



# **SOCIAL INVESTMENT IN LEARNING DISABILITIES AND EMPLOYMENT**

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**Tom Davies:** [Tom.davies@socialfinance.org.uk](mailto:Tom.davies@socialfinance.org.uk)

**Adam Swersky:** [Adam.swersky@socialfinance.org.uk](mailto:Adam.swersky@socialfinance.org.uk)

# 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**



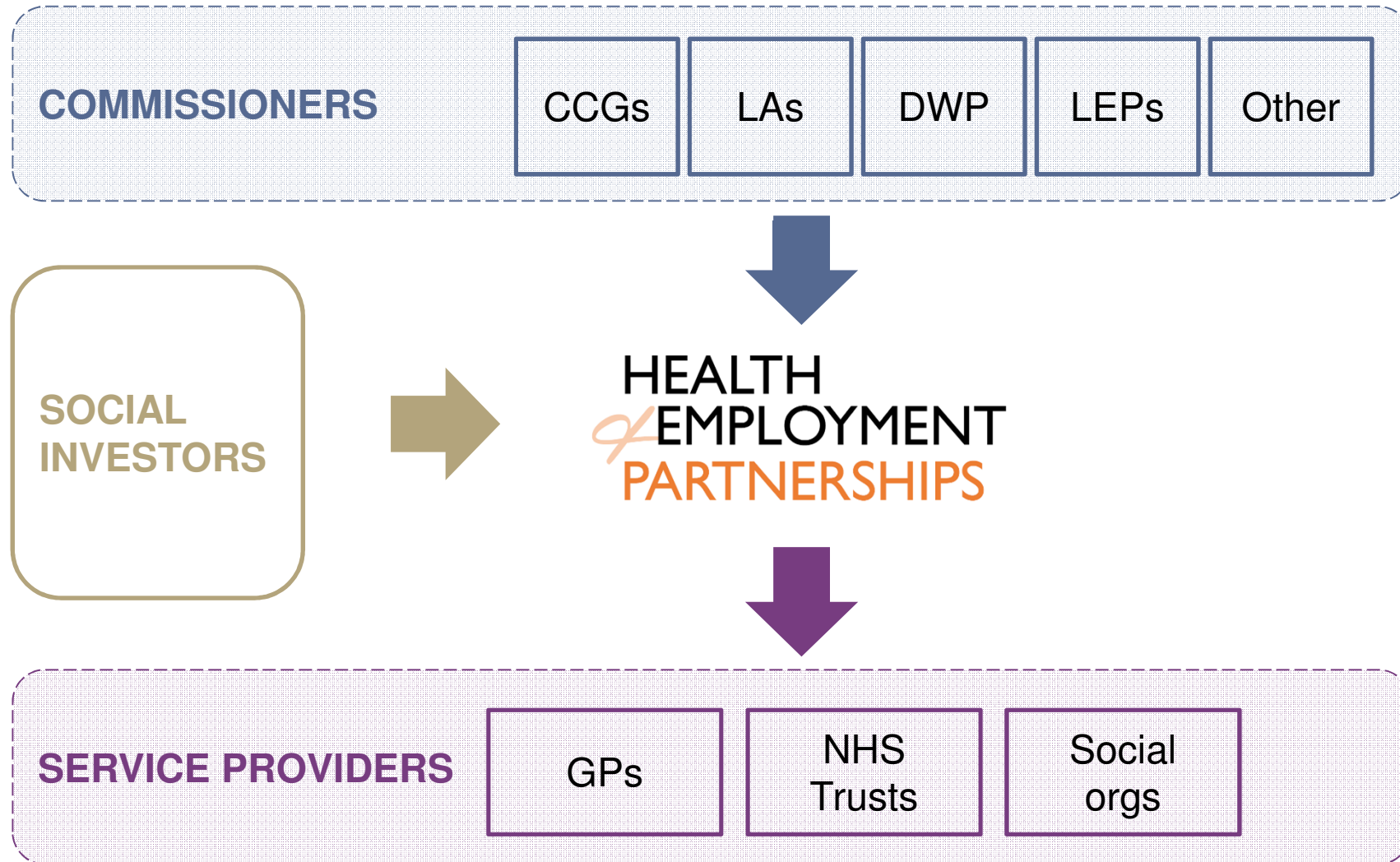
**Social purpose company**, set up by Social Finance

