



# Commissioning effective employment support

BASE Conference  
11 September 2014  
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# Overview

- Context
- Quantitative research
- Qualitative research
- A word on Personal Budgets
- Conclusions
- Discussion

**invisible**



**tango partner**

## Key messages

- There are significant opportunities for local areas to achieve better employment outcomes for disabled people
- To maximise these opportunities:
  - The **right conditions** need to be in place
  - The **right models** need to be in place
  - The **right expectations** need to be in place
    - Of people
    - Of providers
    - Of outcomes

# Why important

- 2.3m people with a mental health condition are on benefits or out of work
- Employment rates:
  - Non-disabled people is approx. 79%
  - Disabled people is approx. 48%:
    - Only 8% of adults using secondary mental health services on CPA known to be in employment
      - This proportion is actually *decreasing*
    - Only 7% of people with learning disabilities are in paid employment

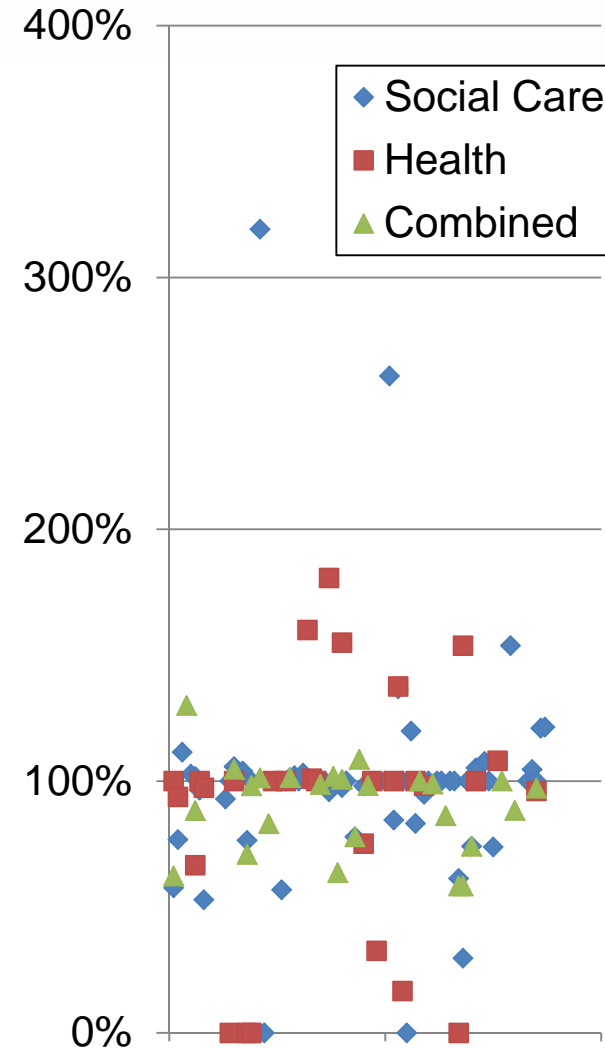
# Why important

- Access to paid work is both a policy priority and what many people say they want
- But...
  - Significant investment in employment but with low and very variable numbers of people actually getting work as a result
  - Only a third of commissioned employment support is evidence-based
  - Suggestion of disinvestment in employment
    - Not felt to be an organisational or political priority
    - Not delivering outcomes

# Changing spending patterns

- Some evidence of cuts – more budgets decreasing than staying the same or increasing:

| Changes in budgets<br>2011/12 to 2012/13 | ↑   | =   | ↓   |
|--|-----|-----|-----|
| Social Care Budgets (n = 59)             | 30% | 26% | 44% |
| Health Budgets (n = 29)                  | 29% | 34% | 37% |
| Combined budgets (n = 25)                | 47% | 12% | 41% |



# Existing employment evidence

- Clear evidence on ‘place and train’
  - i.e. ‘individual placement and support’ (mental health services) and ‘supported employment’ (learning disability services)
- Little or no evidence for other approaches (train & place, volunteering etc.)
- Some evidence around cost benefit analysis, very little on cost effectiveness
- Some ‘new’ approaches not evaluated (e.g. self-employment; Personal Budgets)



# So...

- Is it possible to get more for more?
- Or more for the same?
- Or even more for less?



