



Department for
Digital, Culture,
Media & Sport



WEST MIDLANDS
COMBINED AUTHORITY



**GOVERNMENT
OUTCOMES
LAB**

IEWM
Improvement and
Efficiency
West Midlands



**BIG
SOCIETY
CAPITAL**

Innovation in Outcomes-Based Commissioning West Midlands Regional Conference

22nd May 2018



@ukgolab
#OutcomesWMids



GOVERNMENT OUTCOMES LAB

Welcome

Nigel Ball, Deputy Director & Head of
Commissioning Support, GO Lab



GOVERNMENT OUTCOMES LAB

WIFI

Network: signingtree

Password: Gr8meetingspaces

Agenda for the day

- 10.00 Welcome and opening
- 10.10 Keynote address. Claire Dove, VCSE Crown Representative
- 10.20 Setting the context: outcomes-based commissioning & Social Impact Bonds
- 11.00 Coffee break
- 11.15 Parallel sessions I:
- Homelessness (Duffield Room)
 - Health & wellbeing (Simister Hall)
- 12.15 Parallel sessions II:
- Children social care (Duffield Room)
 - Mental health (Simister Hall)
- 12.45 Lunch & networking
- 13.30 Cross sector-collaboration in the West Midlands. Henry Kippin, West Midlands CA
- 13.45 Designing a robust outcomes-based contract: the theory
- 14.00 Designing a robust outcomes-based contract: the practice – Parallel workshop sessions
- Health & Wellbeing (Duffield Room)
 - Children's services (Ashton Room)
 - Homelessness (Elm Room)
- 15.15 Setting up a community of practice
- 15.45 Closing remarks
- 16.00 Close

Join at
[slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)



@ukgolab
[#OutcomesWMids](https://twitter.com/ukgolab)



GOVERNMENT OUTCOMES LAB

About the GO Lab

Nigel Ball, Deputy Director & Head of
Commissioning Support, GO Lab

About us

Joint partnership
between UK
Government &
Oxford University

Established in 2016

Based at the
Blavatnik School of
Government, in
Oxford

Centre of academic research and practice with a mission to improve the provision of public services to tackle complex social issues, with a focus on outcome based models

Strategy

Research

Generating, synthesising and communicating knowledge for practitioners and academics

Advise

Developing commissioners' skills through learning opportunities and advice, and through connecting people and nurturing peer-to-peer network.

Connect

Raising awareness and debate by convening academics and practitioners, celebrating good practice and via public communications

Support available from GO Lab

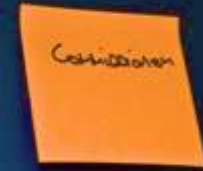
Digital Knowledge
Hub

golab.bsg.ox.ac.uk

How to
guides



Commissioners'
journey tool



Webinars

HOW TO
GUIDE
CONTRACTING
AND GOVERNANCE

Advice
surgeries



Events &
workshops



SIB
projects
database



Executive
education



Fellows of
Practice

The GO Lab is a centre of academic research and practice for outcome based commissioning & social impact bonds

This is our digital hub for resources and insights from across this emerging field

News

£80 million Life Chances Fund - Announcement of SIB projects that will receive support >

Event

Innovation in Outcomes-Based Commissioning - West Midlands Regional Conference >

News

Call for papers: Comparative perspectives on Social Impact Bonds and outcomes-based approaches to public service commissioning >

The logo for the Blavatnik School of Government, featuring a dark blue background with three overlapping curved bars in shades of blue and teal at the top.

BLAVATNIK
SCHOOL OF
GOVERNMENT

The logo for the University of Oxford, featuring a dark blue background with the university's crest and the text "UNIVERSITY OF OXFORD".

UNIVERSITY OF
OXFORD

GOVERNMENT OUTCOMES LAB

Research

Advise

Connect

Join at
slido.com
#outcomes

A decorative graphic in the bottom right corner consisting of overlapping curved shapes in shades of blue and teal, mirroring the design of the Blavatnik School of Government logo.



GOVERNMENT OUTCOMES LAB

James Magowan

Senior Policy Adviser,
Centre for Social Impact Bonds, DCMS



GOVERNMENT OUTCOMES LAB

Claire Dove

Crown Representative for the Voluntary,
Community and Social Enterprise Sector



GOVERNMENT OUTCOMES LAB

Context setting: outcomes based commissioning & SIBs

Elle Carter, Research Fellow, GO Lab
Robert Pollock, Director, Social Finance
Katy Pillai, Investment Director, Big Issue
Invest

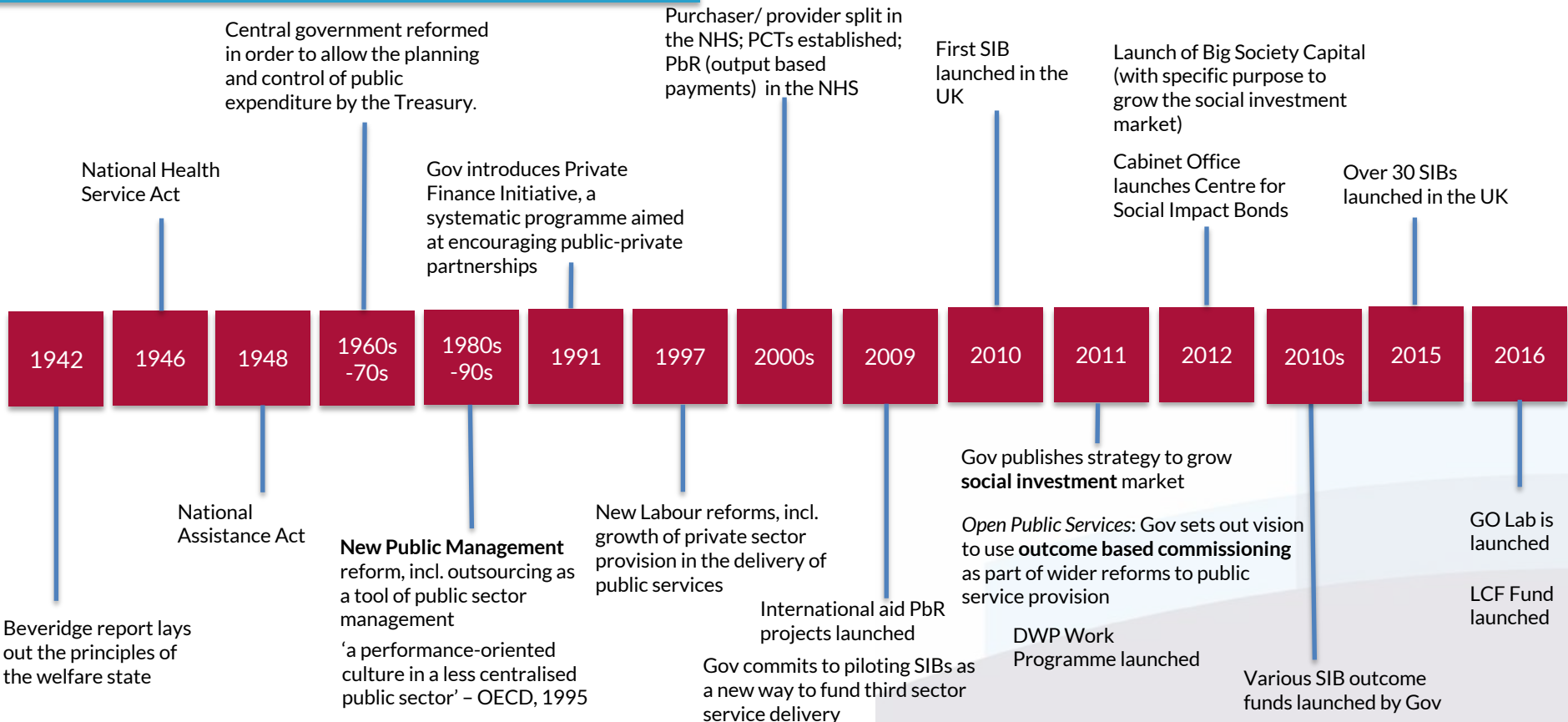


GOVERNMENT
OUTCOMES
LAB

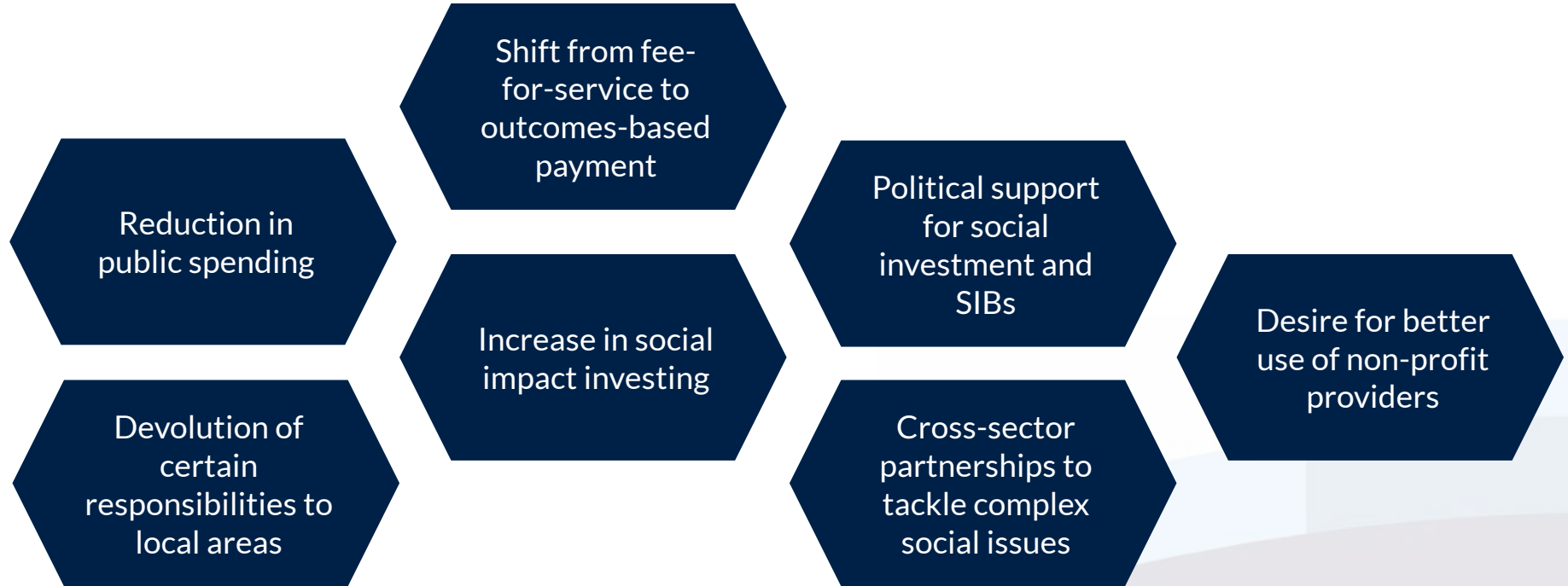
The context of outcomes-based commissioning

Eleanor Carter, Research Fellow, GO Lab

How did we get here?



Commissioning landscape



Ways to contract for social interventions (not exhaustive!)

In-house service

No contracting
takes places

Fee for service contract

Typically focus on
inputs and
contract
compliance
Risk stays with
commissioner
No investor
needed

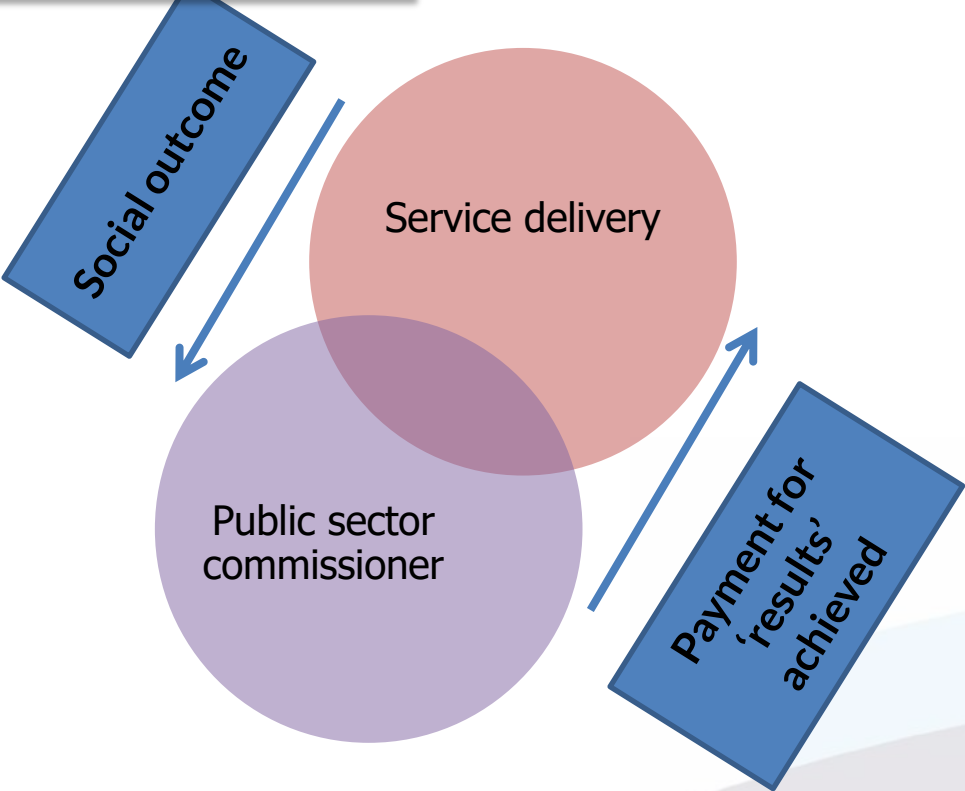
Payment by results contract

Payment linked to
outcomes
(Some) financial risk
passes to **provider**
Working capital
required but
investor **not**
incentivised to help
achieve outcomes

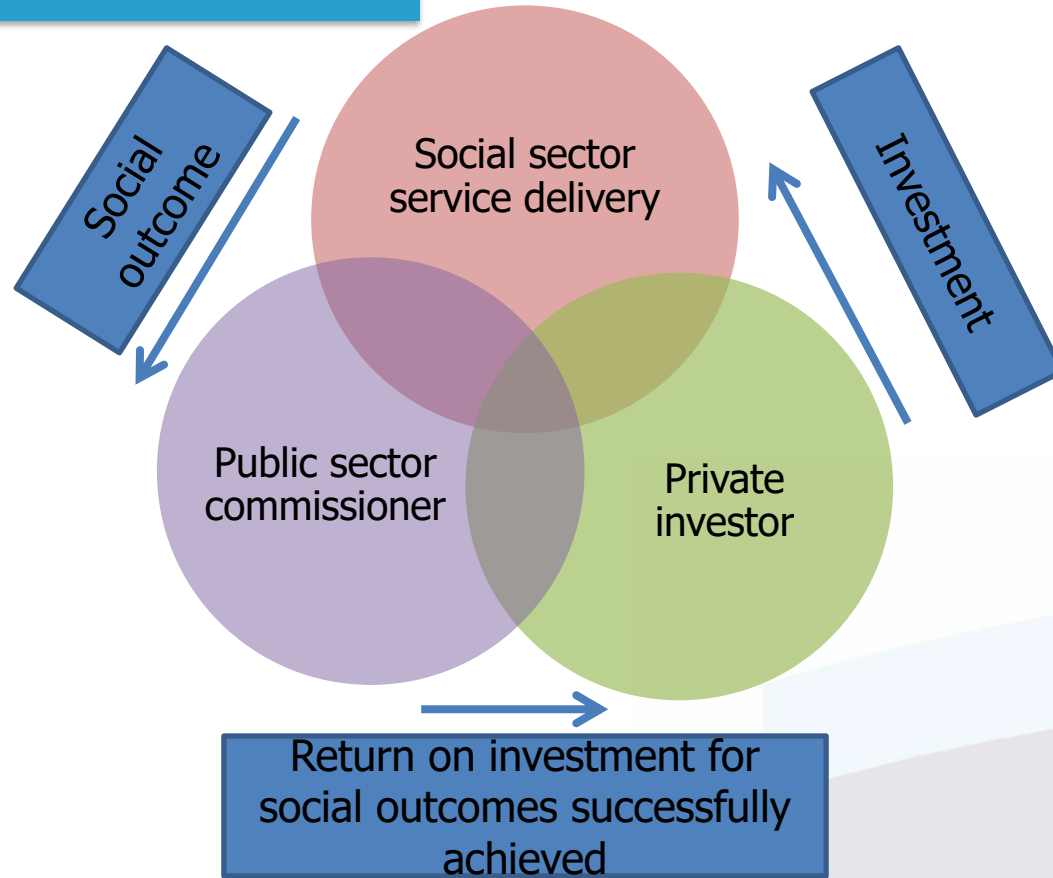
Social impact bond (SIB) contract

Payment linked to
outcomes
(Some) financial risk
passes to **investor**
Working capital
required and
investor **more**
incentivised to help
achieve outcomes

