types of brokerage which have been used in the past. These can be summarised as follows:

- service brokerage is based on individually tailored support packages based on assessment of needs;
- brokers have an information giving role to enable informed choice;
- brokerage involves purchasing services and other resources from a diverse range of providers.

In addition, service brokers are often independent of provider interests. However, although this is certainly a typical feature of North American models of brokerage, it is not always the case in the UK.

Brokerage has also had wider influences on both service provision and local authority purchasing, for example, by encouraging experimentation with more flexible user-orientated services (particularly for people with complex needs); the development of payments schemes enabling people to purchase their own support; and, more generally, by contributing to increased recognition of the enabling role of SSDs.

The separation of the purchasing and providing roles which followed the community care reforms has, in turn, created new opportunities for brokerage by, for example, the allocation of dedicated devolved budgets for case managers.

### **The development of brokerage and early experiments in the United Kingdom**

Service brokerage has its origins in the United States and Canada. However, there are some important differences between the North American models of brokerage and their application in the United Kingdom. These differences follow from the fact that historically there has been a much greater degree of service fragmentation in the United States. Further, there is no comparable tradition of local authority provision. Consequently, there has always been a greater incentive to undertake brokerage than there has been in the United Kingdom. In addition, the advocacy role which is central to the United States and Canadian models of brokerage is often either missing or treated as low priority in the United Kingdom. Similarly, while independent service brokers are a typical feature of the North American models, brokers are more likely to be local authority based in the United Kingdom.

Despite these differences, North American models of brokerage have still had an important influence on early experiments with brokerage and case management in the United Kingdom. As the following brief description of some of these experimental projects illustrates, brokerage has been used in a variety of different ways, in a variety of different settings, and for a wide range of client groups.

#### *i) Thanet Case Management Project*

The Thanet Case Management project was based in an experimental social work team within the SSD working with frail elderly people. Case managers had direct access to community care 'helpers' through budget holding (using shadow budgets set at two thirds of the cost of a residential care place). They were also able to purchase aids and adaptations to enable independent living (see Beardshaw and Towell, 1990, pp. 20-21).

#### *ii) Darlington Case Management Project*

This project involved joint SSD/HA multidisciplinary geriatric teams working with severely disabled and elderly people discharged from hospital. Case managers used the project funds to create flexible home care services combining personal, domestic and nursing support which were

directly managed by the case managers themselves (see Beardshaw and Towell, 1990, pp.20-21).

*iii) Camden and Islington CHOICE*

CHOICE was perhaps closer to the North American models of brokerage in that it involved independent brokers (based in a local voluntary organisation) working with individual disabled people to create action plans for meeting user-defined support needs. These action plans were concerned with issues around employment, education and leisure, equipment, housing, counselling, and benefits as well as practical support needs. The brokers also undertook a strong advocacy role in an attempt to make sure that users' views were channelled back to the local authorities (see Pilling, 1992, pp.27-33).

*iv) Salford Case Management Project*

The project was set up in 1985 as part of the Department of Health's *Helping the Community to Care* Initiative. The project worked with long-term mental health survivors and was staffed by a multi-disciplinary team from the SSD and HA and other community health care staff. Each member of the team acted as a key worker and the system as a whole was managed by a project coordinator. The project provided a computerised case record and information system which produced prompts for action by the various agencies involved and information for users and relatives. In addition to this, the team's role was to coordinate the process of devising care plans and carrying out reviews (see Pilling, 1992, pp.44-47).

*v) PROFILE (Providing Real Options for Independent Living Experiences)*

The PROFILE project was set up in Brighton as an alternative to multi-agency teams. A single care manager based in the SSD worked with younger disabled people (ie 16-65), who might otherwise be considered for residential care, to negotiate access to services on behalf of users. The broker did have a small budget, but this was only intended to be used when all other possibilities had been explored. Although based in the SSD, the brokerage role was seen as autonomous from the SSD's provider interests. At the same time, being located within the same organisational structure was seen as essential to maintaining communication channels and good working relations with providers. Interestingly, this is an idea which is echoed in the work of the *Caring For People who Live at Home* authorities five years later (see Pilling, 1992, pp.38-40).