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

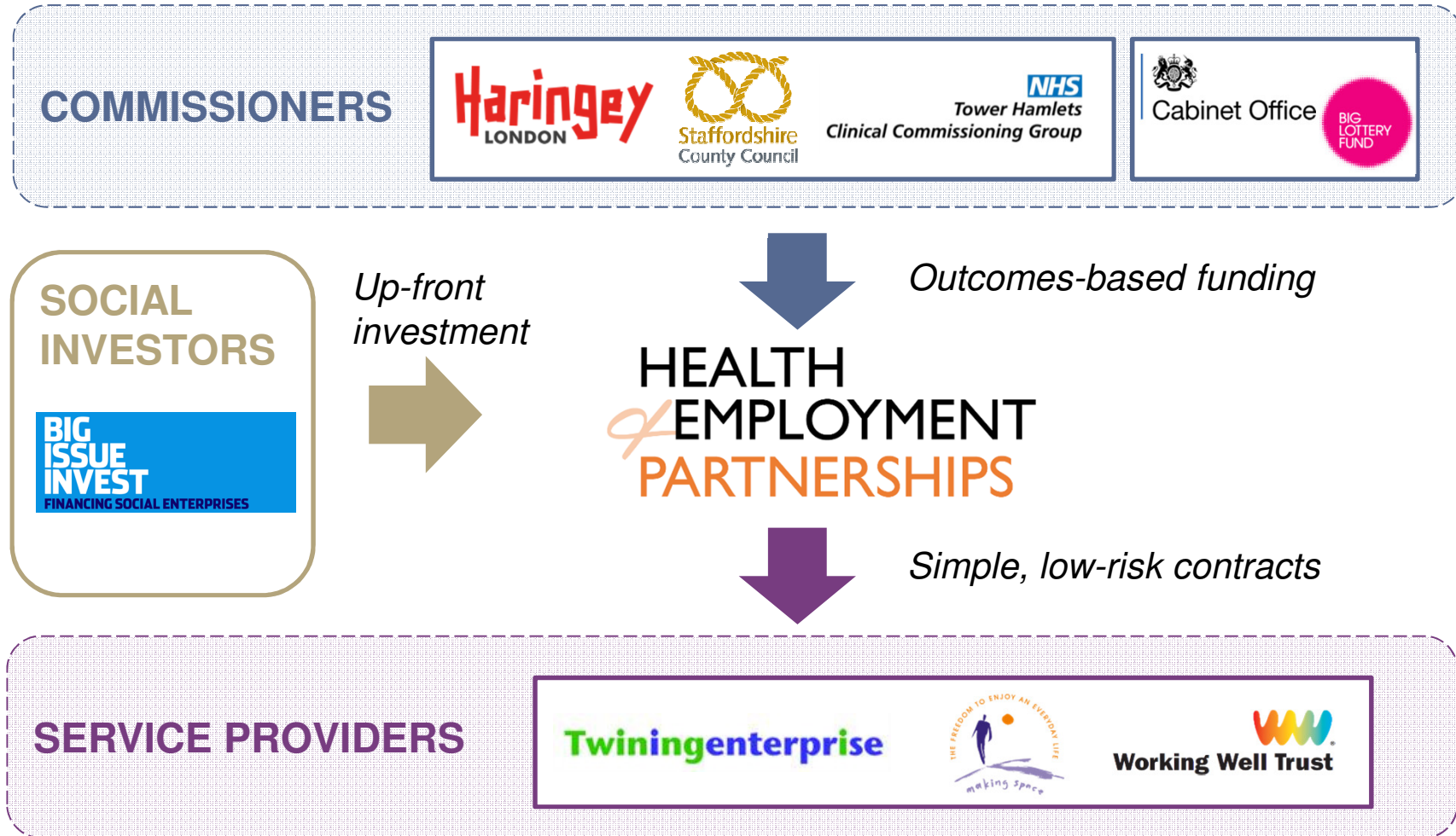
**Works with commissioners** to integrate funding and services across health and employment sectors