Payment by Results

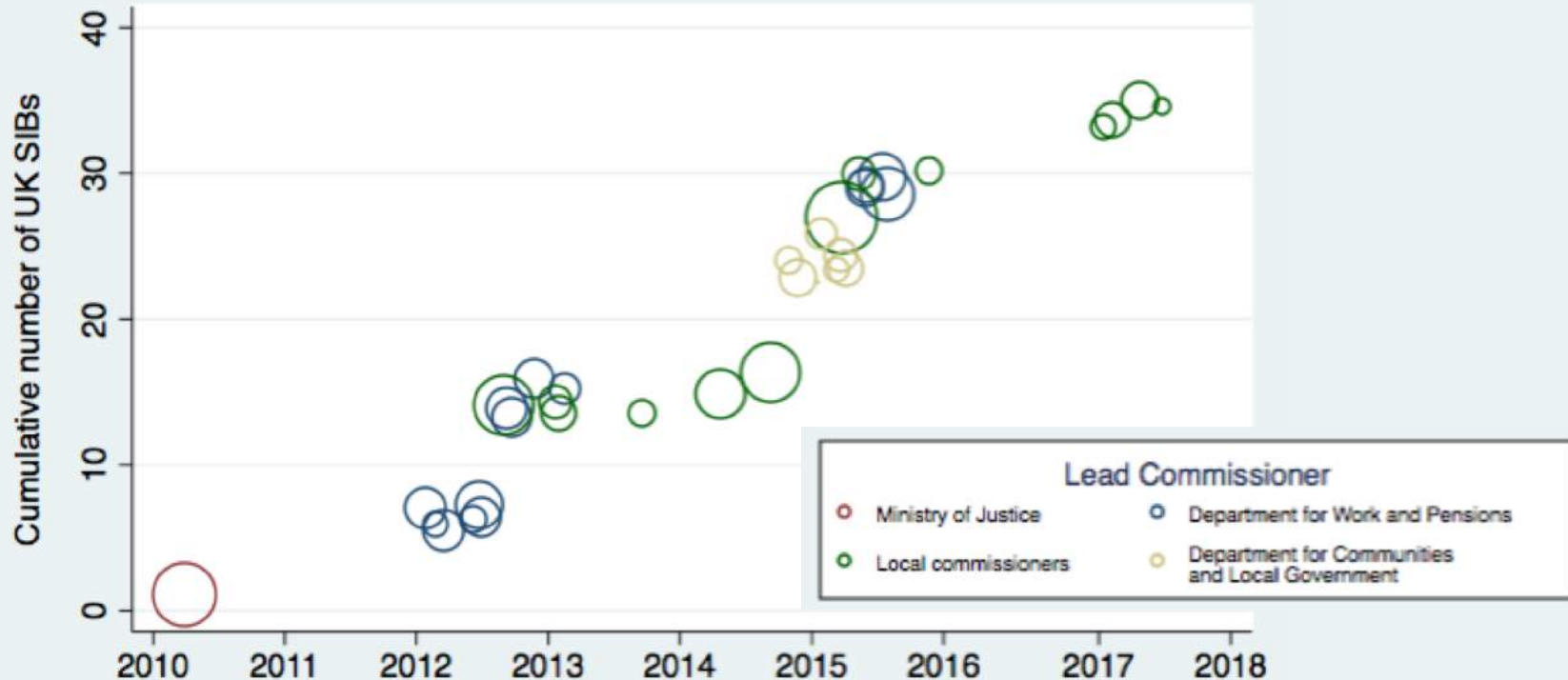


Social Impact Bond structure



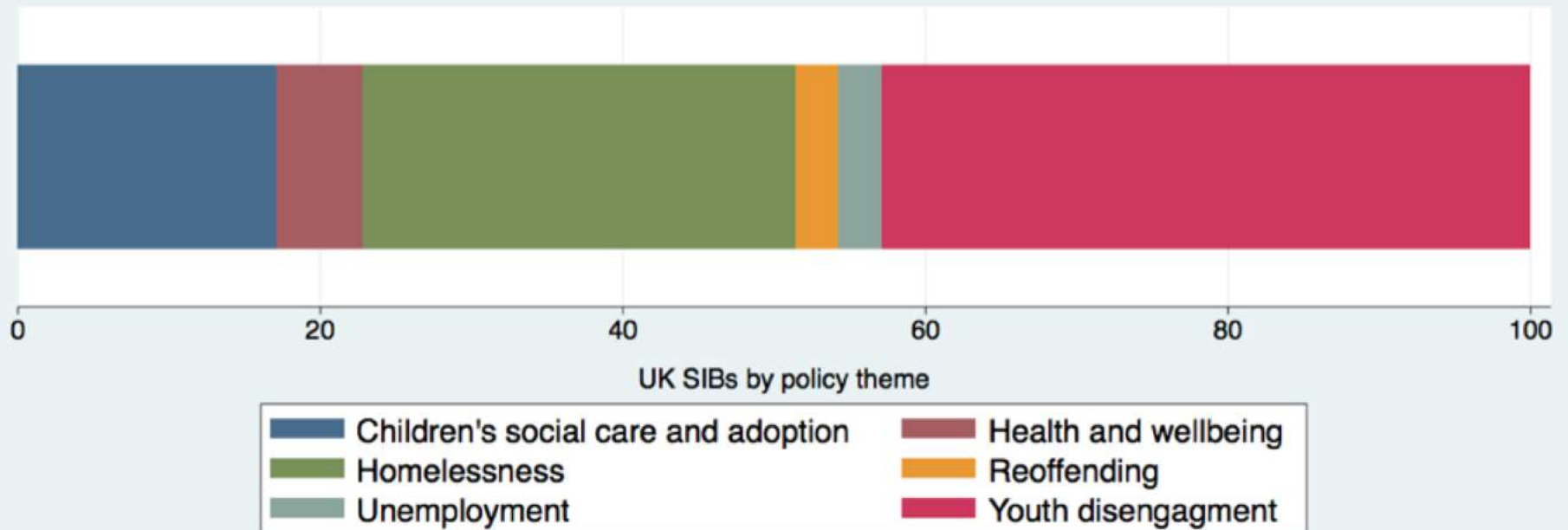
SIBs in the UK

Figure 1: Number of UK SIBs over time, by lead commissioner and scaled according to contract value (£)



SIBs in the UK

Figure 2: Proportion of UK SIBs by policy theme



Why use SIBs?

Public Service
Challenge

Silo budgets

**Short-term focus
(political & financial)**

**Difficulty creating
change**

Implications
for services

Fragmented public
services: duplications,
gaps, inadequate
communication

Reactive public services
responding to crises

Poor performing services
go unchanged

Implications
for citizens

Fragmented, reactive, stagnant services which fail to respond to the needs of vulnerable individuals.

COLLABORATION

Enable collaboration
across multiple
commissioners & within
provider networks.
Service activities 'wrap
around' service users.

PREVENTION

Enable 'invest-to-save'.
Dual-running of services
with (social) investors
funding 'upstream'
interventions.

ROOM TO INNOVATE

Risk transfer enables
innovation.
New interventions.
Enhanced performance
management.
Systematic learning.

SIBs' potential
for public
service reform



GOVERNMENT
OUTCOMES
LAB

Commissioning for outcomes

Robert Pollock, Director, Social Finance

Why commission for outcomes?



Share risk



Outcomes,
not outputs



Co-design and
collaborate



Flexibility to learn
and adapt



Early intervention
and prevention



People-
focused

What is a SIB?

- **Type of payment for outcomes contract that requires a social investor to finance the project as the provider, generally VCSE or profit with purpose organisation, requires working capital to deliver impact.**
- Payment by results (NHS, DWP, MHCLG, MoJ)
- Fee for service (pay as you go for defined activity; traded services)
- In house delivery (public sector staff)

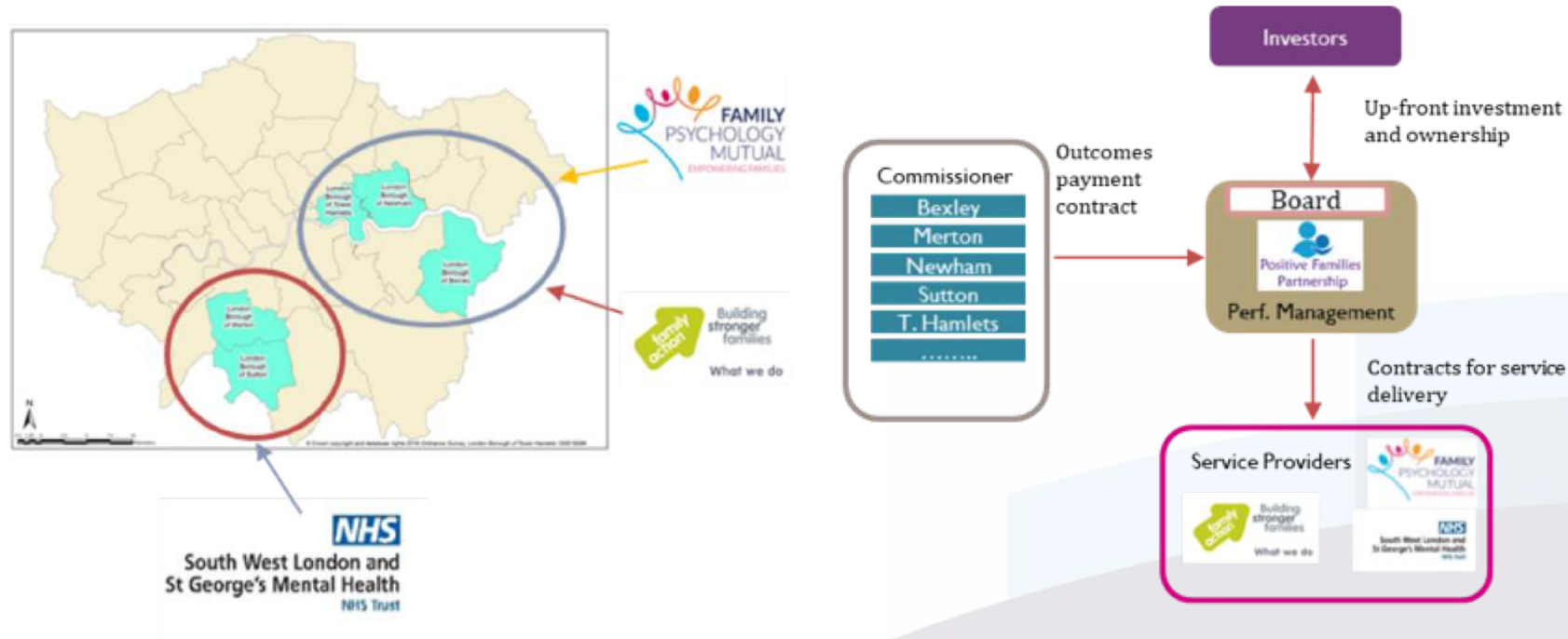
Are SIBs relevant to Local Government?

- Yes..... Sometimes..... But....
- Upper Tier Local Authorities, especially ‘Commissioning Councils’
- When embedded in a wider reform strategy
- Increase spend and grow capability of VCSE
- Develop new ways to deliver services or tackle ‘wicked issues’
- Most common: Children’s Services, Homelessness, Adults Social Care, Youth-Education-NEETs, and Employment Support

Case study: early intervention

Supports young people at risk of entering care and reduces family breakdown

<https://www.positivefamiliespartnership.com/>



Case study: innovation & partnership

Investors: Nesta, Care & Wellbeing Fund & Age UK National



Payments dependent on reductions in loneliness



Local delivery partners manage support through volunteers

Impact on loneliness measured using standard scale



- Policy consensus that loneliness and social isolation has significant implications for health and wellbeing.
- Very little know about what works and fiscal impact of reducing it.



Case study: invest to save

- Strong case for targeted investment in earlier intervention and greater co-ordination across education/health for high need children
- ~40 children cost +£5m per annum and go on to receive significant care packages as adults; cost rising.
- 18 month waiting list for assessment; services targeted at children too late 14-16 yrs, rather than 10-14 and ideally earlier, and little support for families
- However, following feasibility study commissioner decided not to proceed:
 - Fear SIB would create more fragmented provider network
 - Wanted to bring more services in-house
 - Politics not right



GOVERNMENT
OUTCOMES
LAB

Social investment in outcomes-based commissioning

Katy Pillai, Investment Director, Big Issue Invest Outcomes Investment Fund

Social Impact Bonds

Social investment to fund outcomes-based contracts

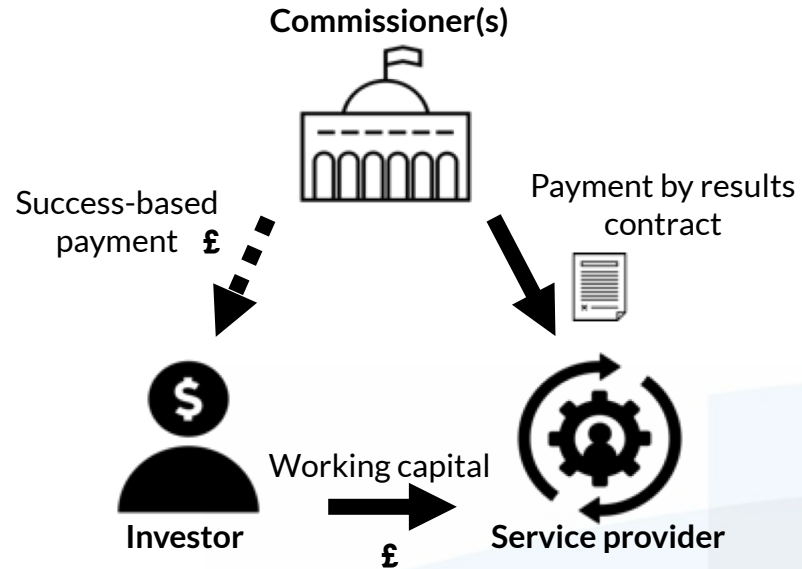
A public sector commissioner (or group of commissioners) appoints a service provider to support a group of individuals with high needs.

The commissioner will only pay for the service if agreed social outcomes are achieved e.g. reduced homelessness or unemployment.

An investor funds the upfront cost of delivering the contract.

The commissioner(s) makes outcomes payments if targets are achieved. The outcomes payments are used to repay the investor.

The investor bears the risk of the contract but is repaid with a social and financial return if it is successful.



Collaborating for better outcomes

New partnerships to improve social outcomes



Commissioners

- ✓ Can support high-need people through preventative, innovative programmes
- ✓ Only pay if they are successful
- ✓ Leverage private sector funding and expertise



Service Providers

- ✓ Multi-year funding for high-impact services
- ✓ Freedom to tailor and improve services
- ✓ Levels the playing field to allow smaller providers to compete on quality



Investors

- ✓ Expectation of a social and financial return
- ✓ Correlation between financial returns and measurable outcomes
- ✓ Investment uncorrelated with economy, backed by government revenues

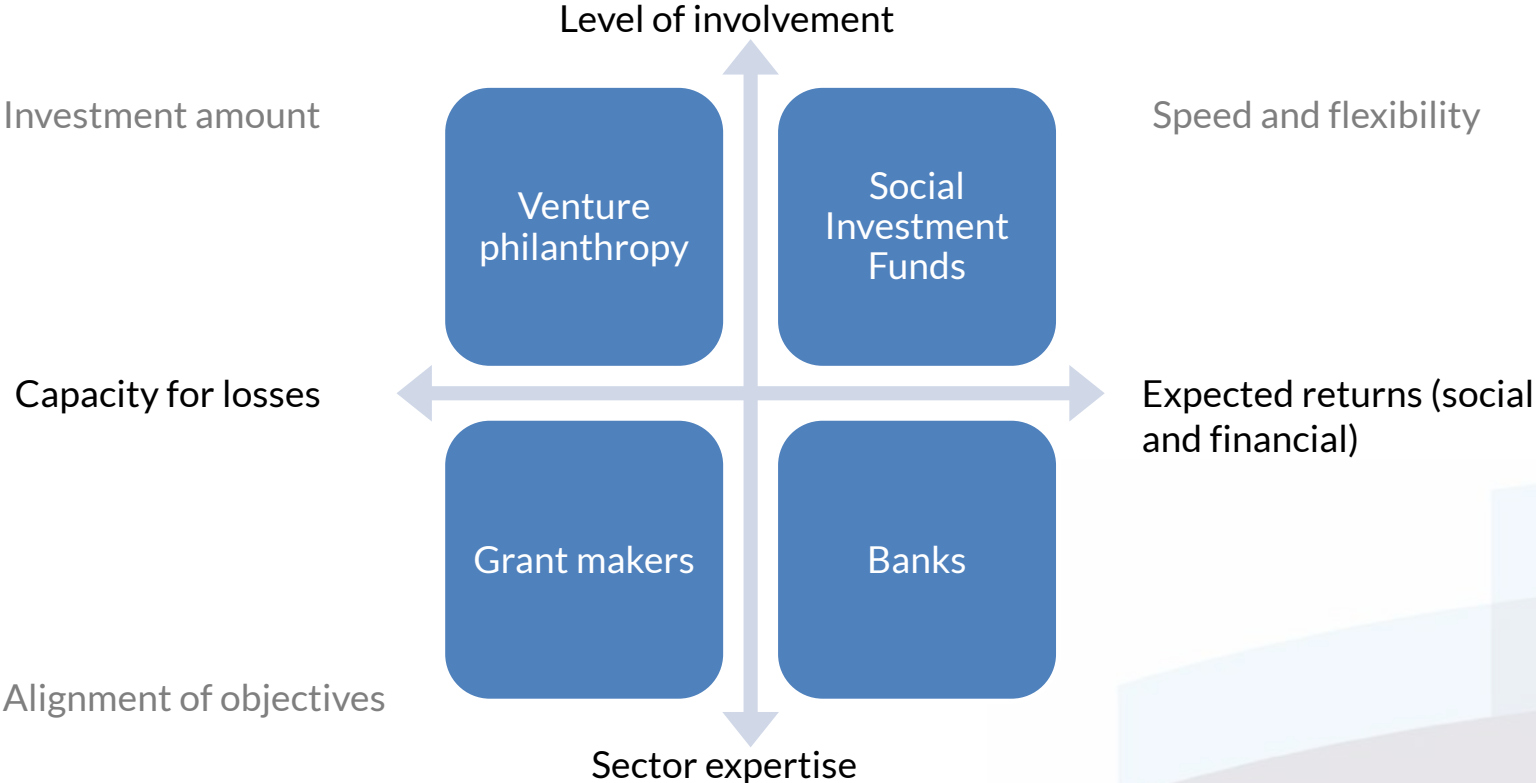


Service Users

- ✓ Benefit from new funding to tackle deep-rooted problems

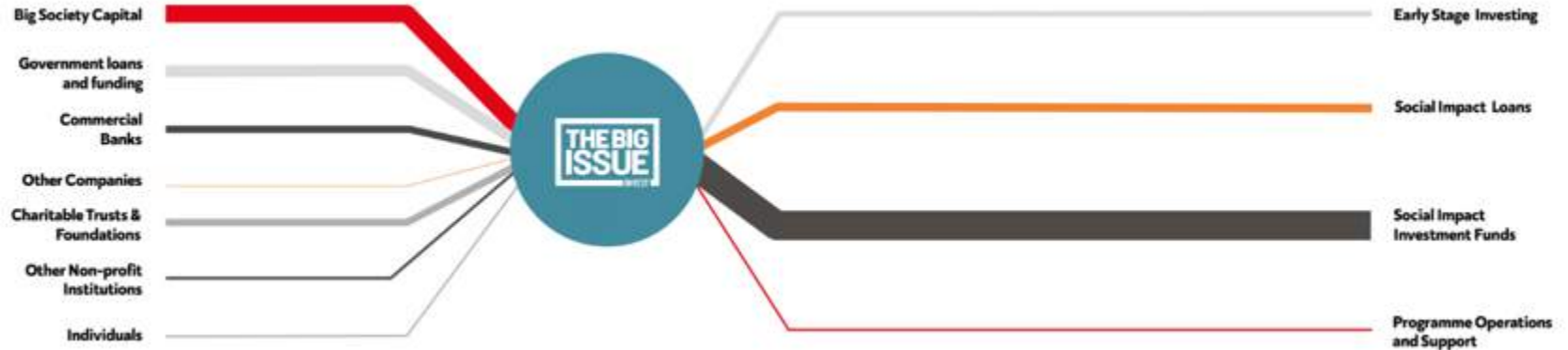
Social investment for SIBs

A diverse universe of investors



Big Issue Invest

Example of a SIB investor



- ✓ Part of a social enterprise group with a mission to **dismantle poverty and create opportunity**
- ✓ Invested in over 350 charities and social enterprises since 2005
- ✓ **Dedicated SIB fund**, making investments of **£250k to £2.5m per SIB**, up to 10 years
- ✓ Commitment to **sustainable, scalable and high-impact approaches**
- ✓ Focus on **cross-cutting approaches** that break down barriers between services to unlock better outcomes

BII Investment Criteria for SIBs

Risk-adjusted social and financial return



Suitable application of SIB model

Clear rationale for use of Outcomes-based Commissioning: there is risk transfer but the programme is not purely experimental

Social returns

Investments must contribute towards BII's social impact objectives and target sustainable change

Financial Viability

Appropriate balance of risk and reward – and aligned incentives - between all parties. A high % of funds are used for service delivery.

Opportunities to share risk and reward

The delivery providers(s) can share reward and risk (where appropriate).