*vi) Bristol Service Brokerage Project*

Set up with funding from the King's Fund, the project was inspired by the Canadian model of brokerage for people with learning difficulties. The aim of the project was to explore the feasibility of using independent brokerage – in this case, based at the Norah Fry Centre – as a means of assisting people to receive individually tailored support from service organisations. As with some of the other projects, the information-giving role was seen as particularly important to meeting this aim. The project also invested a significant amount of its resources in providing counselling to users as a means of facilitating their being able to make their own informed choices.

Although it is completely independent, the project has had some success with influencing social services through direct advocacy by, for example, negotiating individualised funding where there are no appropriate services available. (See Unell, 1994, pp.7-8).

*vii) Haringey On-call Support Project*

This project worked with people with a wide range of disabilities in all age groups. The project coordinator was based in a voluntary organisation which was completely independent of any other agencies. Users had access to a 'facilitator service' provided by the coordinator which was intended to provide advice on independent living options; improve liaison between users and statutory and voluntary agencies; improve coordination of the support provided by these agencies; and, where necessary, to advocate directly on users' behalf. The lack of leverage within social services meant that this part of the project had only limited success and, in practice, most of the project's resources went on developing alternative services run by the agency itself. The main output was the provision of a highly flexible on-call personal and domestic assistance service which allowed users to put together their own support packages to suit their individual needs (see Unell, 1994, pp.4-5).

*viii) Herefordshire Lifestyles Project*

As with other Lifestyles projects, this project worked mostly with younger people with physical disabilities and learning difficulties. The project was based in the voluntary sector although it did receive statutory support through joint funding. The basic aim – which has been seen as a kind of brokerage – was to enable people to pursue their chosen lifestyles in the community. The coordinator's role was to help people to formulate what they wanted and put them in touch with services. They also helped to obtain support direct directly from a pool of volunteers (see Pilling, 1992, pp.36-37).

### **Advantages and limitations of service brokerage**

This brief overview of examples of brokerage projects illustrates some of the principal advantages which brokerage is seen to offer for both statutory authorities and users.

First, brokerage enables support to be structured around client-centred goals. Some of the projects have tried to achieve this through a process of liaising between different providers, while some have involved brokers having access to individualised client budgets.

Second, a related advantage of this client-centred approach is that brokerage is seen as helping to integrate a fragmented or diffuse range of services.

Third, the fact that brokerage is – theoretically at least – independent of provider interests helps towards separating decisions about needs from resource considerations. However, there is a considerable degree of variation in just how independent brokers are in the various projects and this will obviously affect their ability to separate questions about needs and resources.

The projects described also illustrate some of the main limitations of brokerage.

First, the effectiveness of any kind of brokerage is dependent on the degree of diversity and choice in the range of services available. Most of the earlier examples of brokerage had been constrained in some way by lack of diversity in service provision, while some had found the need to try and develop alternative services of their own. This is also particularly significant in the context of stimulating provision in the independent sector and this is discussed further below.

Second, the independence of brokers is seen as important for distancing needs assessment from resource considerations; at the same time, the fact that brokers often have only limited direct purchasing power can weaken the leverage they have over providers. This not only affects the degree to which they can influence the range of services provided, but can also weaken their ability to act as advocates on behalf of users.

Third, the experiences from some of these projects also raises question-marks over the extent to which brokerage can be applied to groups and individuals who may not be in a position to make informed choices about their needs.

### **Models of brokerage adopted in the *Caring for People who Live at Home Initiative***

Several of the authorities participating in the project have elements of brokerage in their work on stimulating provision in the independent sector,

although not all of them would necessarily describe their work in these terms. There appear to be three fairly distinct models of brokerage emerging in those authorities which have adopted clearly recognisable elements of brokerage. The distinction between these three models hinges on the interface at which it occurs:

- i) interface between individual users and the care management process – an enabling/advocacy model (for example, Devon);
- ii) interface between new providers and care managers – an enterprise model (for example, Cambridgeshire);
- iii) interface between brokers and care managers – a gatekeeping model (for example, Camden).

The differences between the approaches adopted by different participating authorities are discussed in more detail below. In framing this discussion it is also useful to focus on particular issues which highlight the role which brokerage has in developing the independent sector. For example:

- Who is carrying out the brokerage role and where are they located organisationally?
- What are the links between the brokerage role and other roles within the participating authorities?
- What are the links between brokers and independent providers?
- What are the early indications of brokerage on purchasing outcomes?
- Which of the models of brokerage appear to be most suited to achieving the principal aims of community care (ie choice, flexibility and diversification)?