# Research aims

- What is the cost effectiveness of current employment supports, in terms of people consequently achieving paid work? (If we invest x amount, how many people will get / keep jobs as a result?)
- How is the 'value for money' impact affected by *different approaches to implementing* local employment strategies?

# Funder

School for  
Social Care  
Research

# Methods

Main components:

- National data collection from local authorities and PCTs (as was) in England – 83 areas
- In depth data collection and study in a sample of local areas – 70 returns
- Qualitative study of 11 areas and 6 in-depth visits
- Action learning with 30+ commissioners in three areas

# Quantitative findings



The facts are coming! The facts are coming!

# Caveats / limitations

- Caveats:

- Self-reported
- No common definition of an employment outcome
- Monitoring data varied (e.g. gender, age, type and level of impairment)
- LD-focused services = 32; MH-focused services = 31
- Spend levels are across 2011/12 (n=33) and 2012/13 (n=37)

- Things not included / collected:

- Hours worked
- Payment received
- Sector work is in

# What an 'average' service looks like

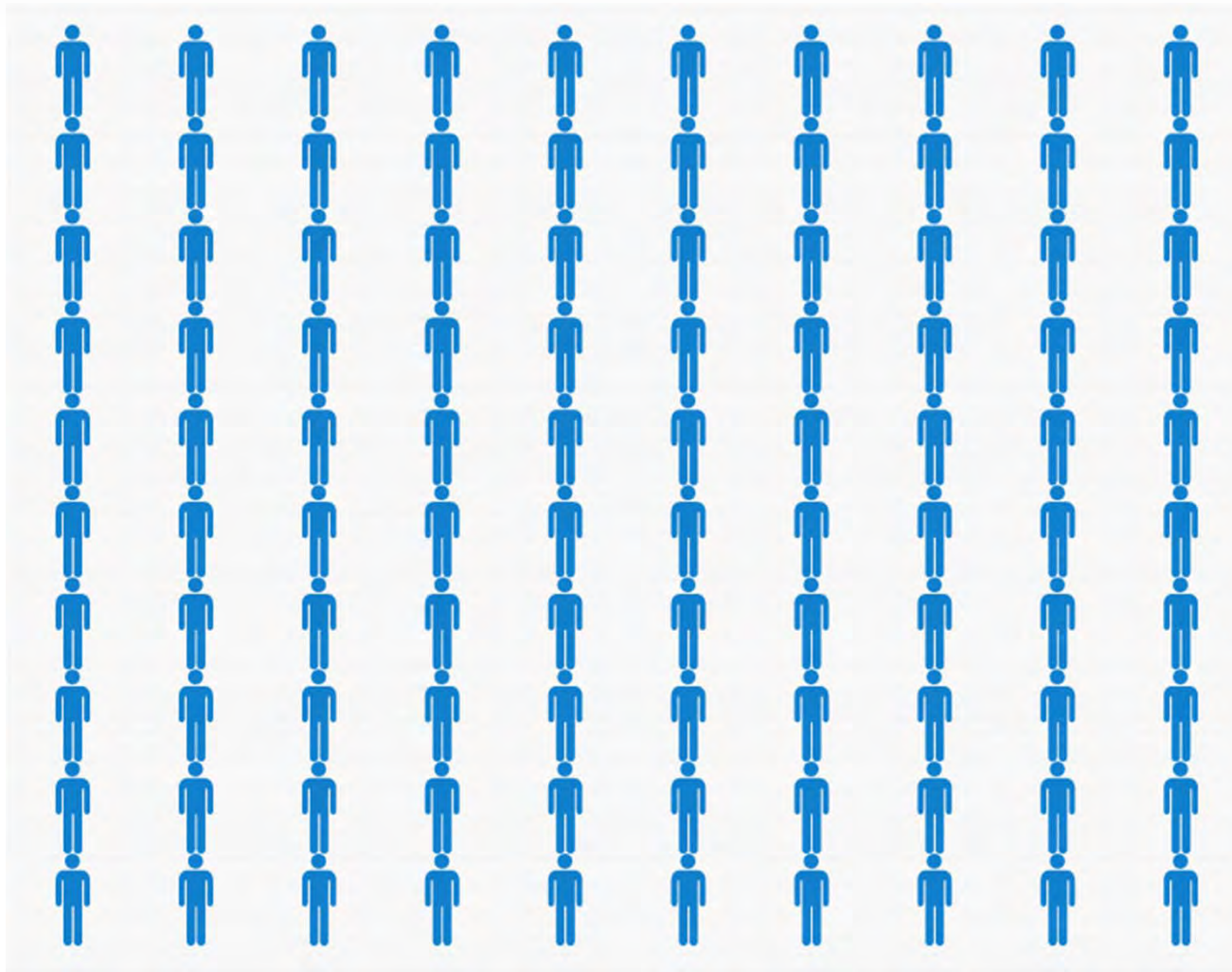
**£263,132**

**Supports  
198 people**



**£1,730  
per person**

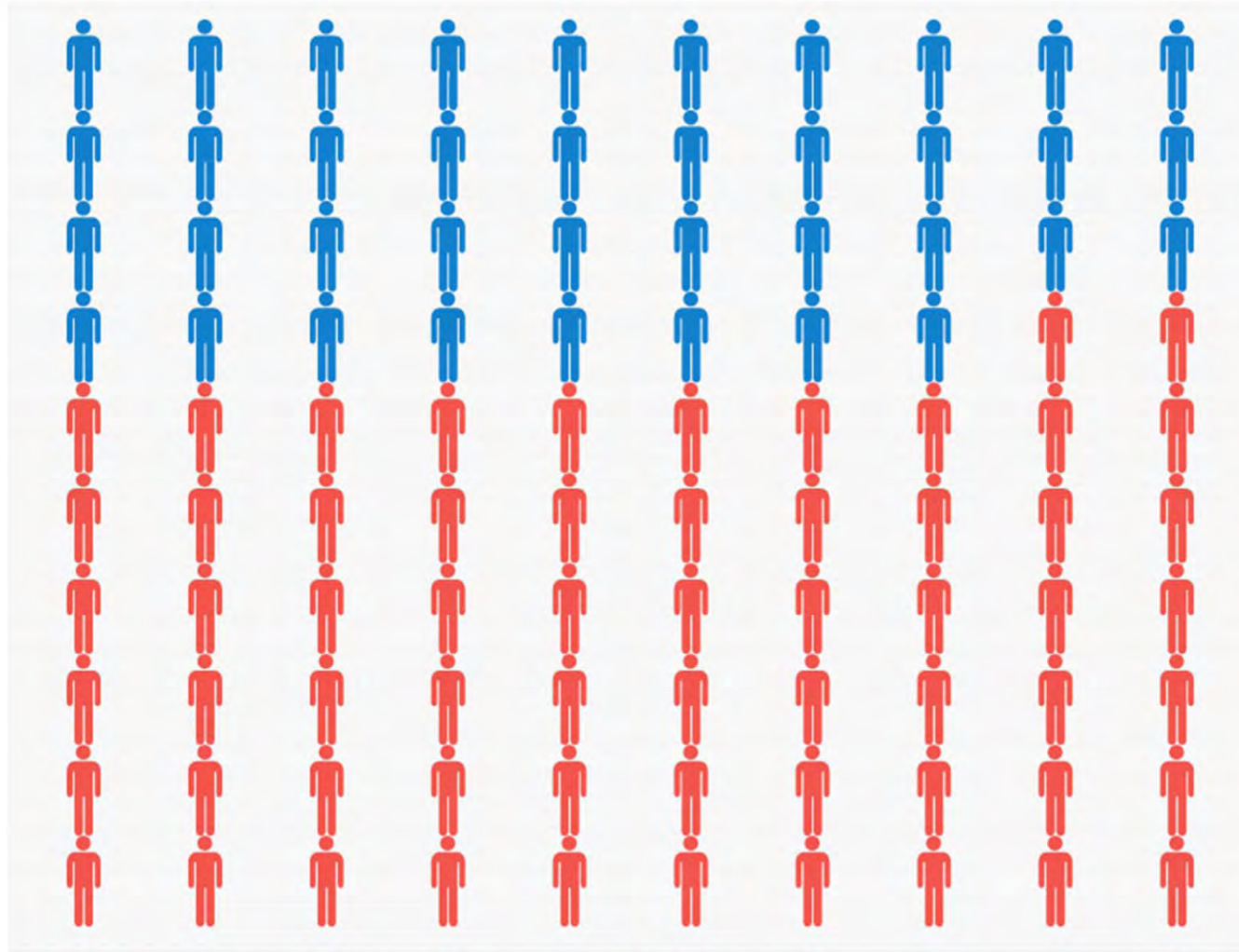
# Job outcome rate



people ● lives ● communities

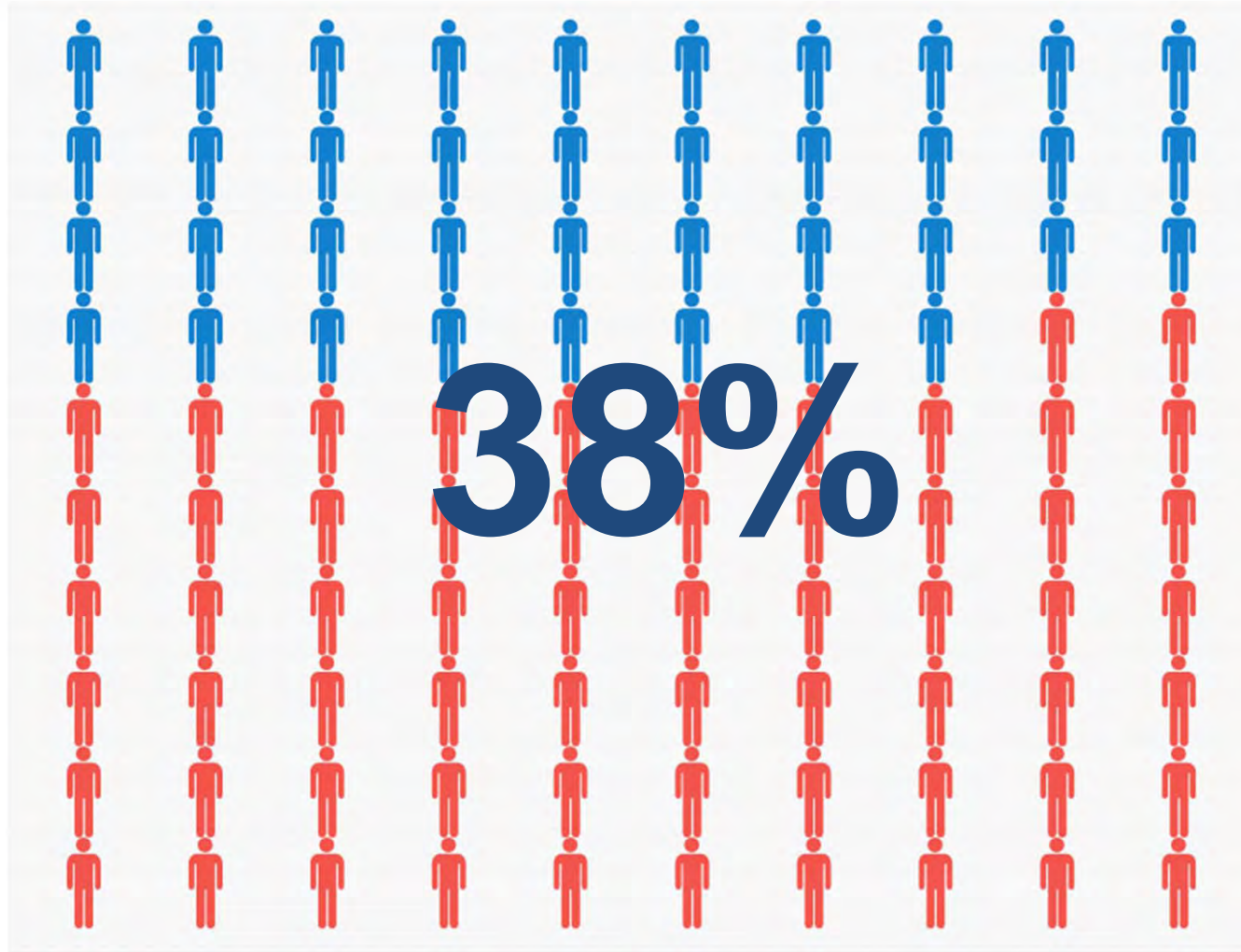


# Job outcome rate



people ● lives ● communities

# Job outcome rate



people ● lives ● communities

# Headline figures

|            | Total who received support | Costs    | Cost per person supported | People supported | Support levels    |            |         |
|------------|----------------------------|----------|---------------------------|------------------|-------------------|------------|---------|
|            |                            |          |                           |                  | <7 hours per week | 7-40 hours | 40+hour |
| <b>All</b> | 198                        | £263,132 | £1,730                    |                  | 57%               | 39%        | 4%      |
| <b>LD</b>  | 137                        | £217,047 | £1,948                    | 43%              | 51%               | 41%        | 8%      |
| <b>MH</b>  | 279                        | £316,148 | £1,485                    | 50%              | 68%               | 26%        | 6%      |