Culture of continuous improvement

Contract structure should allow – and incentivise – improvement. SIBs should enable delivery organisations to develop capacity in e.g. data analysis, and performance management

Post-contract legacy

If the programme is for a limited term, a follow-on funding plan should be developed early to sustain or extend successful programmes and avoid 'cliff edge' in service provision.

SIB Case Studies

Homelessness Prevention Fund



Overview

MHCLG committed £10 million outcomes funding to local authorities to commission SIBs supporting entrenched rough sleepers. BII funded 3 SIBs across the UK.

Outcomes Framework

A payment is made for each person who enters, and stays in:

- Suitable, stable housing
- Education, employment and training
- Mental health and addictions support

Results

Launched November 2017 (3.5 year contract)

BII Role

Active investor, with board representation

Delivery Providers



SIB Case Studies

Mental Health & Employment Partnerships

Overview

MHEP supports people with mental health issues into work as an integral part of their treatment, using the evidence-based IPS supported employment model. MHEP engages with local commissioners to implement local services.

Outcomes Framework

Payments are made for each person who is unemployed, receiving support for mental illness and wants to work that:

- Signs up with the IPS service
- Starts and stays in meaningful employment



Results

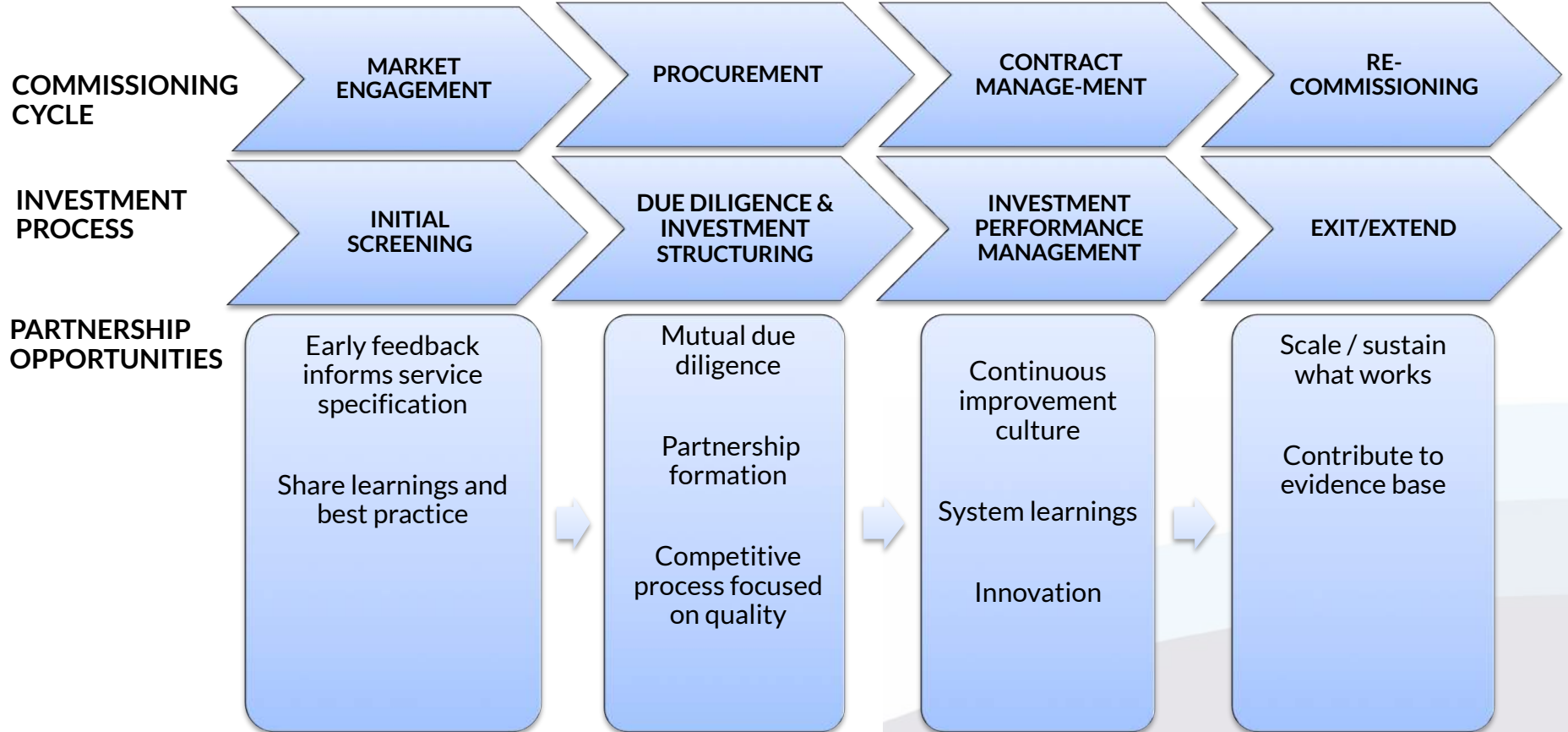
MHEP originally aimed to work with 2,624 people. New contracts and contract extensions have since been secured and MHEP is exploring new applications for IPS e.g. substance misuse cohorts.

Example Delivery Providers (current)



Working well together

Partnership approach underpins successful SIBs





GOVERNMENT OUTCOMES LAB

Research

Advise

Connect

Ask questions at [slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)

Join at
[slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)



[@ukgolab](https://twitter.com/ukgolab)
[#OutcomesWMids](https://twitter.com/ukgolab)



GOVERNMENT OUTCOMES LAB

PARALLEL SESSIONS I

Homelessness

- Please go to **DUFFIELD ROOM**

Health & Wellbeing

- Remain in **SIMISTER HALL**



GOVERNMENT OUTCOMES LAB

Coffee break



@ukgolab
#OutcomesWMids



**GOVERNMENT
OUTCOMES
LAB**

Outcomes based approaches to tackling homelessness

Rashid Ikram, Birmingham City Council





GOVERNMENT
OUTCOMES
LAB

Outcomes Based Commissioning for Homelessness Services

Rashid Ikram, Birmingham City Council

Overview



- Background – Homelessness in Birmingham
- Homelessness prevention delivered through housing related support (Supporting People) PBO
- Rationale – for Payment By Outcomes
- Challenges - providers experience,
- Reflections

Background: Homelessness

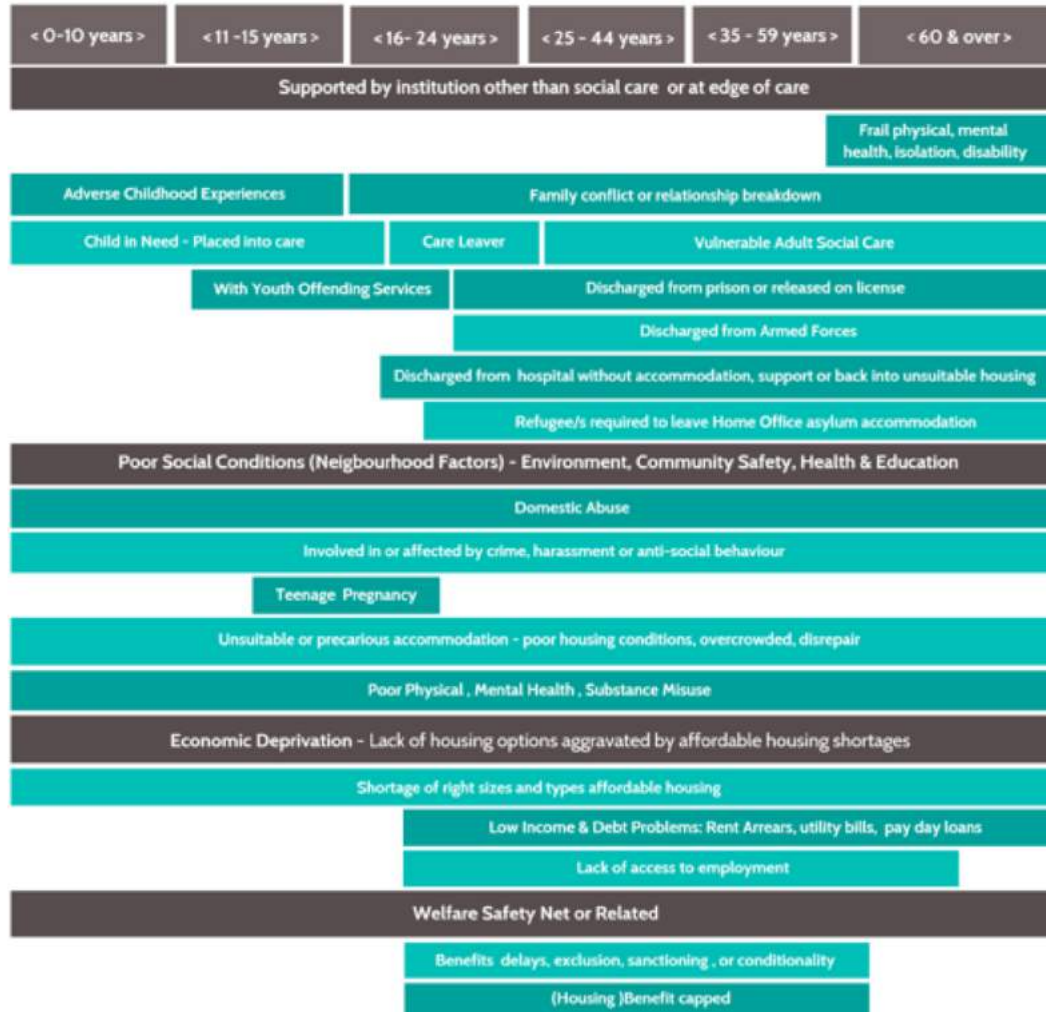
Definitions - literal and legal

“People sleeping, about to bed down (sitting on/in or standing next to their bedding) or actually bedded down in the open air (such as on the streets, in tents, doorways, parks, bus shelters or encampments). People in buildings or other places not designed for habitation (such as stairwells, barns, sheds, car parks, cars, derelict boats, stations, or “bashes”).”



“A household is legally homeless if, either, they do not have accommodation that they are entitled to occupy, which is accessible and physically available to them or, they have accommodation but it is not reasonable for them to continue to occupy this accommodation”

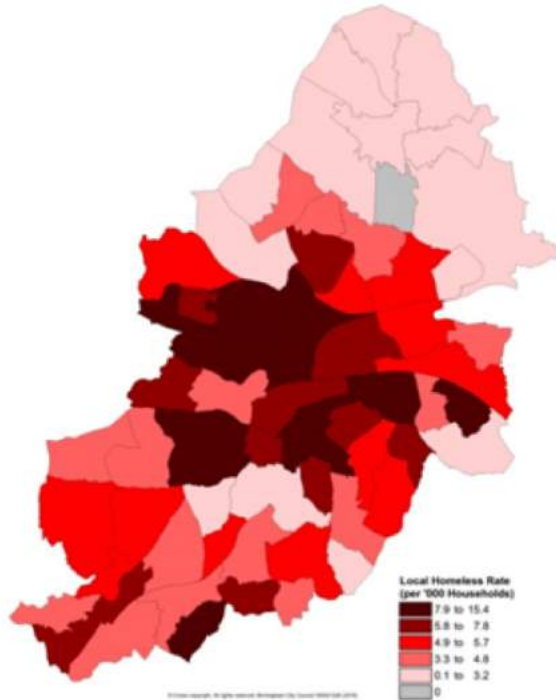
Homelessness across the life course: Triggers, Causes & Risk Factors



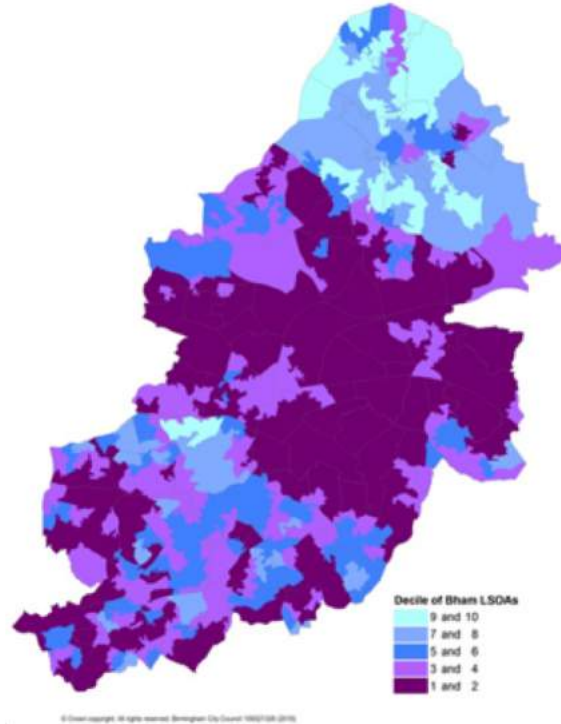
- Cross cutting issues
- Across all stages of life
- Personal Factors
- Structural Factors

Background: Homelessness in Birmingham

Local Homeless Rates for the Wards of Birmingham



Birmingham LSOA Deciles from IMD 2015



Commissioning Context: Supporting Housing Sector

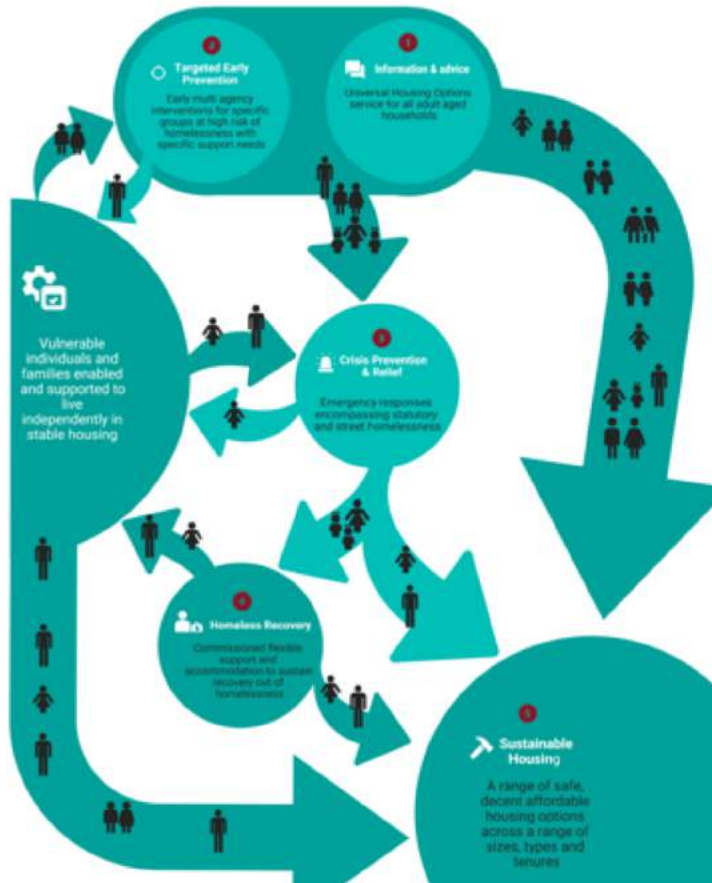


Supported housing is an umbrella term applied to a whole range of housing solutions for vulnerable people. Covers housing schemes & services where accommodation, support and a care services are provided as an integrated package.

Some schemes are long-term, designed for people who need ongoing support to live independently, others are short-term, designed to help people develop the emotional and practical skills needed to move into more mainstream housing.

Support encompasses - support with health needs, including mental health, substance misuse, financial inclusion, life skills, and accessing education, training and employment.

Homelessness Prevention: Part of more holistic system.



- Needed an approach that takes account for holistic needs of people – many of the clients targeted by the programme were also clients of existing or other related services.
- A lack of coordination amongst services was a major cause of frustration from service users, providers and commissioners
- Co-designed by providers and clients
- Commissioning approach that addresses the physical health, mental health and social care needs of individuals is better for everyone in terms of social and financial outcomes.

Supporting People Commissioning



Birmingham City Council administered programme - original programme £53m now £24m – average has delivered over 1 third of homelessness prevention interventions (circa 2,300 p/a)

Has been through a number of reviews undertaken with partners, stakeholders and providers – was previously ring fenced funding, but now discretionary invest to save prevention programme

Current programme delivers accommodation across the following client groups:

- Offenders
- Homeless
- Mental health
- Young people
- Domestic abuse
- Learning disability

Pre-engagement work with providers



- Spread across client groups – explored models used by (Public Health and Ministry of Justice)
- Working groups established – to explore the above
- Citizens helped define the outcomes
- 6 month lead in with a 12 month pilot
- Pilot based on selection of contracts – spread client groups
- Recommissioning then led the whole programme – after 2010 onwards
- Also had a history of prior engagement and market shaping pre 2010 – e.g. providers forum

Pre-engagement: Agreeing Principles



- Review of current arrangements in terms of outcomes measurement.
- An approach that would not affect the diversity and sustainability of the market place in future (small to medium organisations to be able to compete and deliver)
- Avoid cherry picking or gaming by providers
- Avoid exclusion of citizens that most need our services
- Service user representatives to support the development of the range of outcomes to be included within the model

The PBO Measures



- Three mandatory outcomes
 1. Achieving independence
 2. Access to primary health care
 3. A client specific outcome (e.g maximising income, stay safe, reducing offending)
- Up to 2 personal outcomes which are recognised as being an important part of the person's journey towards independence.
- Personal outcomes include manage substance misuse, maintain accommodation, improve/maintain physical health

Co-design outcomes: Service Provider & Clients



CLIENT GROUP	MANDATORY	CLIENT SPECIFIC
Homeless Families	Access Suitable Independent Accommodation	Maximise Income
Young People - Immediate Access	Maintain Accommodation	Access to Education, Employment & Training
Young People - Step Down	Access Suitable Independent Accommodation	Access to Education, Employment & Training
Young People - Places of Change	Access Suitable Independent Accommodation	Access to Education, Employment & Training
Young People - Exiting Gang	Maintain Accommodation	Access to Education, Employment & Training
Single Homeless - HUB	Maintain Accommodation	Maximise Income
Single Homeless - Step Down	Access Suitable Independent Accommodation	Maximise Income
Single Homeless - Floating Support	Maintain Accommodation	Maximise Income
Offenders - Accommodation Based	Access Suitable Independent Accommodation	Reduce Criminal Behaviour
Offenders - Floating Support	Maintain Accommodation	Reduce Criminal Behaviour
Gypsies & Travellers	Maintain Accommodation	Maximise Income
Domestic Violence - Floating Support	Maintain Accommodation	Stay Safe
Domestic Violence - Refuge	Access Suitable Independent Accommodation	Stay Safe

Payment Methodology



- 90/10 split, 90% utilisation and 10% outcomes
- 90% of contract value automatically paid providing delivery is 95% or above the agreed levels
- 10% of payment held back to be paid annually based on 80% of positive outcomes being achieved.
- Validated by provider submission of evidence, review staff validation, service user involvement team interviews

Providers experience

- Well received – merits acknowledged
- Felt the challenge – improved their service, supported management of their own staff
- Focused on staffing resource issues, and made them consider resourcing issues
- Providers contributed towards innovation in the sector – e.g. homeless patient pathway (hospital discharge)

Reflections on PBO related approaches



- Those that fell short of getting 10% - did not necessarily equate to them being a poor provider
- Some providers signed themselves to additional outcomes – e.g. young people - selected 5 outcomes when they could have gone for 4
- Wealth of information and intelligence gleaned from doing this – supports the investment case
- DCMS will be looking at working in partnership with MHCLG to explore opportunities for new Social Impact Bonds based on a pilot programme targeted at rough sleepers

Reflections on PBO related approaches



- Quarterly returns system provided a means for flagging up issues around performance or service delivery
- Barometer for gauging market conditions or specific issues – e.g. housing related support for offenders
- From an investors perspective – looking at bonds linked to individuals the returns on investment need to be understood by those investing, that the timescales for dividends may take longer to come to fruition – build in steps particularly recovery services



GOVERNMENT OUTCOMES LAB

Research

Advise

Connect

Ask questions at [slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)

Join at
[slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)



[@ukgolab](https://twitter.com/ukgolab)
[#OutcomesWMids](https://twitter.com/ukgolab)



GOVERNMENT
OUTCOMES
LAB

St Basils Rewriting Futures
Social Impact Bond
Vanessa Newey, Programme Lead, St Basils





GOVERNMENT
OUTCOMES
LAB

St Basils Rewriting Futures

Fair Chance Fund

January 2015 to December 2017

<https://www.gov.uk/government/publications/fair-chance-fund-evaluation-interim-reports>

- DCLG's Fair Chance Fund (FCF) Social Impact Bonds aimed to support those homeless young people with greatest needs, who may have been failed by other services.
- Rewriting Futures was 1 of 7 FCF SIBs. Allowing us to work with a cohort of young people that we knew were not in priority need for housing and not able to access existing service provision. The SIB allowed St Basils to offer intensive tailored support over a longer period of time.
- Special Purpose Vehicle (SPV) structure owned by 5 investors. The SPV paid agreed budgeted costs to St Basils in advance, with the outcome payments then made from DCLG to the SPV. The financial risk sat entirely with the investors.
- Payable outcomes:
 - Entry into Accommodation, 3, 6, 12 & 18 mths sustained accommodation
 - Entry into Education, Entry level, Level 1, Level 2 qualifications
 - Entry into Employment, 13wks & 26wks FT or PT Employment & 6wks, 13wks, 20wks & 26wks Volunteering

What went well?