**Able to mobilise social investment**

# WE BRING TOGETHER COMMISSIONERS, SUPPORT PROVIDERS, AND ACCESS TO SOCIAL INVESTMENT



# FIRST PROGRAMME: SCALING UP INDIVIDUAL PLACEMENT SUPPORT (IPS) IN THREE AREAS



PROGRAMME ALREADY STARTING TO DELIVER JOB OUTCOMES FOR PEOPLE WITH SMI OUT OF WORK > 5 YEARS

# CURRENTLY LOOKING AT SOCIAL IMPACT BOND IN LEARNING DISABILITIES AND EMPLOYMENT IN **TOWER HAMLETS**

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## **Supported Employment services for adults with learning disabilities**

- Secondary focus on young people with learning disabilities and other adults in contact with social care

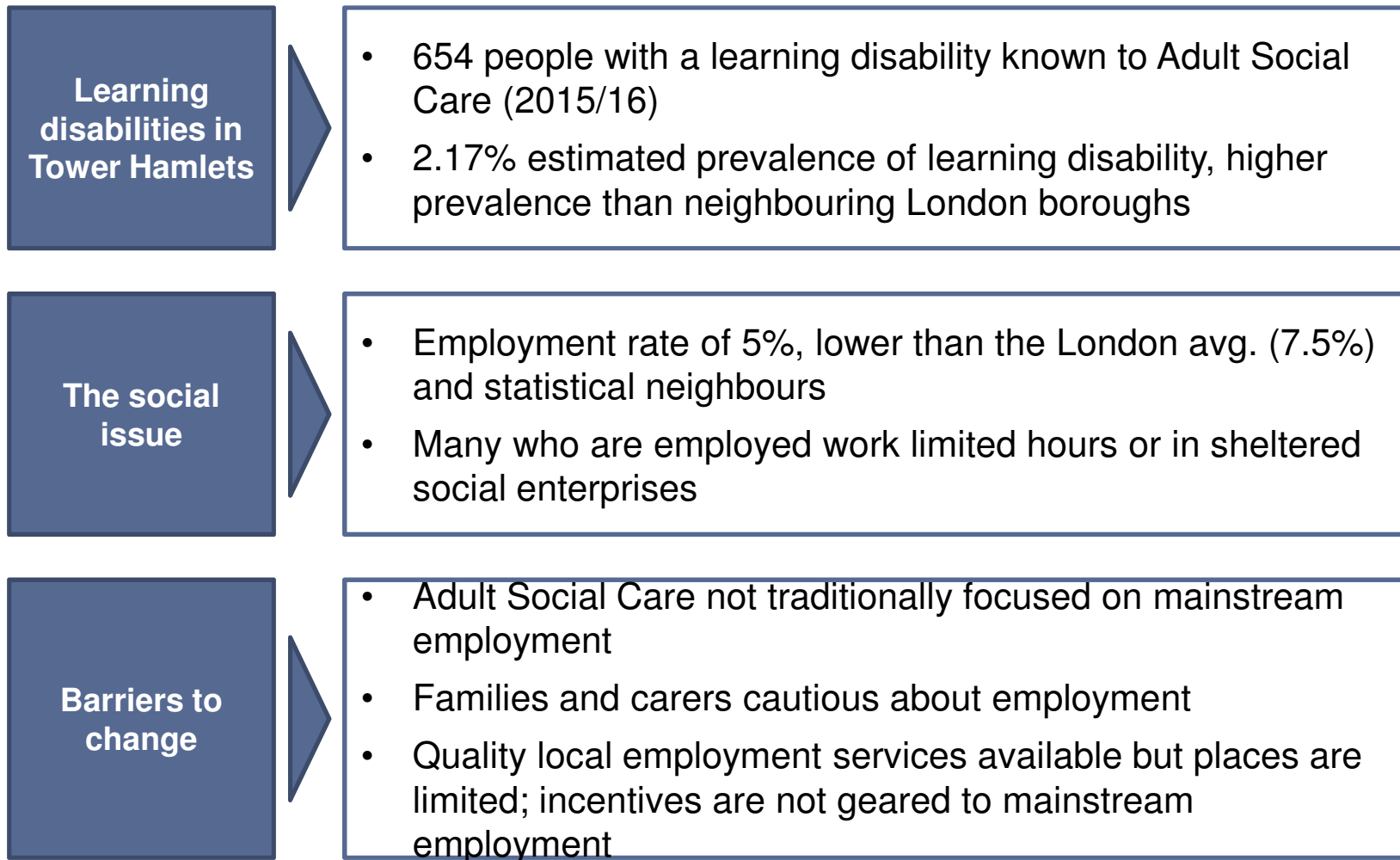
## **Exploring outcomes-based contracting model, supported by social investment (“Social Impact Bond”)**