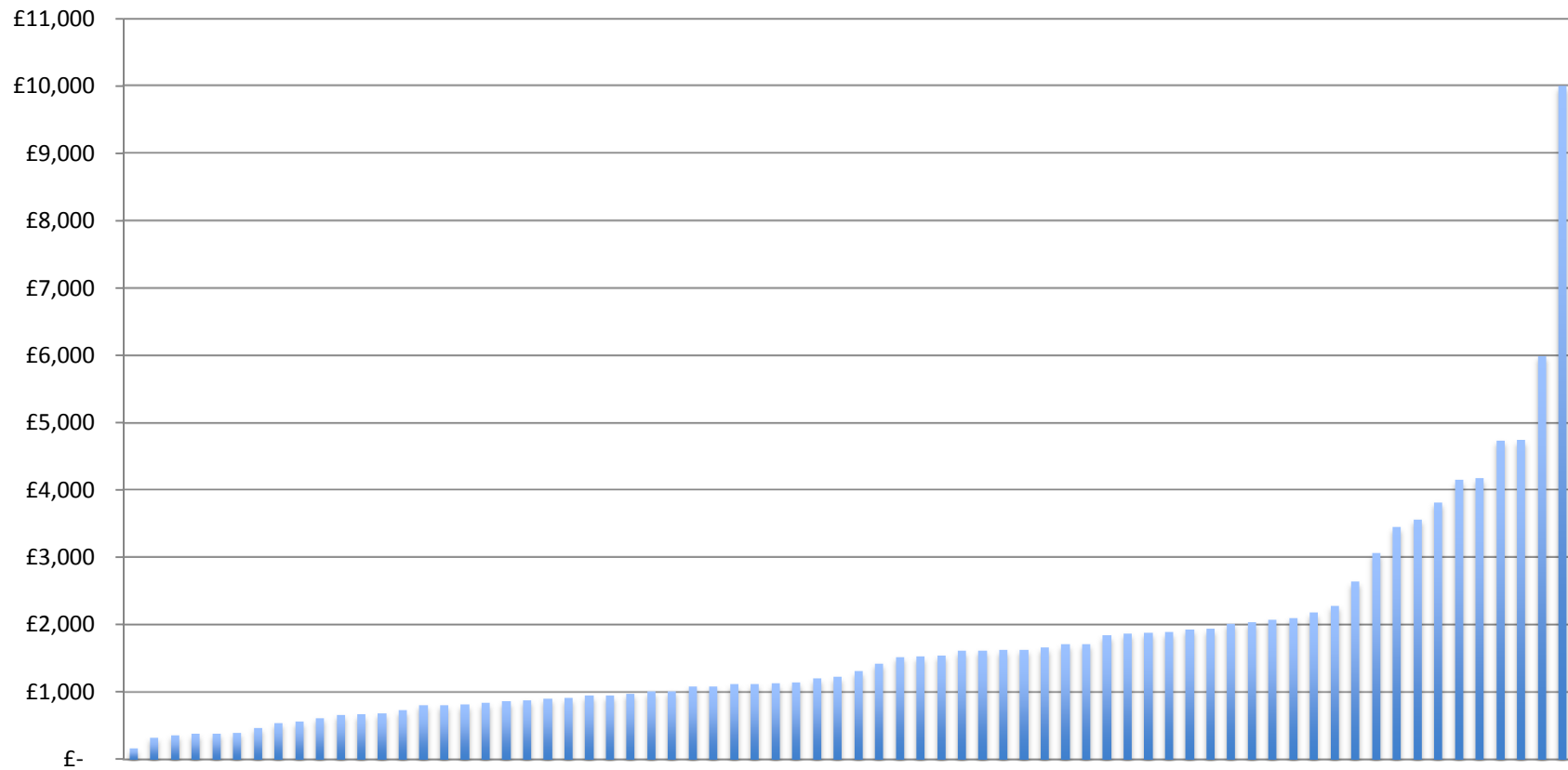
# Headline figures

|     | People who secured a job outcome | New job | Retained job | Self-employed |
|-----|----------------------------------|---------|--------------|---------------|
| All | 38%                              | 61%     | 36%          | 3%            |
| LD  | 43%                              | 53%     | 45%          | 1%            |
| MH  | 34%                              | 68%     | 26%          | 6%            |

- If 100 people came through the door:
  - 23 would gain a new job ( $100 \times 0.38 \times 0.61$ )
  - 14 would retain a job ( $100 \times 0.38 \times 0.36$ )
  - 1 would become self-employed ( $100 \times 0.38 \times 0.03$ )