### ***An ‘enabling/advocacy’ model of brokerage – Devon***

Devon are aiming to promote the development of multi-purpose support systems and to create a network of information and understanding between purchasers, users and potential providers in all sectors. The projects are run by four project officers, based in district management teams, who have a ring-fenced budget to support development work and to fund short-term service agreements with independent providers.

Whereas most of the other participating authorities are tending to focus on building an infrastructure, the approach to brokerage in Devon is very much a grass-roots approach which seems to have almost as much to do with community development as it does with community care. This is an individual advocacy based type of brokerage operating at the interface between users and the care management process. Of all the different types of brokerage operating in the participating authorities, Devon’s approach

is by far the closest to the advocacy based model of brokerage which had its origins in Canada and the United States.

The specific kinds of activities the projects are engaged in include outreach work to locate potential users; supporting self-help initiatives; and supporting user-orientated initiatives and services like a local access group, a disability resource centre and an advocacy and representation service run by a local voluntary sector organisation.

The staff also work directly with individual users, either by liaising with care managers on their behalf or by assisting them to access services directly. This often involves helping users to locate highly localised and small-scale resources from informal support networks. This is partly a reflection of Devon's commitment to enabling grass-roots development. At the same time, the fact that users with low levels of need tend to fall outside the eligibility criteria for services means that informal and semi-formal resources are often the only alternative available.

The approach adopted in Devon also raises the interesting question of whether or not this kind of user-centred brokerage could, or should, be carried out by an independent agency. The emphasis on building individual resources, self-help and advocacy certainly suggests that the brokerage role would not be out of place in an independent setting. Interestingly, however, Devon are firmly convinced that the work needs to be done by SSD staff who have regular access to purchasers and can, therefore, influence planning and service development. In other words, they place considerable importance on using the brokerage role to influence care managers on behalf of users. They also believe that their position within the organisational structure makes them better placed to provide users with feedback on local developments and service availability.

### ***An 'enterprise' model of brokerage – Cambridgeshire***

The main aim of Cambridgeshire's plan is to stimulate the development of home-focused, needs-based services for all adult client groups by encouraging existing providers to diversify their activities; supporting the development of new services by independent sector providers; providing start-up help to individuals and agencies seeking to provide new or alternative services; and networking information on service developments to the actual and potential provider organisations.

The project is staffed by two home care development managers reporting to the resources development manager. The role of the home care development managers is essentially a commissioning and enterprise development role. Most of their time is spent working almost directly with

providers on activities like providing advice on business start-up for new and potential providers.

The brokerage element in their work stems from the need to try and ensure that care managers not only know about these new services but also that they actually use them. The experience in Cambridgeshire suggests that care managers appear to have a tendency towards using services and providers which they already know. Obviously, this creates an in-built bias towards established and tested services, primarily those run by former in-house provider units and by long-established voluntary organisations.

Brokerage in Cambridgeshire is, therefore, focused on trying to build links between new providers and care managers through a combination of direct marketing, the production of a directory of providers and their services and by compiling a list of approved providers.

Obviously this role does not seem to bear very much resemblance to earlier models of brokerage and we might even question whether it should be called brokerage at all. At the same time, by acting as a conduit for information between purchasers and providers and encouraging purchasers to extend the range of providers they use, Cambridgeshire's approach can be seen to share some of the same objectives as more explicit forms of brokerage – even though the means are obviously rather different.

### ***A 'gatekeeping' model of brokerage – Camden***

The main aims of Camden's project are to create an Independent Sector Development Team to establish market links with the independent sector, develop a mixed economy of care, and provide choice for the social services department and its consumers. The scheme is staffed by development officers managed by the head of strategic services.

Brokerage in Camden is built into the organisational structure. Service brokers are employed to advise care managers about the availability of specific services required for designing support packages. The brokerage role also incorporates monitoring contracts and quality assurance and working towards the standardisation of the contracting process. As with Cambridgeshire and other authorities, Camden are also in the process of compiling a list accredited providers in order to assist care managers in selecting services.

All care managers have to come through the service brokers to access services. So Camden is basically operating a gatekeeping model of brokerage. Apart from the function of disseminating information, this approach is also seen as a means of reducing risks – or, at least, perceived risks – for care managers. Again, although this function could in theory be floated off to an autonomous agency, the view in Camden seems to be that

it is essential for the brokerage role to be located firmly within the SSD's organisational structure.