- Savings for both Local Authorities (day care, other social care, Council Tax Support) and central government (tax and benefit impact)
- Outcomes-based model links to savings and risk is transferred to social investors

## **Social investment can support improved delivery**

- Focus on outcomes drives improved data collection and reporting
- Social investment partners bring operational expertise, analytical capability, and experience driving performance in other programmes

# EMPLOYMENT RATES ARE LOW AMONGST ADULTS WITH LEARNING DISABILITIES IN TOWER HAMLETS



# SERVICE USERS AND THE COUNCIL HAVE CLEAR IDEAS ABOUT WHAT THEY WANT FROM SERVICES

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## **Service Users would like...**

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- To earn their own money and be financially independent
- To own their own flat
- Something new and exciting
- To work!

## **Tower Hamlets Council would like...**

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- To support users to raise their expectations and ambitions
- Innovation, and new ways of working
- Better integrated, more employment focused adult social care services

# SUPPORTED EMPLOYMENT IS A WELL-EVIDENCED SERVICE TO SUPPORT ADULTS WITH LEARNING DISABILITIES TO GET JOBS

Description	Costs	Outcome	Success	Evidence base
<ul style="list-style-type: none"> <li>• 'Place then train' approach</li> <li>• Job coaching for jobseeker; ongoing support to employer</li> </ul>	c. £7000-9000	paid work in <b>mainstream jobs</b>	60+%	Medium - strong