# Average hides the range...

## Costs per person supported

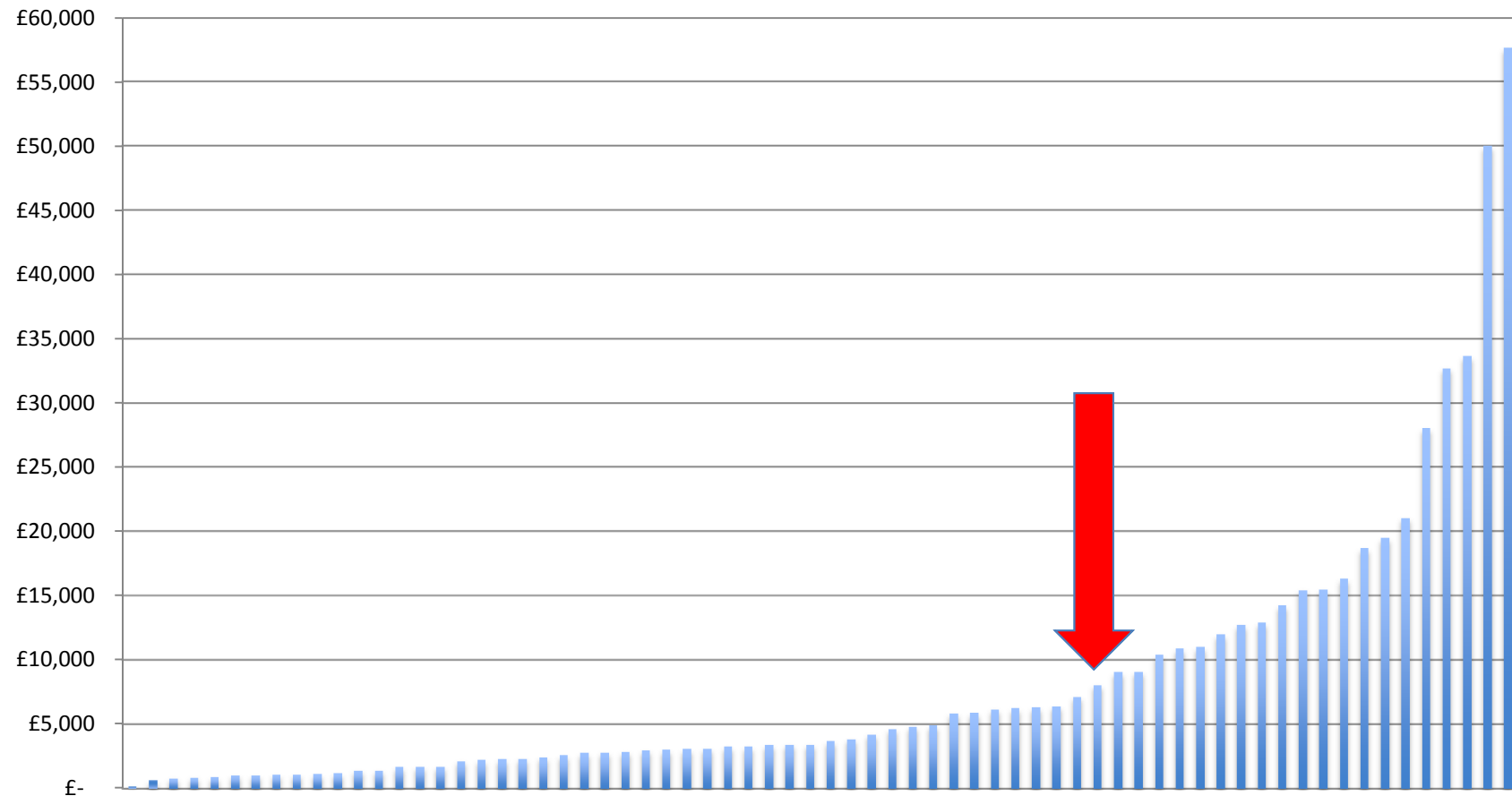


# Delivering job outcomes

|            | <b>Costs</b> | <b>Cost per person supported</b> | <b>Cost per paid job outcome</b> |
|------------|--------------|----------------------------------|----------------------------------|
| <b>All</b> | £263,132     | £1,730                           | £8,217                           |