### **The wider implications of different kinds of brokerage**

Several of the participating authorities have experienced difficulties in ensuring that purchasers make use of new services which have been developed through the Initiative. Part of the problem is simply to do with lack of familiarity with new services or providers. But, even where care managers know about the new services, there can still be problems with making sure that they actually use them. For example, even though care managers are willing to use independent providers, they are sometimes reluctant to use new services which they consider to be untested – particularly where no system of accreditation exists. This obviously has a significant impact on the brokerage role in a number of ways.

First, SSDs have found it necessary to introduce new forms of internal communication and dedicate staff time to making sure that care managers are aware of the existence of the new services. Another common feature of their activities is the collating and dissemination of information about new services – particularly for care managers.

Second, this information brokerage role is, in turn, linked to the need for developing the means for satisfying purchasers about the quality and reliability of new services and new providers. Consequently, all of the authorities engaged in brokerage are also trying to develop various systems for accreditation.

Third, staff in several of the participating authorities – and particularly the three discussed here – see linking purchasers to providers as a major part of their role. This is essentially the key element in the kind of brokerage they are undertaking.

This kind of brokerage appears to have diverged quite a bit from the models of brokerage developed in North America, as well as from those which were incorporated in the early brokerage and case management experiments in the United Kingdom. It is almost as if the implementation of community care – and the development of the independent sector in particular – has meant that brokerage has gone through a kind of metamorphosis.

Apart from the approach used in Devon, the direct links between the broker/advocate and individual users is conspicuous only by its absence. Rather, the kind of brokerage we are seeing in the Initiative is essentially being used as a tool for facilitating or managing the care management process.

This is not necessarily meant to imply that brokerage has somehow lost its way or that brokerage has detached itself from the overall aim of delivering flexible support packages to individual users. Rather, it is probably just a realistic reflection of the way that community care is actually developing in practice and, in particular, the central role that care management has in this.

Clearly, unless care managers are in a position to link into new forms of independent provision, they will not be able to pass on the benefits of such provision to users. In this sense, the kinds of brokerage which the participating authorities are engaged in can be seen as absolutely essential for enabling this process. Perhaps it is not so much that the basic purpose of brokerage has disappeared from view, but rather that the vehicle through which brokerage takes place has adapted to fit the structural relationships between purchasers and providers.

At the same time, it could be argued that the earlier enthusiasm about brokerage was misplaced, or even idealistic. Perhaps some people working in SSDs got a little carried away with the idea that they could all become advocates and that brokerage was the vehicle by which they could give users the kind of services they had always wanted. In fact, it has always been fairly clear that the advocacy model of brokerage was never going to work in the context of community care, not only because of the organisational constraints but also because care management was always intended to be as much about managing eligibility as about assessment of need.

The other significant lesson is that all of these approaches to brokerage emphasise the importance of maintaining strong organisational links within the SSD structure. Again, this represents a divergence from both the North American model as well as from some of the earlier brokerage experiments in the United Kingdom. Rather, the experience of the participating authorities seems to indicate that locating the brokerage role within the social services organisational structure is essential for giving brokers the required degree of leverage and influence, as well as for simply maintaining effective communication channels. This is perhaps most explicit in the work in Camden where the service brokers are effectively acting as gatekeepers through which all care managers must pass in order to access services.

Although this development is clearly entirely logical in terms of social services purchasing role, it does not, perhaps, sit so easily with the enabling role which was characteristic of most of the earlier approaches to brokerage. In particular, the strong emphasis on the links between brokers and the social services' organisational structure inevitably places a question mark over the viability of the brokers' advocacy role. Whether or not this is

eventually balanced by their increased influence over the range and quality of service provision remains to be seen. If it is, then this will clearly bring important benefits to users. Nevertheless, it is difficult to see how advocacy – at least in the form envisaged in earlier approaches – can have anything more than a marginal role in the further development of brokerage.

**References**

- Beardshaw, V and Towell, D (1990) *Assessment and Case Management: Implications for the Implementation of 'Caring for People'*, London: King's Fund
- Pilling, D (1992) *Approaches to Case Management for People with Disabilities*, London: Jessica Kingsley
- Unell, J (1994) *King's Fund Major Grant Programme Community Care Projects*, London: King's Fund