## Other model **principles:**

 **Rapid job search:** intense initial support to ensure results in months not years

 **Choice and control:** job search is built around the individual jobseeker

 **Partnership:** between jobseeker, family, carers and employers, and local VCS






## Potential **challenges:**

 **Fidelity:** no *evidenced* fidelity scale, though there are core principles that guide good implementation

 **DELIVERS POSITIVE OUTCOMES FOR USERS AND FINANCIAL SAVINGS FOR GOVERNMENT**



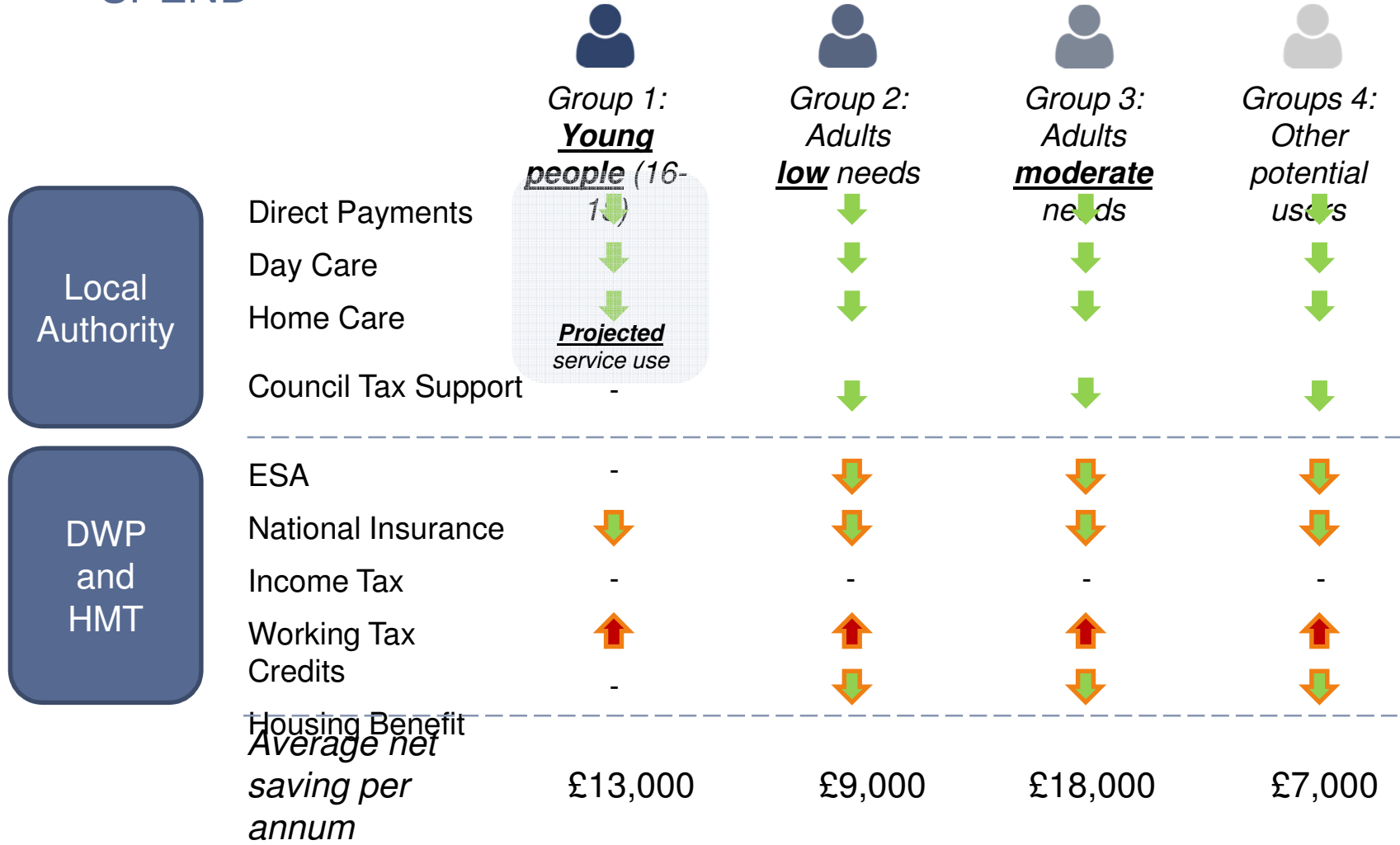
# OUR COST-BENEFIT MODEL ESTIMATED SAVINGS FOR LOCAL & CENTRAL GOVT FOR A RANGE OF POTENTIAL USERS

		 Group 1: <b><u>Young people</u></b> (16- £8)	 Group 2: Adults <b><u>low</u></b> needs	 Group 3: Adults <b><u>moderate</u></b> needs	 Group 4: Other potential users
<b>Out of work costs</b>	Local Authority	£	£	£	£
	DWP & HMT	£	£	£	£
					
<b>In work costs</b>	Local Authority	£	£	£	£
	DWP & HMT	£	£	£	£
					<b>Working 0 -10 hours / week</b> <b>16+ hours</b>