- The SIB allowed for flexibility and creativity and allowed us to be responsive to change quickly and efficiently. For some yp there were huge trust barriers and a feeling of being let down. Progression Coaches were able to build relationships with yp over a period of time meaning for many they sensed a feeling of stability for the first time ever.
- Providing incentives to yp for achieving particular outcomes.
- The positive learning from the programme has had an impact on the wider St Basils.

Challenges?

- DCLG criteria for certain payable outcomes – Some outcomes were hard to achieve.
- Balance between the support needs of the yp whilst also ensuring outcome targets were met. Keeping yp engaged for a long length of time – engagement needed to be maintained for outcome evidencing.
- Staff skill set – Staff needed to be skilled in a large number of areas with an understanding of PBR contracts.
- Plan/do/review cycle moves at great speed in this type of contract – hence need for good data and analytics.

Successes

- 351 young people received up to 3 years of support.
- 85% moved in to stable accommodation with over 50% sustaining this for more than 18 months.
- 83% entered some form of Education or Training, 38% achieved a qualification and 29% started employment.
- Reduction in offending, substance misuse and babies being taken in to care.
- 2647 outcomes submitted to DCLG with an outcome revenue of £2,711,726 – Claimable revenue £2,622,388 due to hitting contract cap.



GOVERNMENT OUTCOMES LAB



Ask questions at [slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)

Join at
[slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)



[@ukgolab](https://twitter.com/ukgolab)
[#OutcomesWMids](https://twitter.com/ukgolab)



GOVERNMENT OUTCOMES LAB

PARALLEL SESSIONS I

Homelessness

- Please go to **DUFFIELD ROOM**

Health & Wellbeing

- Remain in **SIMISTER HALL**



GOVERNMENT OUTCOMES LAB

Managing long-term conditions

Tara Case, Chief Executive, Ways to Wellness





**GOVERNMENT
OUTCOMES
LAB**

INNOVATION IN OUTCOMES-BASED COMMISSIONING: Managing long-term conditions

Social prescribing for people with long-term
conditions in the west of Newcastle



What is Social Prescribing?

- Social prescribing is the use of non-medical interventions to achieve sustained healthy behaviour change and improved self-care through:
 - addressing social, emotional or practical needs
 - employing a person-centred approach
 - Motivating and promoting behavioural change
- Link Workers provide support and signposting to help patients to achieve their goals and address their concerns or issues
- Ways to Wellness aims to improve the health and wellbeing for patients living with long-term conditions and, as a result, reduced NHS costs related to their care



Why Ways to Wellness?

Need

- Long term conditions (LTCs) account for 70% of health and social care costs in England; 55% of GP appointments are with patients with LTCs
- Providing effective care for patients with long term conditions (LTCs) is one of the biggest challenges facing health care systems
- Newcastle West has high rates of deprivation, unplanned admissions for LTCs, lower life expectancy

Benefits

- Supporting people to manage their long term conditions is more effective than conventional medical model approach alone
 - There is a strong and constantly growing body of evidence that demonstrates benefits for people's attitudes and behaviours, quality of life, clinical symptoms and use of healthcare resources.
- Supported self-care is now accepted best practice for people with long term conditions
 - Promoted by NHS policy leaders, professional primary care leaders, and independent health policy think tanks

Why Ways to Wellness (cont)?

Road Blocks

- Until recently social prescribing has not been offered as a sustained service and to scale.
- Investment in preventative interventions is needed however CCGs and NHS England struggle both to fund the up-front investment of new services and take the risk that it might not work
- The promise of innovations ‘paying for themselves’ has been worn thin over recent years with many innovations predicated on reduced demand

Solution

- A unique approach to funding which addresses a need that otherwise would not be addressed
- Projected benefits of Ways to Wellness service
 - WtW intervention is predicted to save £10.8 million in secondary care costs
 - Further predicted savings to public services of £13.6 million
 - Additional social and economic benefits of a healthier population

Eligibility Criteria

1. People registered with a GP practice in the west of Newcastle
2. With a diagnosis of one or more of the following long-term conditions:

• COPD	• Diabetes (Type 1 or 2)	• Coronary Heart Disease
• Asthma	• Epilepsy	• Congestive Heart Failure
• Osteoporosis		

3. And between the ages of 40 to 74 years at the time of referral

- Other key characteristics or concerns that Ways to Wellness can help with:

• social isolation	• anxiety or depression	• frequent attender at GP or hospital	• poor English literacy
• poor understanding of condition	• poor health but with scope to improve with lifestyle change	• poor adherence to prescription	• obese or inactive

Unique Characteristics



- The **first** Social Impact bond (SIB) funding behind a health service in the UK
- Scale
 - 7 year length of contract
 - Approximately 10,000 patients are expected to be referred
 - Duration clients on program approximately 21 months average
- High degree of integration with GP practice teams
- Long-term, comprehensive, 'gold level', one-to-one social prescribing approach
- 'Special purpose vehicle' of Ways to Wellness created to hold contracts with commissioner, investor and community and voluntary sector service providers allows for focus on:
 - rigorous monitoring and evaluation of service delivery metrics (KPIs)
 - service improvement to optimise achievement of outcomes, other impact and quality
 - creating conditions for collaboration across sectors for service development, shared learning and systems change

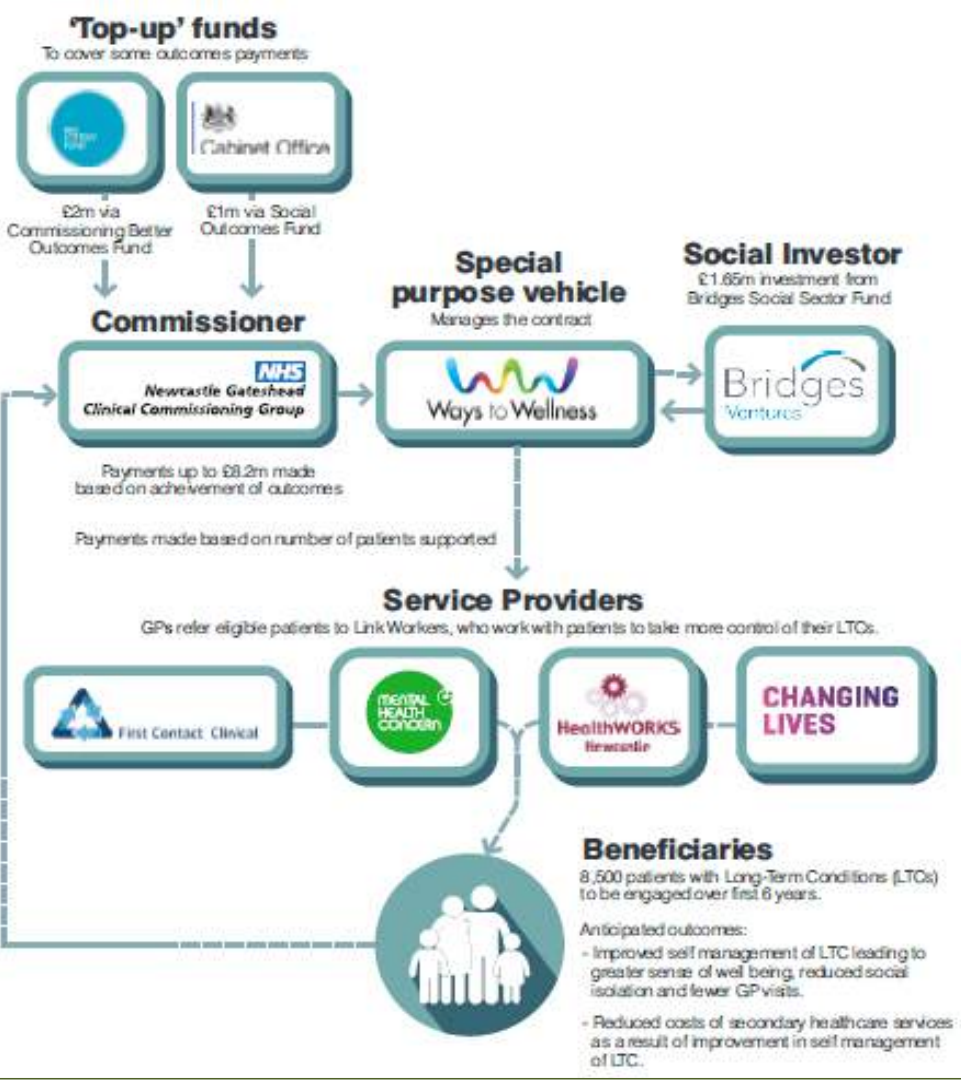
Outcomes-Based Payments

Payments are 100% outcome-based.

Two outcome measures trigger payments:

1. Well-being Star improvementsTM (30-40% of total payments)
 - Payments from Cabinet Office (Social Outcomes Fund), Big Lottery Fund (Commissioning Better Outcomes Fund) and Newcastle Gateshead CCG
2. Reductions in secondary care (hospital) costs compared to a control group (60-70% of total payments)
 - Payments from Newcastle Gateshead CCG

Ways to Wellness Financing & Contracting Structure



Outcome Achievement



Patient Referrals

- Ways to Wellness has received over 4,500 referrals has engaged and supported 3,400 patients since the service started (April 2015 – April 2018)

Well-being Stars™ – Outcome A

- Almost 2,000 patients outcome measure Well-being Stars™ have been completed with patients who have been with Ways to Wellness for six months or more
- Average Ways to Wellness improvement = 3.3 points (target is 1.5 points)
- The top three areas of patient improvement in wellbeing are: (a) lifestyle, (b) work, volunteering and other activities, and (c) feeling positive.

Secondary Care (hospital) cost reduction – Outcome B

- Payments started in the autumn of 2018 due to expected long-term nature of service and delayed impact on hospital use
- Early data shows approximately savings in Ways to Wellness cohort compared to matched counterfactual group but no long-term trend is evident yet



Ways to Wellness as a SIB



Focus on impact

- Outcome measures are chosen to best capture impact with payments are aligned directly to outcome measures
- All parties are incentivised contractually to demonstrate and optimise achievement of outcomes

Supports innovation and best practice

- Upfront funding allows for testing new approaches without commissioners or providers taking on risk of failure
- Longer term (7 year) contract allows time to realise impact of preventative interventions
- Outcomes-based contract allows for service delivery approach to adapt, respond, optimise...
- Multi-stakeholder approach supports engagement, collaboration and innovation

Success Factors & Learning

Development phase

- Stakeholder engagement (including early engagement with referral sources)
- Development of a detailed operational and financial model to underpin business case
- Clear logic model / theory of change
 - Well-defined target population, intervention and role descriptions (e.g. Link Worker)
- Simplicity of outcome payments
- Sharing of risk and alignment of incentives

Delivery phase

- Enthusiasm and commitment to innovation and social impact objectives
- Use of a focused 'special purpose vehicle'
- Multiple service providers
- Bespoke IT management system
- Rigour in data collection and analysis to inform delivery approach

Challenges & Opportunities



Health and NHS factors

- Challenge in adapting OBC to NHS commissioning processes and Information Governance policies
- No new money to pay for the service but realising cashable savings in the NHS is not straightforward
- Health and economic benefits are often long term in nature
- Social prescribing approach requires cultural shift for some clinicians
- Financial model relies on high numbers of beneficiaries referred and engaged

Innovation, Transformation & Partnerships

- Social Investment is often associated with innovation and transformation
- Innovation typically often requires multiple iterations to optimise – change process can be demanding on capacity and morale
- Uncertainty combined with complexity can be particularly difficult to navigate
- Effective partnerships are critical to success in such innovation and transformation

Patient: "I was grateful for any help to get well. Manageable targets and other useful suggestions helped me."

Patient: "I began to see there were ways to move forward regardless of my ongoing medical problems "

Patient: "I felt at ease with my Link Worker and she listened and offered advice to help my situation "

Patient: "The Link Worker had knowledge of activities and their benefits in my area. I wouldn't have known where to look for these. "

GP Practice: "Excellent service – it has helped our patients in ways that other services have been unable to."

GP Practice: "The team are really friendly, approachable and adaptable; it has become an important service to many of our patients."



GOVERNMENT OUTCOMES LAB

Research

Advise

Connect

Ask questions at [slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)

Join at
[slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)



[@ukgolab](https://twitter.com/ukgolab)
[#OutcomesWMids](https://twitter.com/ukgolab)



GOVERNMENT OUTCOMES LAB

Mark Ellerby, PSIAMS
Systems



GOVERNMENT
OUTCOMES
LAB

Mark Ellerby

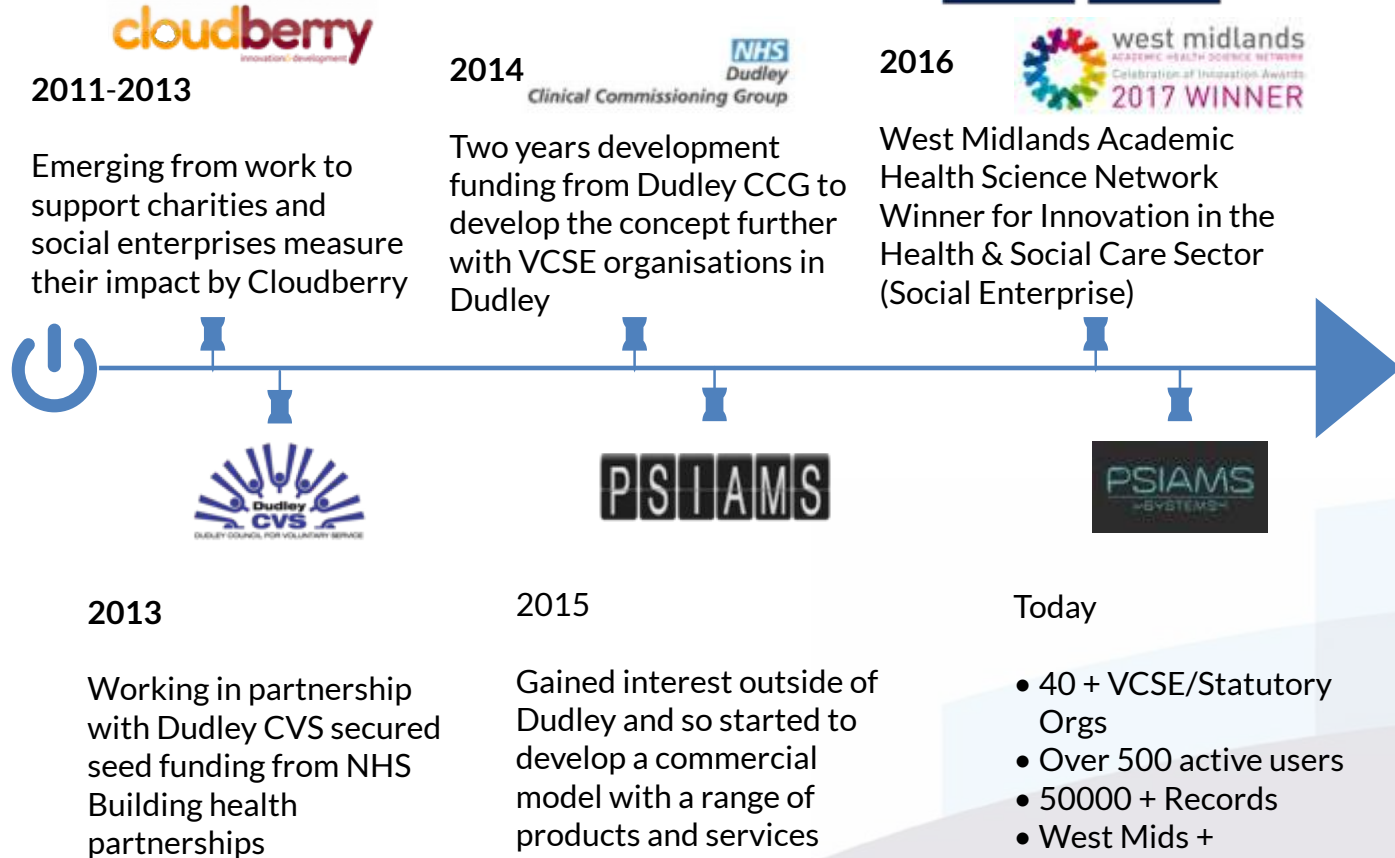
PSIAMS Systems



[Hello@PSIAMS.com](mailto>Hello@PSIAMS.com)

PSIAMS.com





Better Support to the Sector

- Sector is generally poorly supported with technology solutions
- Systems tend to be built for not by the sector
- Costly to build and update
- Really meet the needs of the organisation as a whole
- Supporting Sector with practical support for GDPR
- Data to support commissioning, funding, Business Intelligence
- Support for outcomes based approaches