| <b>LD</b>  | £217,047     | £1,948                           | £8,218                           |
| <b>MH</b>  | £316,148     | £1,485                           | £8,024                           |



# Costs / job outcome: all sites



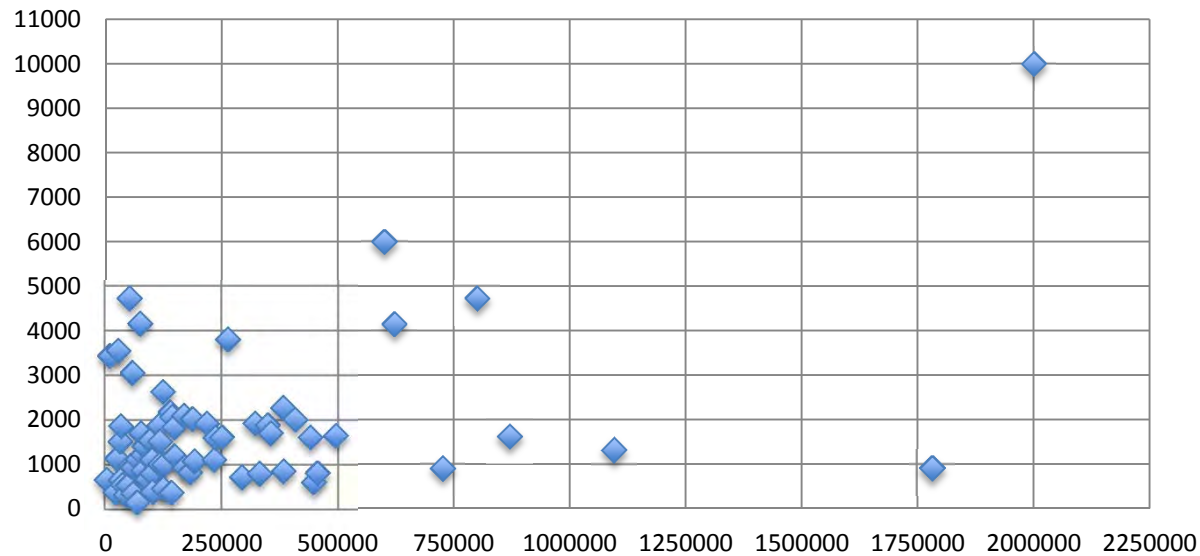
# Interesting questions

- Do any of the following have an impact?
  - Size of service
  - Type of employment outcome
  - The level of people's impairments
  - Evidence-based approaches