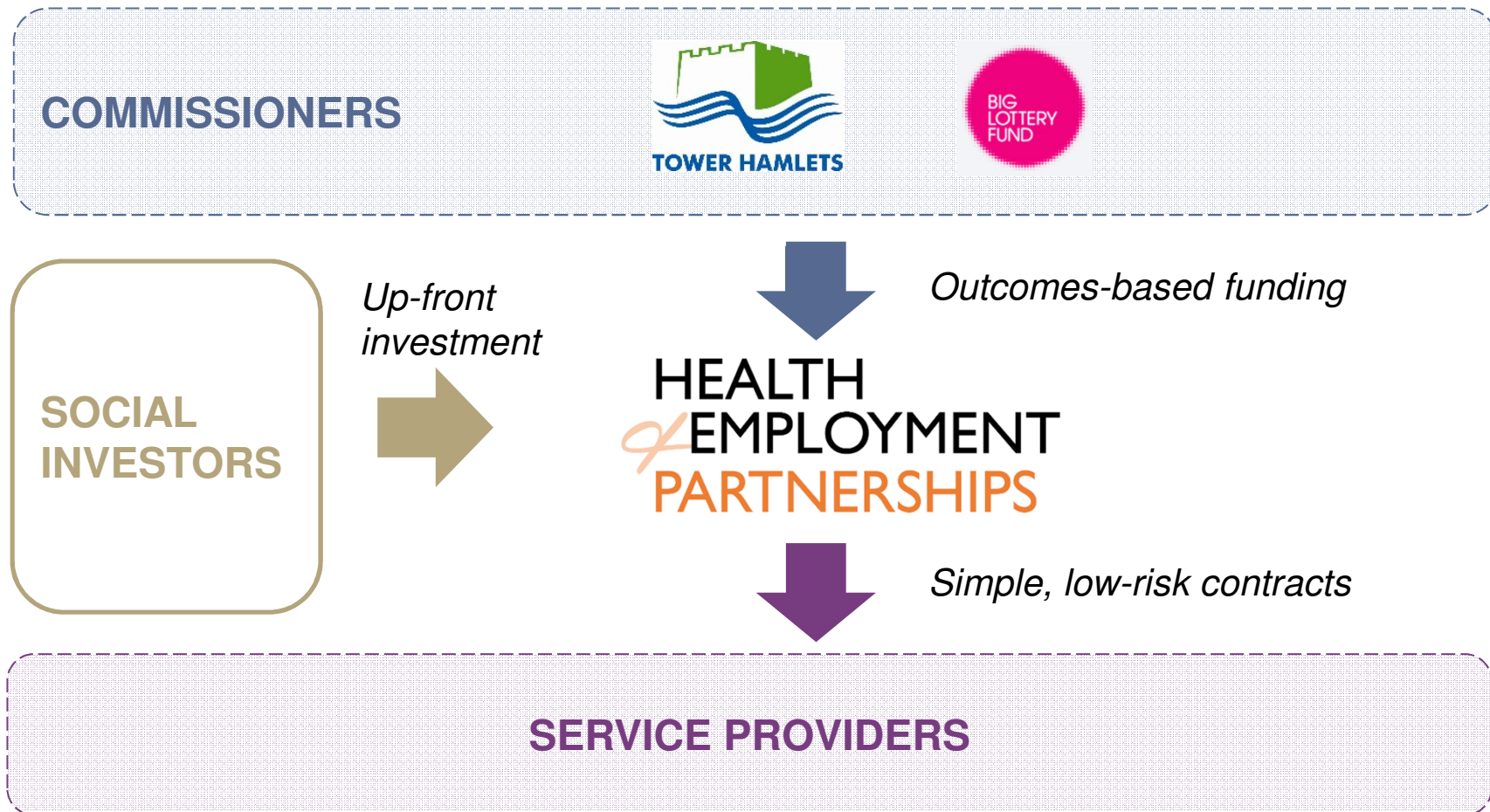
**GROSS SAVING IS THE DIFFERENCE BETWEEN OUT OF WORK COSTS AND IN-WORK COSTS**

# LOCAL AUTHORITY BENEFITS FROM REDUCED SOCIAL CARE COSTS; GOVERNMENT FROM REDUCED BENEFITS SPEND



Employment drives savings / higher tax take  
 Employment drives extra costs  
 Impact only if individual works >16 hours/week