Knowledge



Workload



Control



Connectivity

Our Approach

Disrupt

Enable

Empower

Our Team

50% + Staff
25 or Under

Experts By
Experience

Solution
Focused

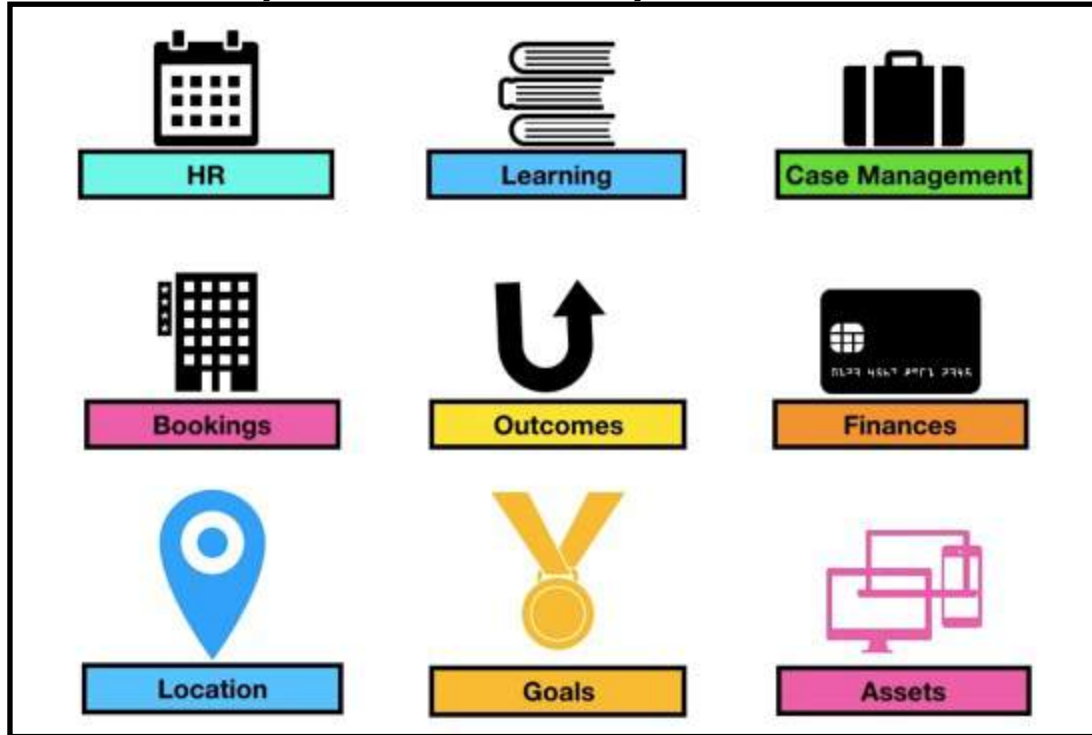
Our Work

Whole System
Approach

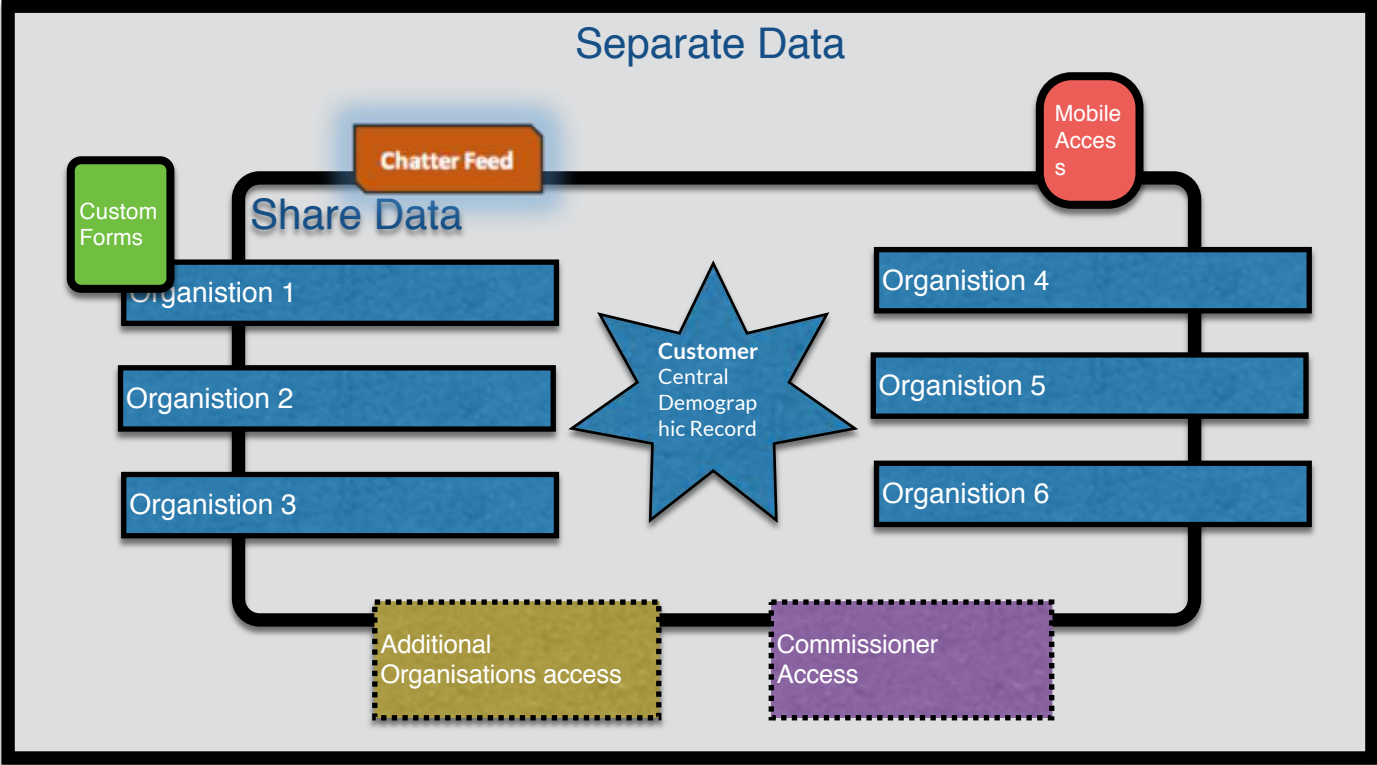
Outcomes
Measurement
Inbuilt

Support
Local &
Social Value

One System : Many Possibilities

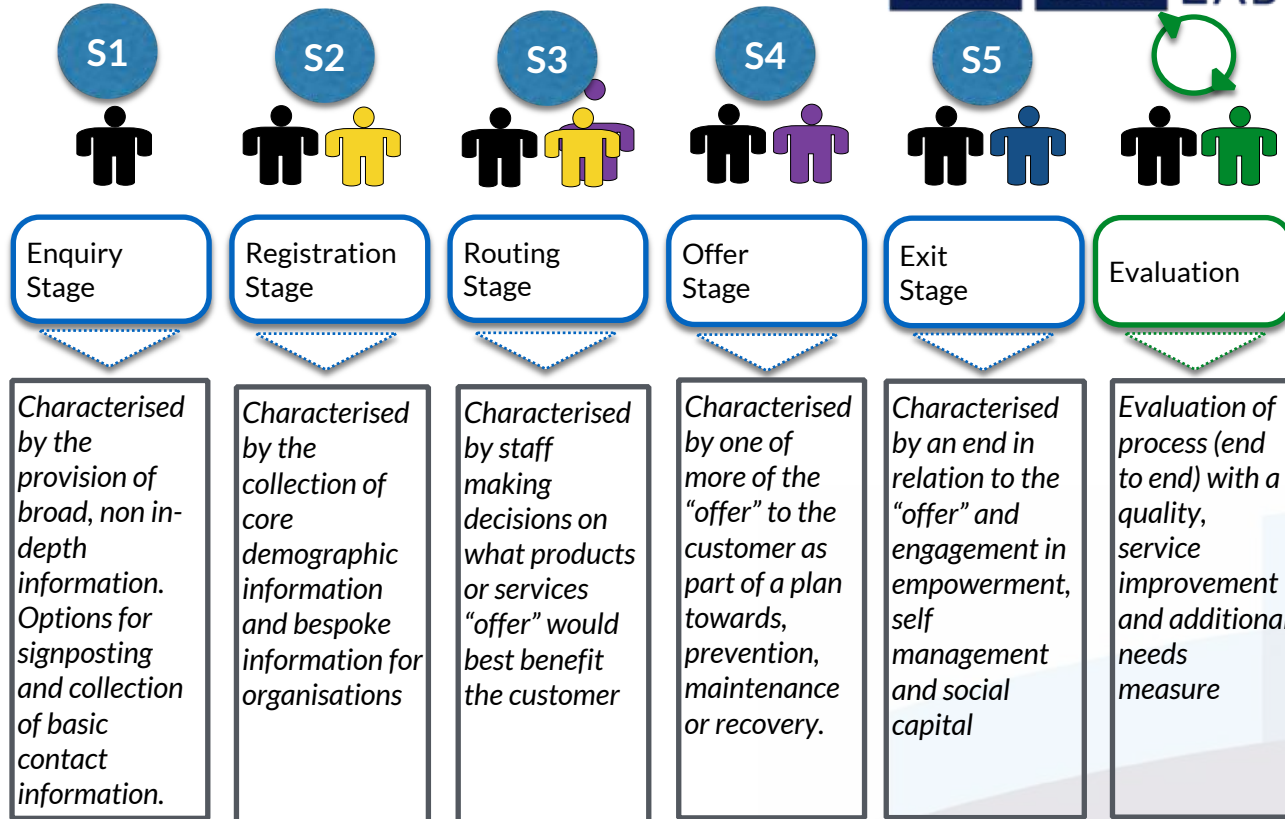


Single | Collaborative | Integrated



Collaborative Approach System

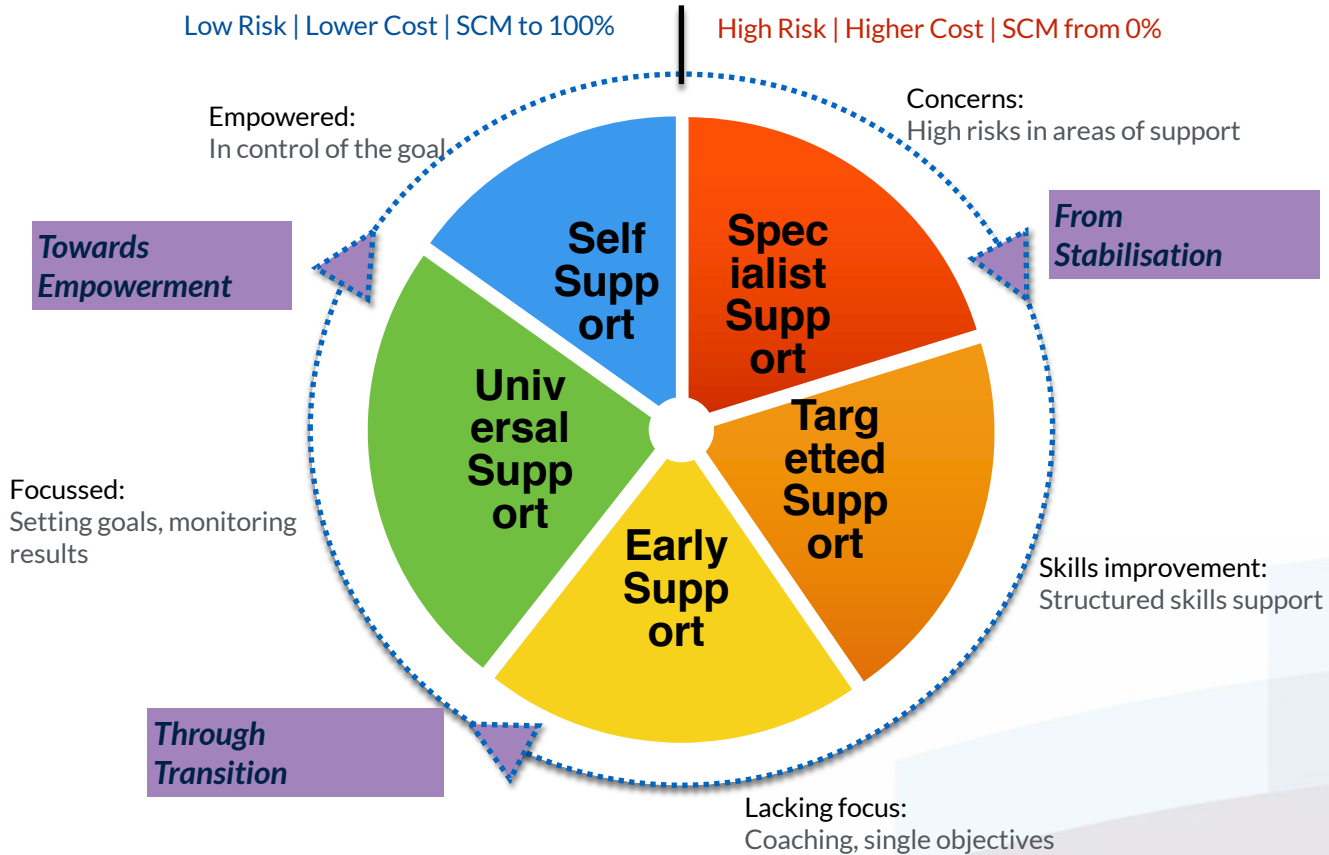
Journey Model



Theory of Change

Low Risk | Lower Cost | SCM to 100%

High Risk | Higher Cost | SCM from 0%





Range of
Services, Support,
and Solutions

Over 200 Developed Solutions

☑ *Client Tracking*

☑ *HR*

☑ *Range of Assessment Tools*

☑ *Retail*

☑ *Range of Intervention Tools*

☑ *Web integration*

☑ *Asset Management Tools*

☑ *Income Monitoring*

☑ *Project Management Tools*

☑ *Funding Tracking*

☑ *Outcomes and Impact Measurement Tools*

☑ *...and more to come*

☑ *Volunteer Management*



iZone

Launched last year to support young people to access trusted, local information in a single place.

Visits to site per month is now averaging at 3000PA

iZone Topics

Mental Well-Being 468
 Safety 308
 Sexual Health 277
 Family and Relationships 274
 Housing 213
 Substance Misuse 192
 Education 184
 Physical Health 178
 Offending 150
 Employment 147
 Finance 121
 Giving Back 206

iZone Referral Source

direct	780
google	487
schoolsurveys.co.uk	42
bing	31
m.facebook.com	14
buzz.halesowen.ac.uk	13
ecosia.org	11
dudleyccg.nhs.uk	6
loudmouth.co.uk	5

Coming soon...

Sketch Me

A personal branding tool to support young people to develop positive self image and asset based approaches to life, across the 11 STA domains and to encourage giving back.

May/June 2018



Welcome to your future

Connects and integrates organisations, Volunteers and local CVS

- Sharable records volunteer records and vacancies
- Simple Web interface with a secure user login
- High functioning back end in PSIAMS
- Increased efficiency and reduced paperwork
- Reduces costs of volunteering subscriptions per organisation
- Hyperlocal
- Opportunities to market quicker



“Care and Share are helping us let people know we are there, we are now able to let everyone know what we are offering without just relying on social media. We wouldn’t have the funds to get a website built for us so this is amazing”

Emily Jane (group founder and senior leader)

SEN Friendly Hairdressers - 129
Dudley Parent Carer Forum - 100
Special Schools - 92
Money Saving options - 86
EHCP - 85
Education - 76
Specialist Early Years - 66
Cerebra parent guides - 45

Mapping Data

- Support place based commissioning
- Demonstrate change
- Identify gaps
- Useful data for funding
- Citizen's that are asset rich



Land Use

- Work across plots or zones
- Monitor land change from unusable to useable
- Environmental Change
- Link to media
- Relate place to people



Children and Young People Organisation Support

- ▶ **Contact** - CYP Contacts
- ▶ **Threshold** - Level each organisation is operating at
- ▶ **Organisation** - Development of each organisation
- ▶ **CVS Work** - Our work with organisations
- ▶ **Chatterbox** - Sharing good practice and information
- ▶ **Data for CYP Journeys**

Children and Young People's Alliance Board Strategy

Delivery Plan 2016/17



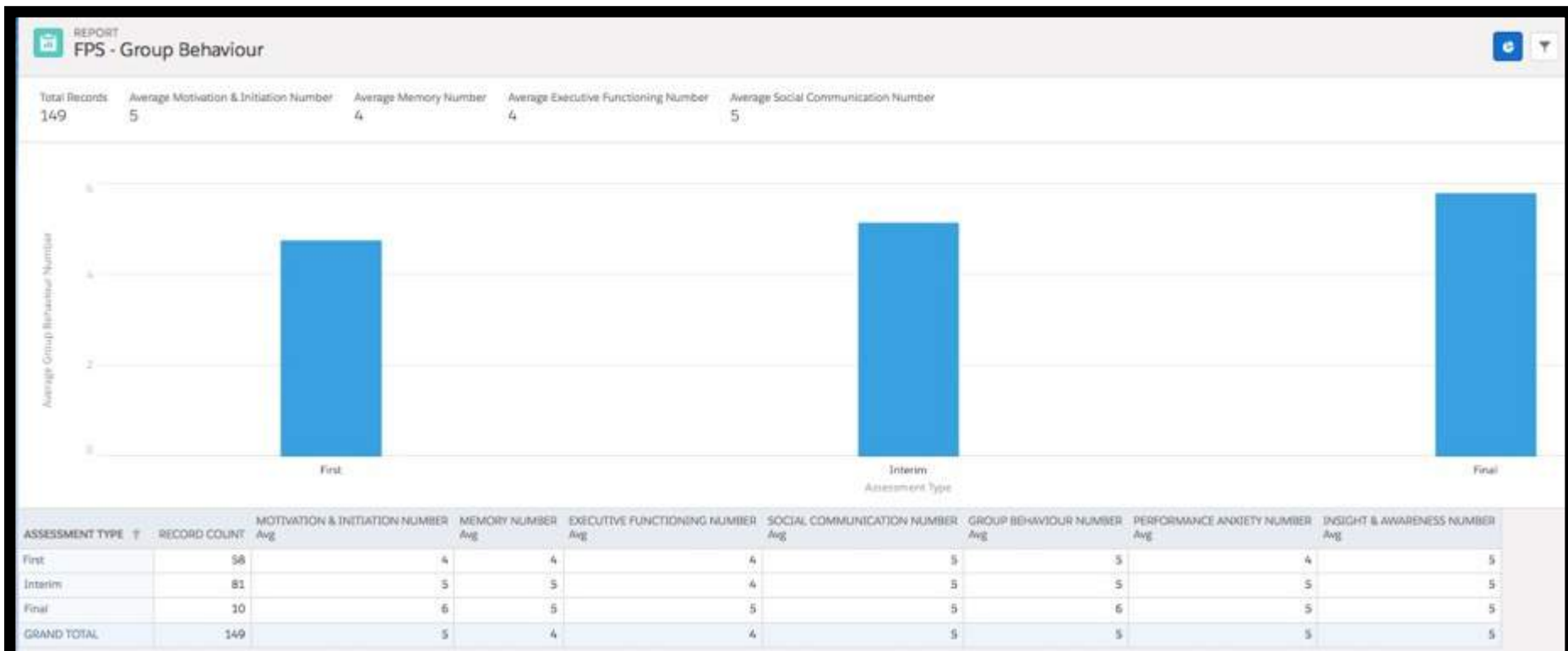
- **Over 3,000** referrals received
- **2,700** referrals made to VCSE (80%)
- **500** referrals to statutory services
- Connected over **100** people into peer to peer support activities
- **Biggest presenting issues:** loneliness, depression, LTCs, household issues, stress, family relationships, drug and alcohol

- Based on data from 38 clients supported **savings to wider economy of £243,200**
- Based on 177 people supported from 5 surgeries: **Reduced GP visits by 29%** and **Reduced GP home visits by 30%**
- **Saving of £13,604pp** (£230,000 across total referred patients)

Soft data: Listened to me | Spent time with me | Built my confidence | Independent and flexible | No hidden agendas | Went extra mile | Brokering into services / activities | Found solutions to problems faced

Pre-Post Data

e.g. WEMWBS, FPS, STA



Social Triage Assessment Data

All Areas	1st	2nd/Final
Total	80.68%	87.88%

Health	1st	2nd/Final
Safety	87.60%	93.90%
Sexual Health	97.03%	98.14%
Physical Health	71.90%	78.70%
Mental Health	65.26%	78.77%
Total	80%	87%

Practical	1st	2nd/Final
Finance	72.49%	87.52%
Employment	53.51%	62.98%
Housing	91.60%	94.43%
Life Skills / Education	86.10%	88.89%
Total	76%	83%

Influence	1st	2nd/Final
Criminal Activity	97.83%	98.96%
Drugs and Alcohol	96.73%	98.14%
Family & Community	77.12%	89.02%
Total	91%	96%

Social Triage Assessment Data

STA Area	Statement	1st	2nd/Final
Family and Community	I can trust my family and friends	82.55%	89.81%
	I have a positive influence on my family/friends/community	74.06%	89.20%
	I have a positive relationship with my family and friends	75.62%	86.11%
	I know where to get professional support for my family	77.88%	87.35%
	I make a positive contribution to my family/friends/community	75.31%	89.20%
	I socialise with my family/friends/community at least once a week	67.81%	90.12%
	I take pride in my family/friends/community	86.56%	91.36%
Subtotal		77.12%	89.02%



GOVERNMENT OUTCOMES LAB

Research

Advise

Connect

Ask questions at [slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)

Join at
[slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)



[@ukgolab](https://twitter.com/ukgolab)
[#OutcomesWMids](https://twitter.com/ukgolab)



GOVERNMENT OUTCOMES LAB

PARALLEL SESSIONS II

Children's social care

- Please go to **DUFFIELD ROOM**

Mental health

- Please go to **SIMISTER HALL**



GOVERNMENT OUTCOMES LAB

Children's social care

Paul Riley, Executive Director, Outcomes UK



GOVERNMENT
OUTCOMES
LAB

Children's Social Care - Learning from Birmingham Step Down SIB

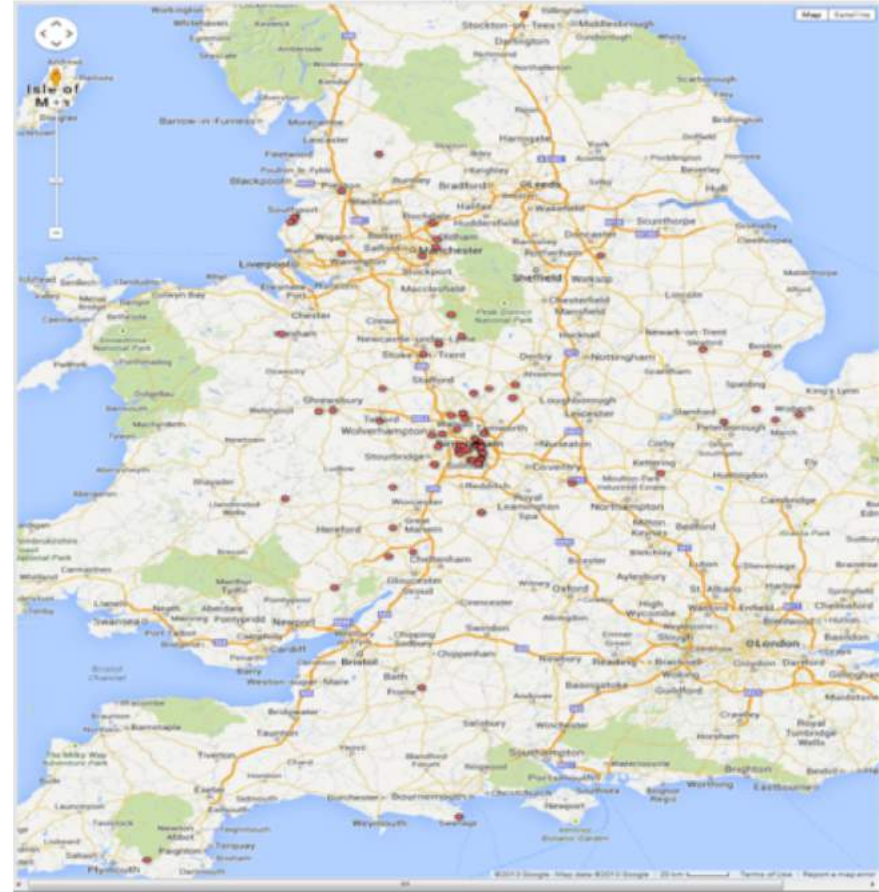
Paul Riley, Outcomes UK

Session agenda

- Commissioner rationale
- Commissioning & procurement
- Overview of Birmingham Step Down SIB
- Outcomes being achieved
- Independent evaluation
- Other learning

Rationale

- Children in Care – 1,939
 - In Residential Care – 182
 - Placed outside authority – 79
- Significant proportion of S.20
- Many enter and leave care rapidly (under 20 weeks)
- Those in residential care for over 20 weeks – result in a “care career”
- Accommodated for on average between 113- 133 weeks
- £305,000 cost per young person
- Foster care delivers better outcomes than residential care - provides stability
- Lack of suitable therapeutic foster placements



Commissioning & Procurement



Procurement process:

- PQQ & Competitive Dialogue
 - Oct 2012 - Provider engagement
 - Feb 2013 - Procurement Commence
 - March 2013 - Tender Evaluation
 - July 2013 - Competitive Dialogue (3 Providers)
 - March 2014 - Contract Awarded
- Requirement considered on a 'black box' basis
- Contract with single entity - service provider to find social investment partner(s) / intermediary

Procurement objectives:

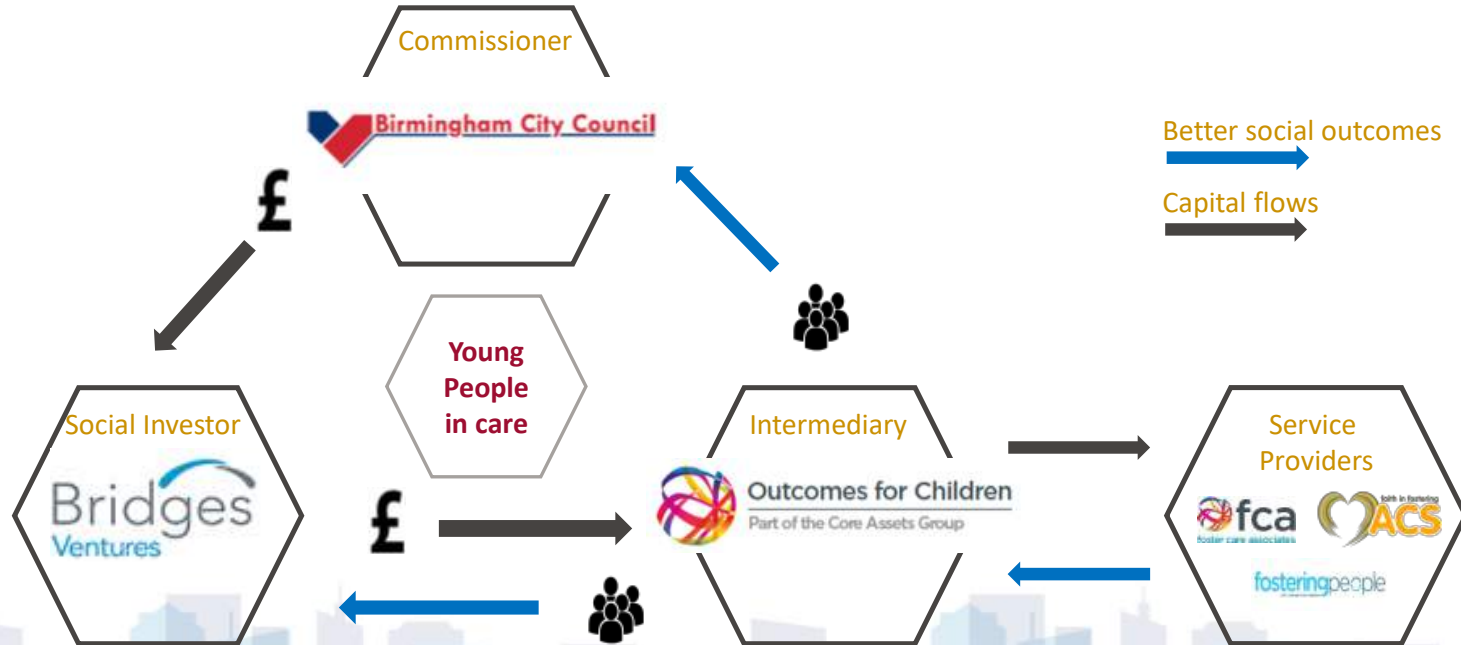
- One contract for both cohorts
- 100% payment by results
- Payment outcome – placement stability and well-being indicators
- Contract horizon – 2 + 2 + 2 years
- No guarantee of referral volumes to the services

Step Down SIB



- Awarded contract for residential step down to therapeutic foster care
- Single payment outcome for remaining in foster care for 12 months
- Contract horizon = 4 + 2 years
- No guarantee of referral volumes to the services
- Well-being outcomes tracked as non-payment measures
- Awarded to provider with local and national footprint
- Core Assets utilised existing local infrastructure & own service intervention model
- Core Assets Project Manager co-located with Council staff
- Core Assets introduced care-experienced mentors as an additional feature of service
- Social investor = working capital and took performance and referral risk
- Commissioned independent evaluation by University of Oxford

Social Impact Bond model



Outcomes

February 2018 Data

OUTCOMES FOR CHILDREN BIRMINGHAM

Service Description: The aim of Outcomes for Children Birmingham is to safely and appropriately move young people aged 10-16 years from residential care to specialist foster care.

HEADLINE PERFORMANCE MEASURES (to end December 2017)

How much do we do?

Current number of "graduates" = 13 (January = 0)
 Current number of placements = 9 (February = 1)
 Cumulative Placement ends = 11 (February = 2)
 Cumulative Young People entries to scheme = 43 (February = 3)
 Cumulative Planning dropout = 7 (February = 2)
 Cumulative Referrals = 74 (February = 3)
 Cumulative Referrals removed = 26 (February = 0)

How well did we do?

No. nights of residential care avoided whilst in scheme = 7,782
 Saving from nights avoided £1,167,30

STORY BEHIND THE FIGURES

- 13 young people have graduated
- Young people in the scheme is currently 9
- 3 YP in the Planning phase currently

WHAT HAVE WE DONE TO IMPROVE PERFORMANCE?

- Outstanding referrals are revisited every week
- Weekly meetings between Project Manager/Commissioning & BCC SW
- Weekly contact with each agency
- Monthly meetings with leads in each area

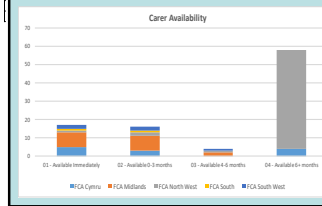
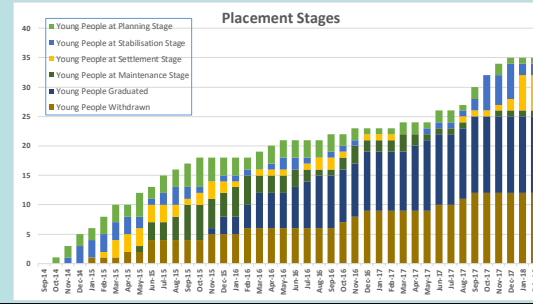
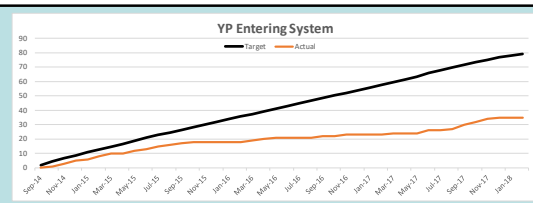
LESSONS LEARNT

- Local support for SW to complete referral forms is working
- Lead mentor visiting new referrals as soon as possible to complete 'This is me' paperwork

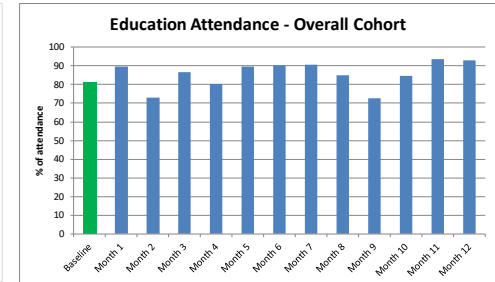
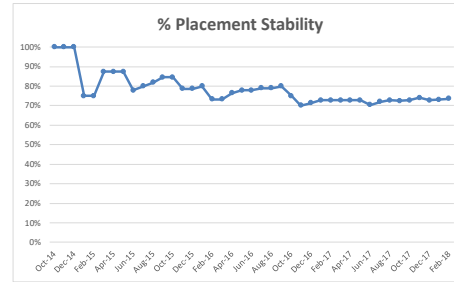
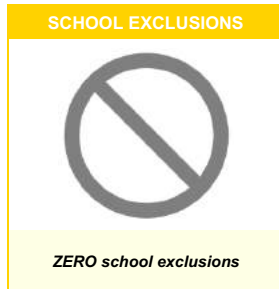
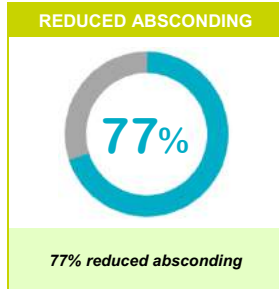
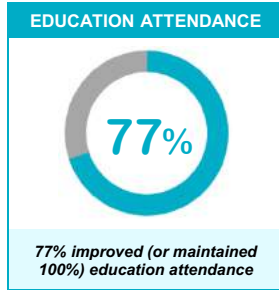
WHAT ARE WE GOING TO DO TO IMPROVE PERFORMANCE?

- Build on successful engagement of Core staff from all agencies, regular meetings to keep momentum.

Month	Referrals	Referral Target	Carers offered to Referrals	% Accepted
Sep-14	2	2.5	3	100%
Oct-14	2	2.5	3	100%
Nov-14	0	2.5	20	100%
Dec-14	3	2.5	6	100%
Jan-15	3	2.5	13	100%
Feb-15	3	2.5	11	100%
Mar-15	4	2.5	5	100%
Apr-15	4	2.5	9	100%
May-15	4	2.5	13	100%
Jun-15	2	1.5	6	100%
Jul-15	0	1.5	2	100%
Aug-15	0	1.5	3	100%
Sep-15	0	1.5	0	100%
Oct-15	0	1.5	0	100%
Nov-15	1	1.5	1	100%
Dec-15	0	1.5	0	100%
Jan-16	0	1.5	0	100%
Feb-16	1	1.5	2	100%
Mar-16	2	1.5	3	100%
Apr-16	0	1.5	2	100%
May-16	2	1.5	0	100%
Jun-16	1	1.5	1	100%
Jul-16	1	1.5	0	100%
Aug-16	1	1.5	2	100%
Sep-16	2	1.5	1	100%
Oct-16	2	1.5	6	100%
Nov-16	2	1.5	0	100%
Dec-16	2	1.5	2	100%
Jan-17	0	1.5	0	100%
Feb-17	0	1.5	0	100%
Mar-17	0	1.5	3	96%
Apr-17	2	1.5	2	96%
May-17	1	1.5	0	96%
Jun-17	1	1.5	2	96%
Jul-17	1	1.5	1	96%
Aug-17	2	1.5	0	96%
Sep-17	4	1.5	2	97%
Oct-17	1	1.5	1	97%
Nov-17	5	1.5	0	97%
Dec-17	2	1.5	0	97%
Jan-18	0	1.5	0	97%
Feb-18	0	1.5	0	97%
Mar-18	0	1.5	0	97%



Outcomes



Independent evaluation

Evaluation of Step Down – from residential to foster care



Judy Sebba, Gill Plumridge & Sarah Meakings

Contact: Rees Centre for Research in Fostering and Education,
University of Oxford Department of Education

Rees.centre@education.ox.ac.uk

Twitter - @ReesCentre

Independent Evaluation

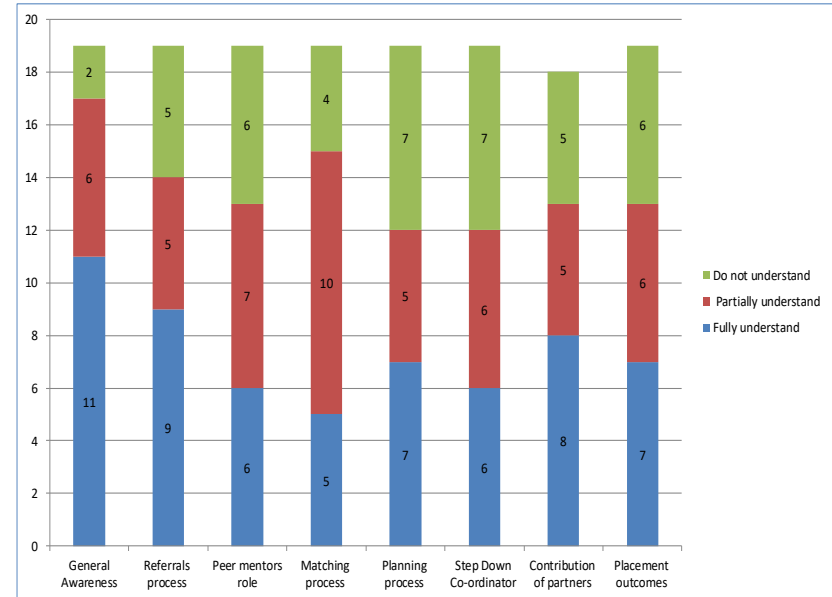


- Receiving information verbally was valued highly and may have led to placements that would not have been agreed on paper. The most common complaint about written information was that it was out of date.
- Involving the mentor early was seen as valuable especially in providing continuity for the young person and reassuring them about their ownership of the planning phase but the role.
- *“I would say [to a young person offered Step Down] ‘Well do go and see them, like I did with X and Y; if you don’t feel too comfortable ask for that extra, maybe ask for a sleepover, and if you feel comfortable then move in, if you don’t then just tell someone.’* **Young person**
- *“Say like when I was in the home I just can’t be bothered. I used to be naughty every day at school. But here I do try. I try [for the carers]* **Young person**
- *“Sometimes when you have new carers, they have a new perspective on things. Although some people can see it as a negative, I saw that as a positive...a new way of thinking and a new way of doing things, so that appealed to me.”* **Local Authority Social Worker**

[http://reescentre.education.ox.ac.uk/wordpress/wp-content/uploads/2017/04/StepDownBirmingham Prelim-Findings_ReesCentreApr2017.pdf](http://reescentre.education.ox.ac.uk/wordpress/wp-content/uploads/2017/04/StepDownBirmingham_Prelim-Findings_ReesCentreApr2017.pdf)