# GIVEN POSITIVE COST-BENEFIT, SOCIAL IMPACT BOND (SIB) MODEL COULD HELP DEVELOP SERVICES IN TOWER HAMLETS



**AIM TO COMBINE CENTRAL & LOCAL FUNDING TO DEVELOP SERVICES IN A FLEXIBLE, BUT RIGOROUS WAY**

# SIB MODEL TO FOCUS ON A CORE SET OF OUTCOMES

## Key service outcomes

	<b>Engagement</b>
	<b>Job starts</b>
	<b>Job sustainment</b>
	<b>Well-being</b>

## Potential measurement / payment options

One-off payment following first session and/or on completion of a certain number of sessions

Payment for starting a job, with more hours triggering a larger payment:

- 0-16 hours / week
- 16+ hours / week

Potential measurement points:

- 3 months
- 12 months

*Potential to track pre and post as a wider outcomes measure without including in payment-by-results tariff*

# WIDER BENEFITS OF SOCIAL INVESTMENT FOR FINANCING SUPPORTED EMPLOYMENT

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**Social investment mechanisms like SIBs can help to build a strong case for funding Supported Employment more widely around the UK:**



## **Evidence**

- Measuring what works
- Testing fidelity of the Supported Employment intervention



## **Flexibility on service delivery**

- Potential to adapt service to improve outcomes; improved sharing of expertise

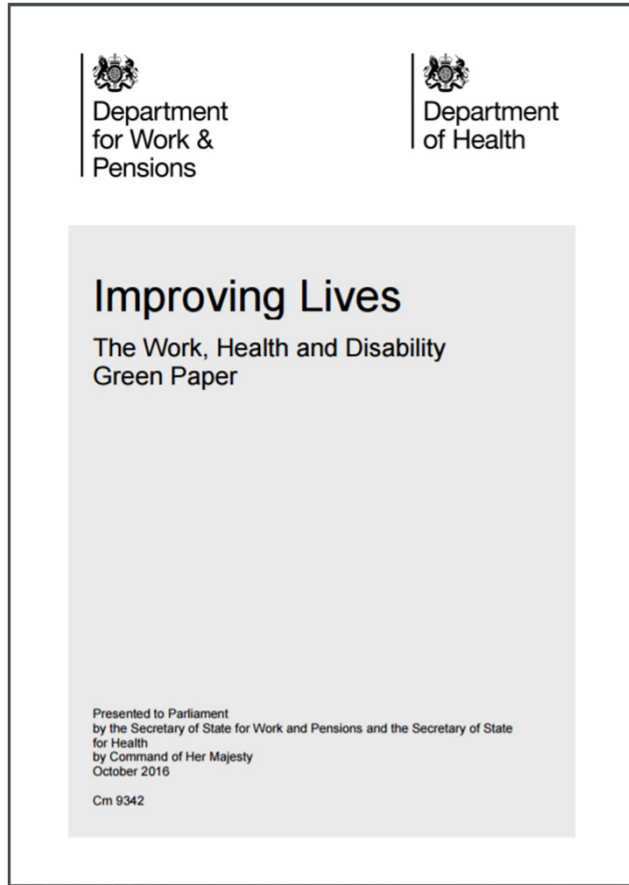


## **Funding**

- Bringing together local and central government funding
- Local commissioners on tight budgets pay only for success

# THE GOVERNMENT'S GREEN PAPER PRESENTS A REAL OPPORTUNITY FOR EXPANDING SUPPORTED EMPLOYMENT

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**DWP's 'Improving Lives – the Work, Health and Disability Green Paper' formally announces plans for a Local Supported Employment proof of concept:**