System Learning

- Involvement and ownership by young people
- Consistent and timely progression of care planning
- Involvement of a range of stakeholders in contract management and solution
- Contract management more about joint problem solving
- Flexibility
- Transitions



Other Learning

- Value of fully utilising 'dialogue' process where complex risks
- Social investors provide rigorous review of service provider and proposed intervention(s)
- Risk profile for social investor / service provider
- Simple, single payment outcome not always optimum
- Constant multi-channel communication



GOVERNMENT OUTCOMES LAB

Research

Advise

Connect

Ask questions at [slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)

Join at
[slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)



[@ukgolab](https://twitter.com/ukgolab)
[#OutcomesWMids](https://twitter.com/ukgolab)



GOVERNMENT
OUTCOMES
LAB

Outcomes-Based Commissioning in Mental Health & Employment

Nicola Bromage, Senior Strategic Lead,
Staffordshire & Stoke on Trent CCGs &
Adam Swersky, Director, Social Finance

Introducing Staffordshire

Medium-sized County in “greater” West Midlands

- 1,010 square miles; 0.8m people



8 District / Borough Councils and 5 Clinical Commissioning Groups

Employment rate for people with severe mental illness 58 percentage points lower than overall employment rate

- Slightly better than England average (65 points lower)

Existing IPS service currently the only non-NHS “Centre of Excellence”

- Provided by Making Space

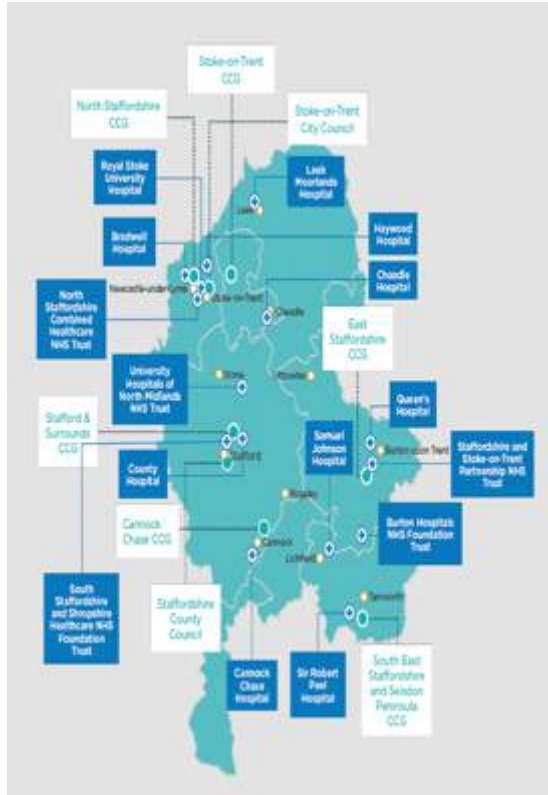


Stoke on Trent with separate IPS service (also a Centre of Excellence)

- Provided by North Staffordshire Combined Healthcare NHS Trust



Introducing Staffordshire



Locality Networks	Towns	Alliance boundaries
Stafford/Town	Lichfield	South East Staffordshire
South Stafford & Rural	East Staffordshire Group 1	South West Staffordshire
Stoke and Underhill	East 2 & 3	North Staffordshire & Stoke
Canwick Town	East 4 & 5	
Rugeley	East 6	
Canwick Villages	East 7	
Stoke NE	East 8	
Stoke WME	East 9	
Longton	East 10	
Stoke	East 11	
Sandley	East 12	

(C) Crown Copyright and database rights 2014. Ordnance Survey 100019422. You are not permitted to copy, sub-license, distribute or sell any of this data to third parties in any form. Use of this data is subject to the terms and conditions shown at www.staffordshire.gov.uk/maps. Produced by the Insight Team, Staffordshire County Council, 2014.

All content copyright and database rights 2017. Database Survey 100019422. This content is permitted to copy, sub-license, distribute or sell any of this data to third parties in any form. Use of this data is subject to the terms and conditions shown at www.staffordshire.gov.uk/maps. Produced by the Insight Team, Staffordshire County Council.

Introducing Social Finance and Health and Employment Partnerships



Not-for-profit social enterprise, founded in 2007

Designed / developed first Social Impact Bond

Work across multiple issue areas, including employment, health & social care, children's services

Mobilised ~£100M socially-motivated investment; **£33M** contracts under management



Social purpose company, set up by Social Finance

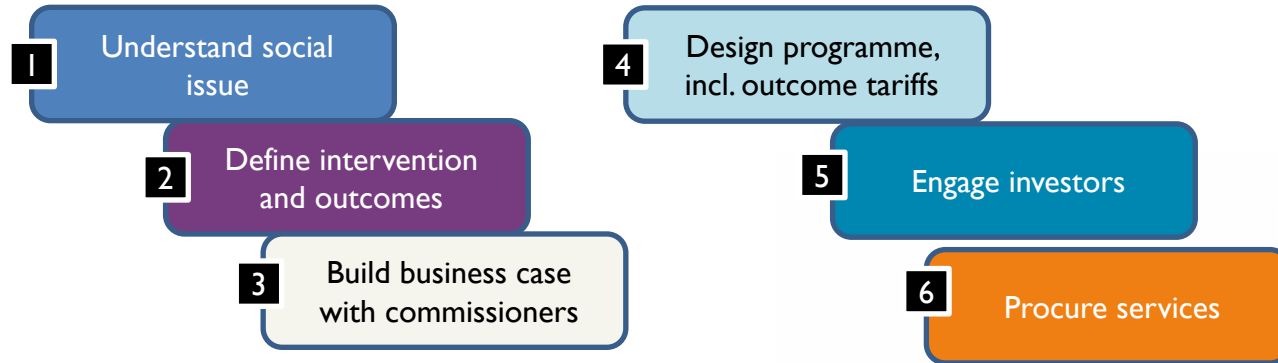
Aims to help people with health issues to improve wellbeing by achieving sustained and fulfilling employment

Works with commissioners to integrate funding and services across health and employment sectors

Able to mobilise social investment

Objectives for this session

- Share background to the Mental Health and Employment SIB
- Describe the key steps taken to develop the SIB
- Share lessons learnt from our experience and our plans to take this forward
- Answer your questions



1. The Key Social Challenge In Mental Health

Increasing prevalence

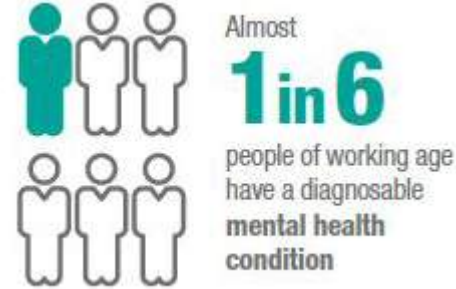
- Mental illness is the largest single cause of disability in the UK
- Almost one in six adults in the UK and one in 10 young people have a mental health problem

Funding gap

- Mental health accounts for 23 per cent of NHS activity but NHS spending on secondary mental health services is equivalent to just half of this

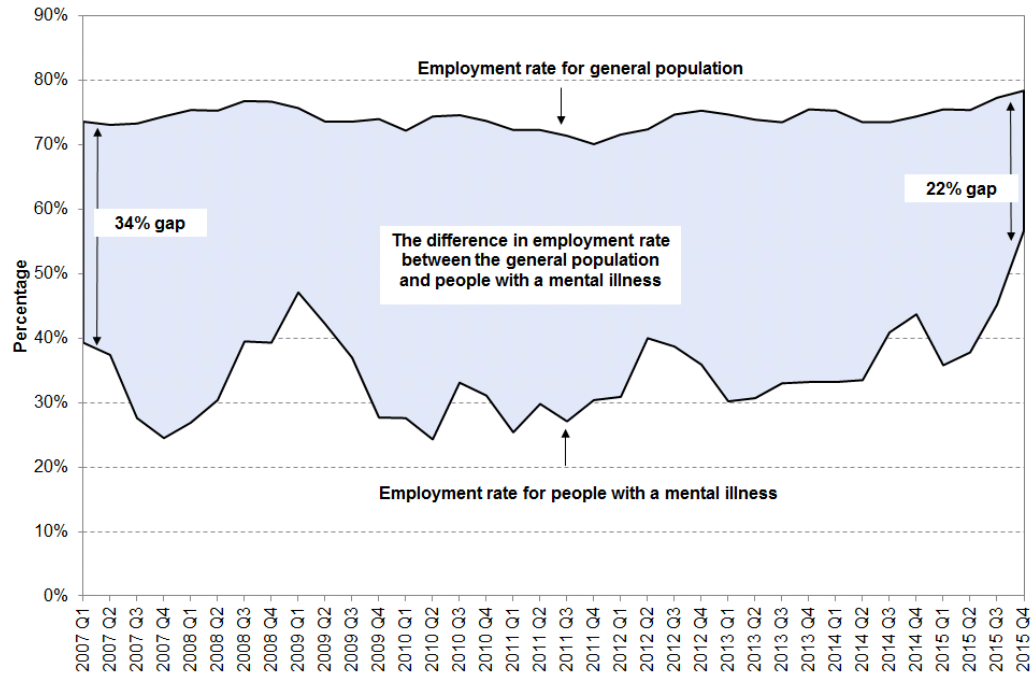
Interconnectedness with other outcomes and wider cost

- 43% of all people with mental health problems are in unemployment, compared to 74% of the general population and 65% of people with other health conditions.
- Common mental health problems are over twice as high among people who are homeless compared with the general population, and psychosis is up to 15 times as high
- Cost to economy £105bn a year



1. Why Invest in Mental Health Employment Support

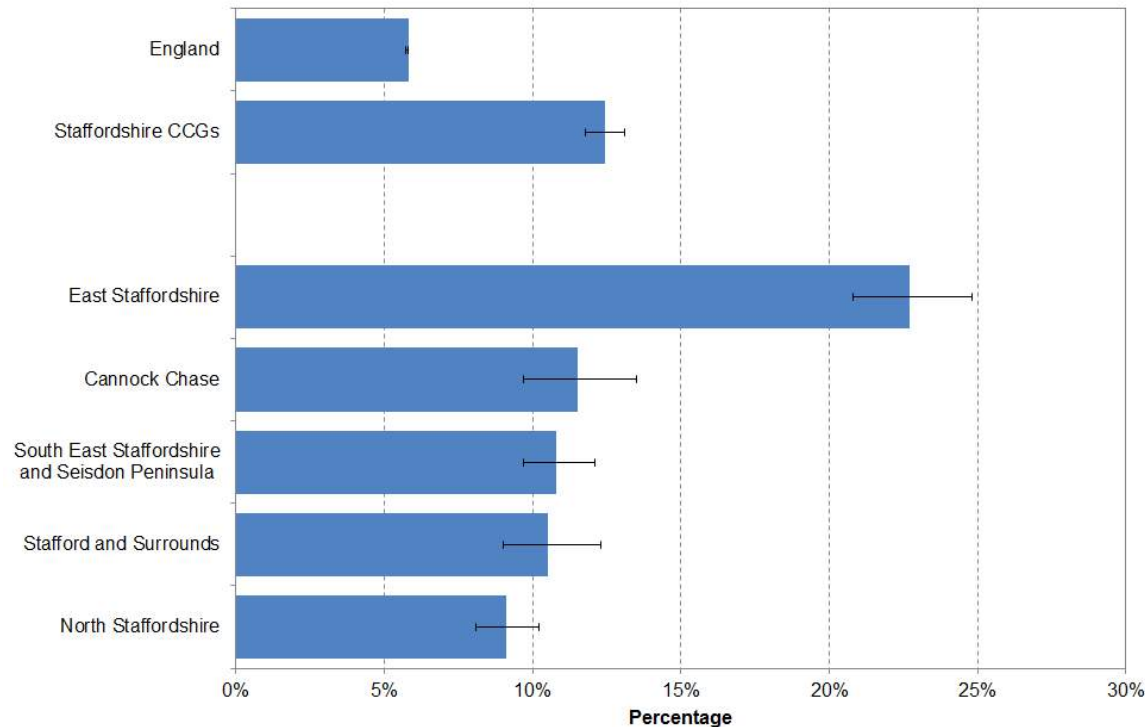
Figure 1 Employment of people with mental illness



In 2016,
42.7%
employment rate
for those who report mental illness
as their main health problem (Mental
illness, phobia, panics, nervous
disorders (including depression, bad
nerves or anxiety). Compared to
74% of all population

1. Why Invest in Mental Health Employment Support

Figure 2 Percentage of adults in contact with secondary mental health services in employment, October 2014 to September 2015



1. Why Invest in Mental Health Employment Support

- Locally just over 40% of people claiming Incapacity Benefit; ESA and SDA do so because of mental and/or behavioural disorder.
- Mental ill health makes up the single greatest number of incapacity benefits claimants in Staffordshire.
- We know that work is good for mental health, and that poor mental health can be the reason for people becoming unemployed.

benefit payments - incapacity benefit / severe disablement			
ONS Crown Copyright Reserved [from Nomis on 16 May 2017]			
area type	local authorities: county / unitary (prior to April 2015)		
area name	Staffordshire		
date	August 2016		
sex	Total		
item name	people claiming benefit		
age	Total		
duration	Total		
client	all clients		
condition	IB or SDA		
Any condition		1,830	
Mental and behavioural disorders (F00-F99)		760	

2. Individual Placement Support (IPS)– The Model

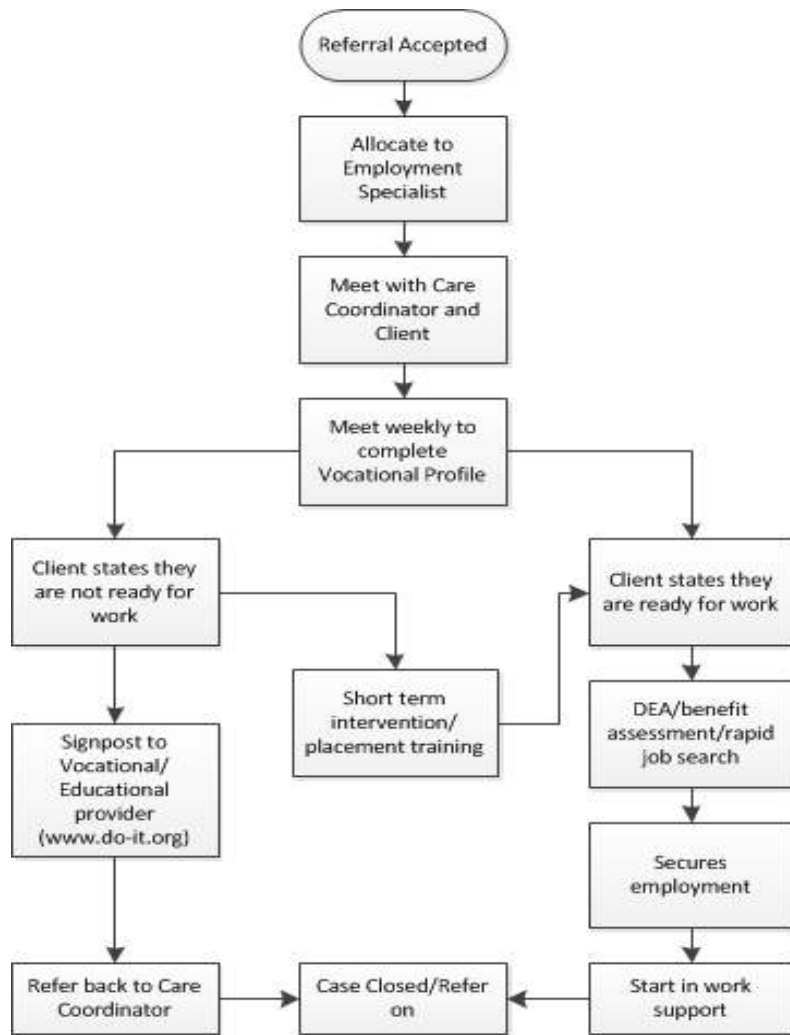
- **What is IPS?**
- Its an evidence based ‘Place then Train’ model supporting people with severe and enduring mental health conditions to gain and retain paid Employment.
- It consists of 8 Key Principles



2. IPS Principles & Fidelity

IPS Principle 1	IPS Principle 2
Eligibility is based on individual choice - no exclusion criteria	Supported employment is integrated with clinical teams
IPS Principle 3	IPS Principle 4
Job finding and all assistance is individualised	Employers are approached with the needs of individuals in mind
IPS Principle 5	IPS Principle 6
Competitive employment is the primary goal	Job search is rapid (begins within 4 weeks)
IPS Principle 7	IPS Principle 8
Follow-along supports are continuous	Financial planning is provided

Service Description/Care Pathway



3. Building the business case

Evidence shows strongly positive cost/benefit of IPS...

1. **Supporting an individual into work generates savings** on out-of-work / means-tested benefits, tax credits, and tax receipts
2. **Additional savings likely to accrue to health service**
 - Significant saving if someone with severe mental illness does not relapse
3. **Intervention cost per *incremental* job outcome (vs. counterfactual)** implies net saving overall to HMG

...But launching a SIB requires more than a positive cost/benefit

1. Contribution to commissioner strategy
2. Ability to establish an appropriate referral and operational model
3. Investability
4. Compatibility with future PbR contracts

E.g. needed to benchmark against current WP / Work Choice tariffs and existing IPS tariffs in the market

3. Building the business case

Why IPS?



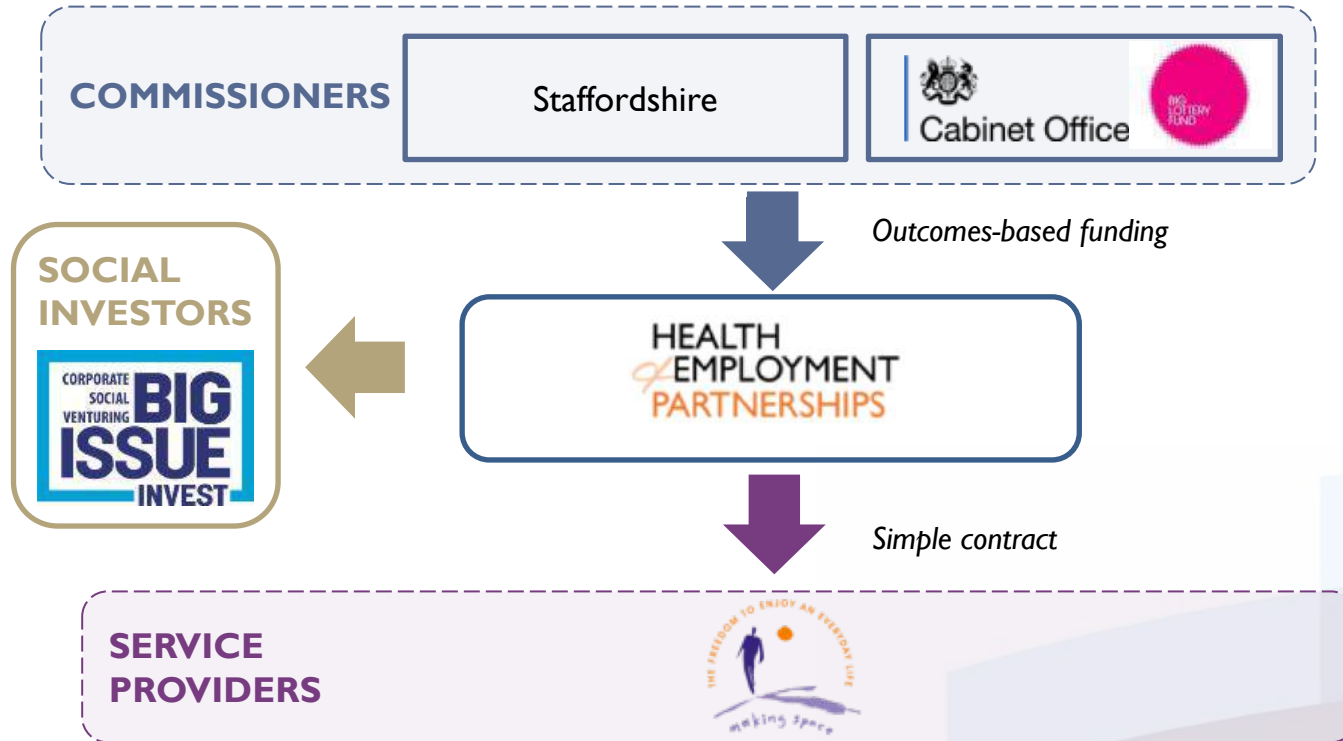
- 7.9% employment rate for people with serious mental health conditions
- IPS consistently more effective than other approaches at getting people into work: 61% IPS vs 23% Traditional
- IPS reduces health service use: fewer days in hospital, reduced rates of readmission (Hoffman, 2014)
- Economic studies estimate £1.59 saving for every £1 spent (Van Stolk, 2014)
- Individuals receiving IPS typically work for more hours, earn more per hour and sustain employment for longer.
- They also experience better recovery from their mental illness.
- Standardised approach
- Quality Assurance

4. The role of Social Impact Bond: Defining Outcomes

- Developing new models of care to shift spending away from acute services and into preventative services
- Outcomes based funding model
- Data Collection and analysis
- Quality and Evidence

Expected Outcomes	2016/17	Max payment to provider (£)
Number of expected referrals	550	0
Number of users engaged	450	225
Number job entry outcomes 1.5 months (<16 hours/week)	80	400
Number job entry outcomes 1.5 months (>16 hours/week)	60	500
Number job sustainment outcomes 6 months (<16 hours/week)	50	750
Number job sustainment outcomes 6 months (>16 hours/week)	40	1000

5. Engaging investors



6. Procure Services

- Funding Agreements with commissioners
- Co-commissioning protocol with HEP
- Pricing and Activity Matrix
- Capped Contract value
- OJEU compliant tender
- Evaluation criteria

Centre for
Mental Health 
IPS Centre of Excellence 2016 - 2019



Lessons learned

- Significant culture change for mental health clinical workforce; employment specialists and service users
- Needs strong leadership
- Working with employers and recognising employers do not work to our boundaries

<http://www.howsyourbusinessfeeling.org.uk>

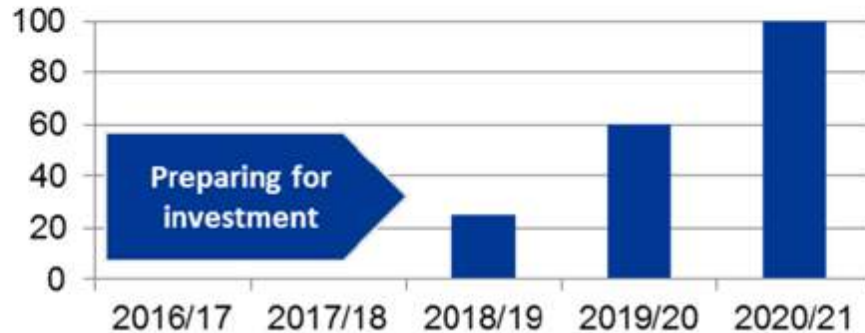


The Mental Health FYFV target



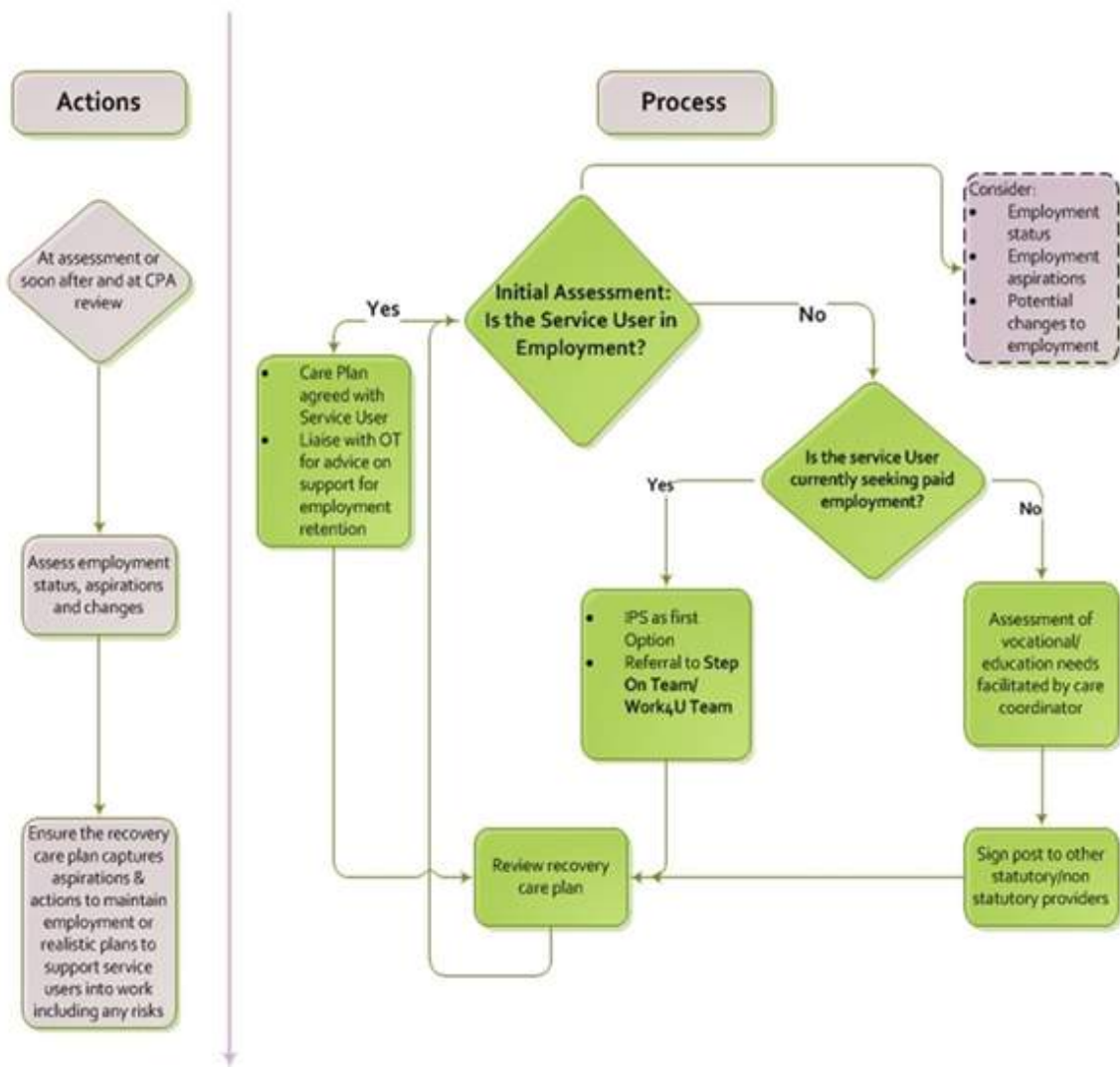
NHS England has committed to doubling reach to Individual Placement and Support (IPS) by 2020/21 enabling people with SMI to find and retain employment.

IPS: % increase in access to IPS employment support (from baseline)



Doubling the reach of IPS

Integrated Service User Employment Pathway:





GOVERNMENT OUTCOMES LAB



Ask questions at [slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)

Join at
[slido.com](https://www.slido.com)
[#outcomes](https://twitter.com/ukgolab)



[@ukgolab](https://twitter.com/ukgolab)
[#OutcomesWMids](https://twitter.com/ukgolab)



GOVERNMENT OUTCOMES LAB

Lunch



@ukgolab

#OutcomesWMids



GOVERNMENT OUTCOMES LAB

Why cross-sector collaboration matters for public service reform in the West Midlands

Henry Kippin, West Midlands CA



GOVERNMENT
OUTCOMES
LAB

Designing a robust outcomes-based contract: the theory

Eleanor Carter, Research Fellow, GO Lab



Part payment for activities or for milestones

More like grants/Fee-for-Service

Limited performance monitoring

Nature and amount of payment outcomes

Strength of Performance management

100% payment on outcomes

High degree of Performance Management

'Core' SIB

Independent and at-risk capital (social investors)

Strong social intent

Nature of capital used to fund services

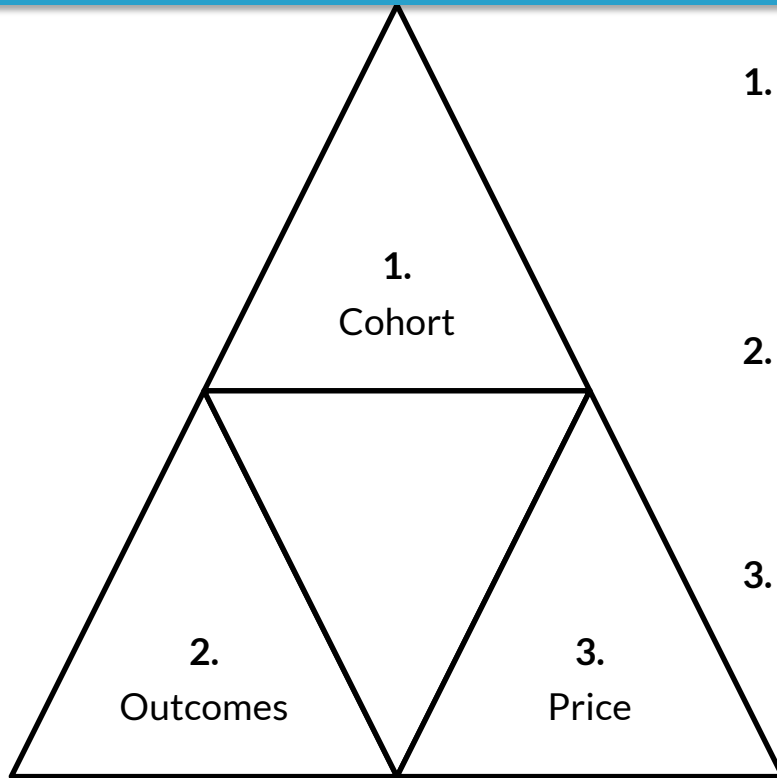
Social intent of service provider(s)

Loan or reserves used to fund service delivery

More like conventional PbR

Social intent less formally assured

Improving outcomes specifications



- 1. Tightly defined eligible cohort**
 - Clear, objective criteria
 - Understanding of how far participants are from the desired outcomes
 - Independent referral / identification mechanism
- 2. Alignment between payable outcomes and policy objectives**
 - Logical link between activity, outputs and outcomes
 - Adequate period of time for tracking
 - A way to tell if the effect has 'stuck'
- 3. Accurate price-setting of outcomes**
 - Robust estimate of likely level of benefit vs what would happen anyway ("deadweight")
 - A way to get confidence that any outcomes are caused by the intervention ("attribution")

Whilst it is not practical for these aspects to be perfect,
commissioners should focus on them to avoid perverse incentives



GOVERNMENT
OUTCOMES
LAB

Designing a robust
outcomes-based contract:
the practice
WORKSHOPS





GOVERNMENT OUTCOMES LAB

Parallel workshop sessions

- I. Children's services - Nigel**
 - Please go to **ASHTON ROOM**

- II. Homelessness - Elle**
 - Please go to **ELM ROOM**

- III. Health and Wellbeing - Andreea**
 - Please go to **DUFFIELD ROOM**

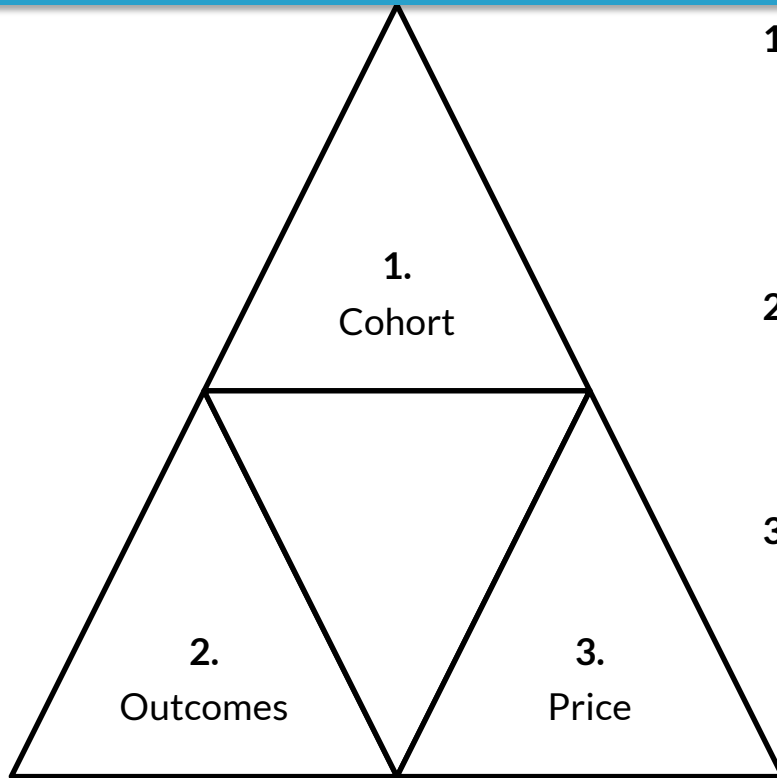


GOVERNMENT OUTCOMES LAB

WORKSHOPS



Improving outcomes specifications



1. **Tightly defined eligible cohort**
 - Clear, objective criteria
 - Understanding of how far participants are from the desired outcomes
 - Independent referral / identification mechanism
2. **Alignment between payable outcomes and policy objectives**
 - Logical link between activity, outputs and outcomes
 - Adequate period of time for tracking
 - A way to tell if the effect has 'stuck'
3. **Accurate price-setting of outcomes**
 - Robust estimate of likely level of benefit vs what would happen anyway ("deadweight")
 - A way to get confidence that any outcomes are caused by the intervention ("attribution")
 - Suitably long outcome tracking-period

Whilst it is not practical for these aspects to be perfect, commissioners should focus on them to avoid perverse incentives

1. Cohort

2. Outcomes

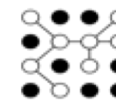
3. Price

Commissioner actions

Develop a detailed understanding of the target cohort

Develop an outcomes framework that reflects priorities & underpins payment terms

Create payment terms that represent best value for money



Considerations

- ✓ Analysis of case records & other sources to capture range of needs & types of service users;
- ✓ Segmentation & typologies of target cohort;
- ✓ Clear, objective criteria for identifying the cohort;
- ✓ Independent referral/ identification mechanism;
- ✓ Model the demand for future services;
- ✓ Impact of other services or policy changes on the level of need/ demand.

- ✓ Types of outcomes;
- ✓ What outcomes would have happened anyway (deadweight)?
- ✓ Attribution (ensuring that the outcome are caused by the intervention);
- ✓ Method of measurement;
- ✓ Desired level of improvement;
- ✓ Data availability;
- ✓ Perverse incentives;
- ✓ Test with stakeholders.

- ✓ Timing of outcome payments/ adequate period of time for tracking
- ✓ Optimum mix of payment types (i.e. outcomes, fee for service);
- ✓ Evidence required to trigger payment and data required;
- ✓ Logical link between activity, outputs and outcomes;
- ✓ Perverse incentives;
- ✓ Risk transfer;
- ✓ Engagement with investors and providers.



**GOVERNMENT
OUTCOMES
LAB**

Building a community of practice

Nigel Ball, Deputy Director and Head of Commissioning Support, GO Lab



GOVERNMENT OUTCOMES LAB

Support available from the
GO Lab and others

The logo for the Blavatnik School of Government, featuring a dark blue background with three overlapping curved bars in shades of blue and white text.

BLAVATNIK
SCHOOL OF
GOVERNMENT

The logo for the University of Oxford, featuring a dark blue background with the University of Oxford crest and the text "UNIVERSITY OF OXFORD".

UNIVERSITY OF
OXFORD

GOVERNMENT OUTCOMES LAB

Research

Advise

Connect

Join at
slido.com
#outcomes

A decorative graphic in the bottom right corner consisting of overlapping curved shapes in shades of blue and dark blue.

Support available from the GO Lab

- **Advice Surgeries**
 - The GO Lab team are available on Tuesday mornings to provide advice and support via phone or online. Book at <https://golab.bsg.ox.ac.uk/advice-surgeries>
- **Access information and resources**
 - Our website includes technical guides, introductory materials, a publications library and a projects database. <https://golab.bsg.ox.ac.uk>
- **Events & webinars**
 - We host events and training sessions for officials in commissioning authorities. <https://golab.bsg.ox.ac.uk/events/>

Support available from GO Lab

Digital Knowledge
Hub

golab.bsg.ox.ac.uk

How to
guides



Commissioners'
journey tool



Webinars

HOW TO
GUIDE
CONTRACTING
AND GOVERNANCE

Advice
surgeries



Events &
workshops



SIB
projects
database



Executive
education



Fellows of
Practice


Support available from others

- **The Commissioning Academy**
 - Development programme for senior leaders from all parts of the public sector; delivered by the Public Service Transformation Academy
- **Centre for Social Impact Bonds**
 - As part of the Office for Civil Society at DCMS, it provides expert guidance on developing SIBs, shares information on outcome based commissioning and supports the growth of the social investment sector
- **Good Finance**
 - provides information on social investment for charities and social enterprises.
- **BLF directories of SIB investment funds & advisors**
 - Both documents can be downloaded from the GO Lab Publications Library
- **Big Society Capital**
 - SIBs & Social Investment Tax Relief (SITR) events – June 2018

SIBs & OBC International conference



6-7 Sep 2018
Oxford

 Date 6 Sep 2018 - 7 Sep 2018

 Location Blavatnik School of Government, Oxford, United Kingdom



Comparative perspectives on Social Impact Bonds and outcomes-based approaches to public service commissioning: learning across geographical, thematic and disciplinary boundaries

Hosted by the [Government Outcomes Lab](#), [Blavatnik School of Government](#), [University of Oxford](#); [Newcastle University Business School](#); [Policy Innovation Research Unit](#), [London School of Hygiene and Tropical Medicine](#); and [RAND Europe](#)





GOVERNMENT OUTCOMES LAB

Closing remarks

Nigel Ball, Deputy Director and Head of
Commissioning Support, GO Lab

Stay in touch



@ukgolab



<http://golab.bsg.ox.ac.uk>



golab@bsg.ox.ac.uk



[linkedin.com/in/go-lab-395513140/](https://www.linkedin.com/in/go-lab-395513140/)