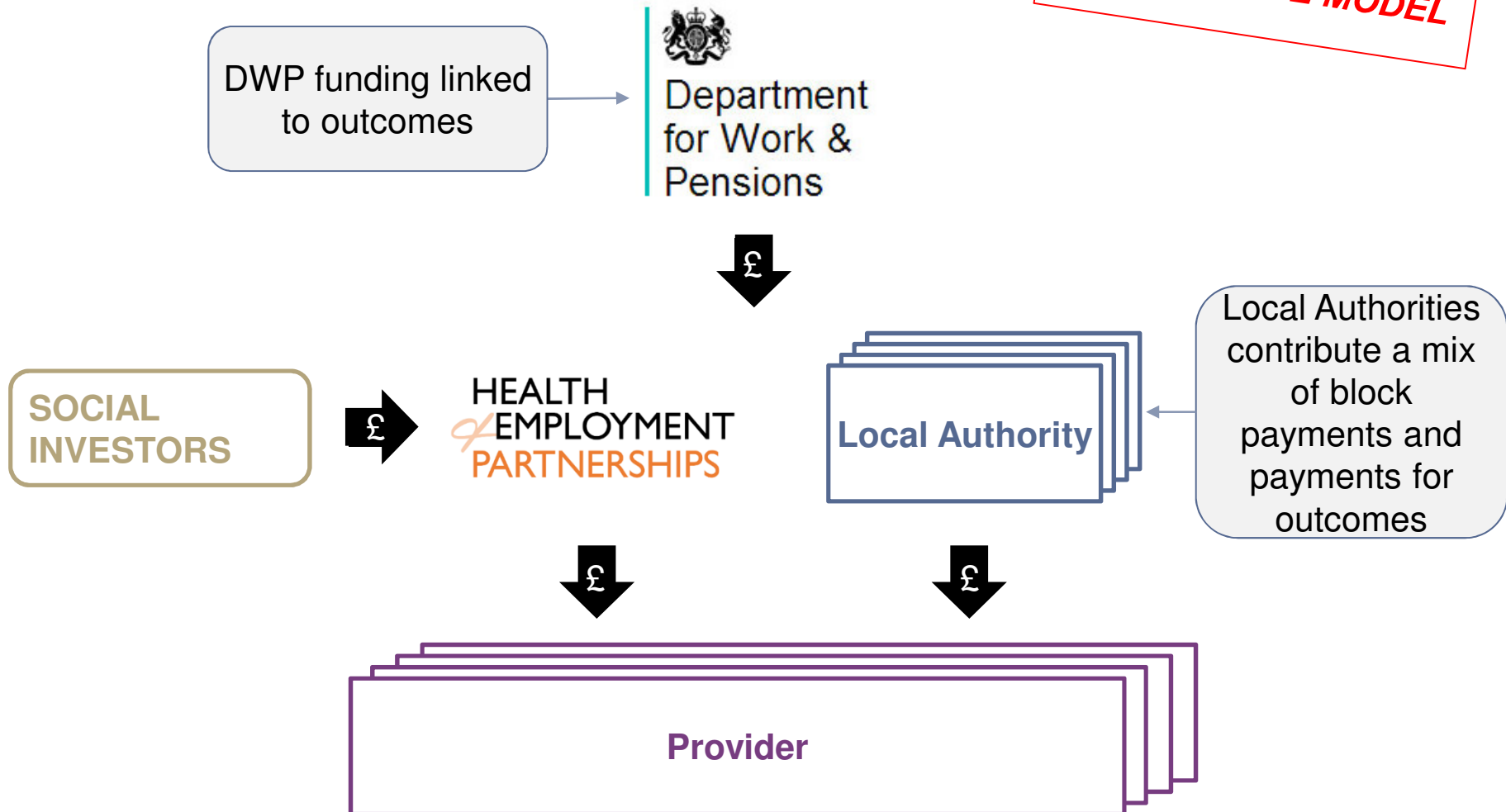
*“...we will pilot an approach working with local authorities to deliver Supported Employment on an outcome-payment basis.”*



**SOCIAL INVESTMENT COULD SUPPORT VCS PROVIDERS TO SCALE UP PROVISION WITHOUT EXCESSIVE FINANCIAL RISK**

# COULD SOCIAL INVESTMENT SUPPORT DWP AND LOCAL AUTHORITY SUPPORTED EMPLOYMENT PARTNERSHIPS?

**ILLUSTRATIVE MODEL**



QUESTIONS?