# Size of a service

Relationship between cost of service and cost per person supported



● All:  $r=0.47$

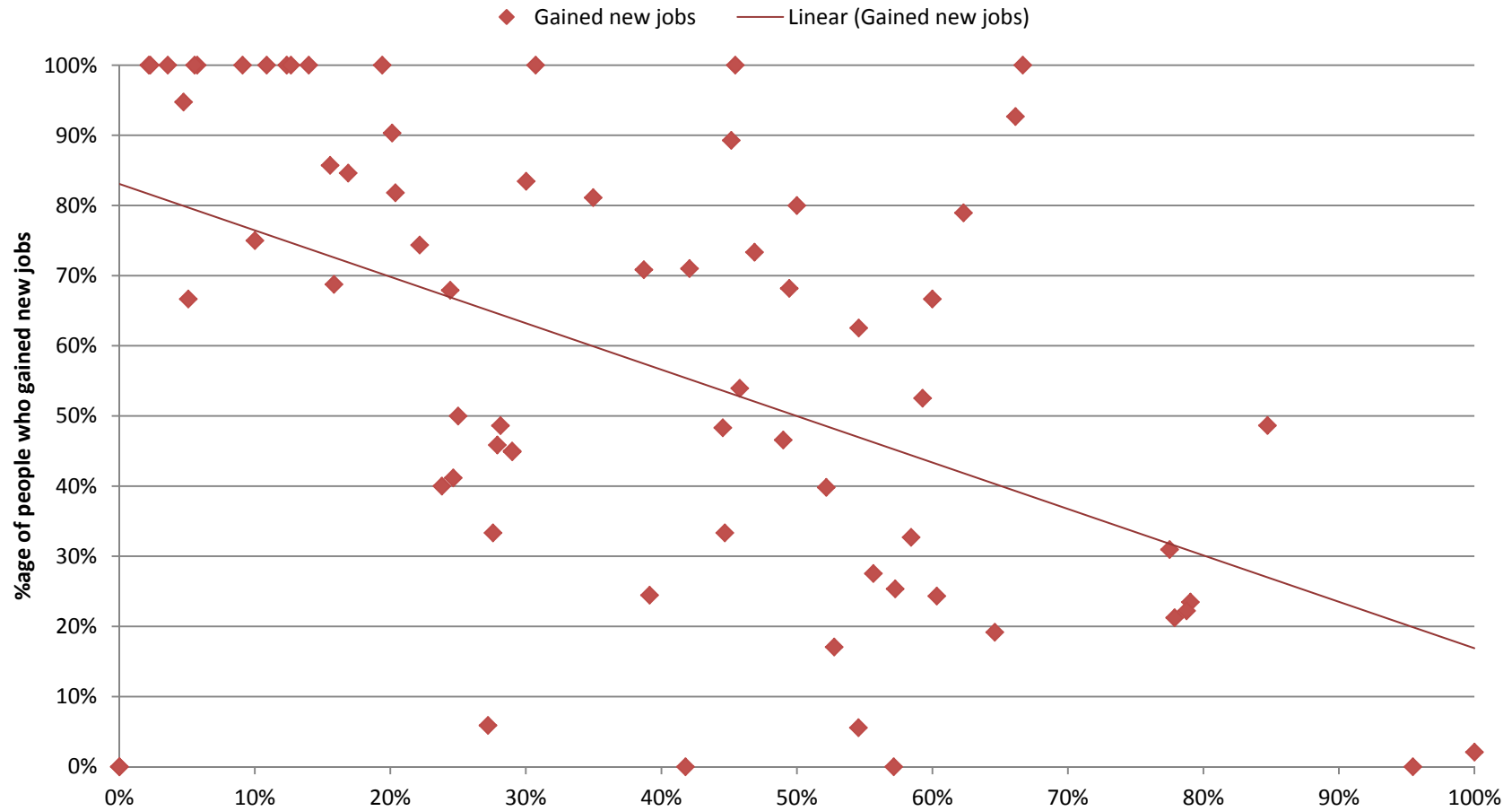
● LD:  $r=0.26$

● MH:  $r=0.59$

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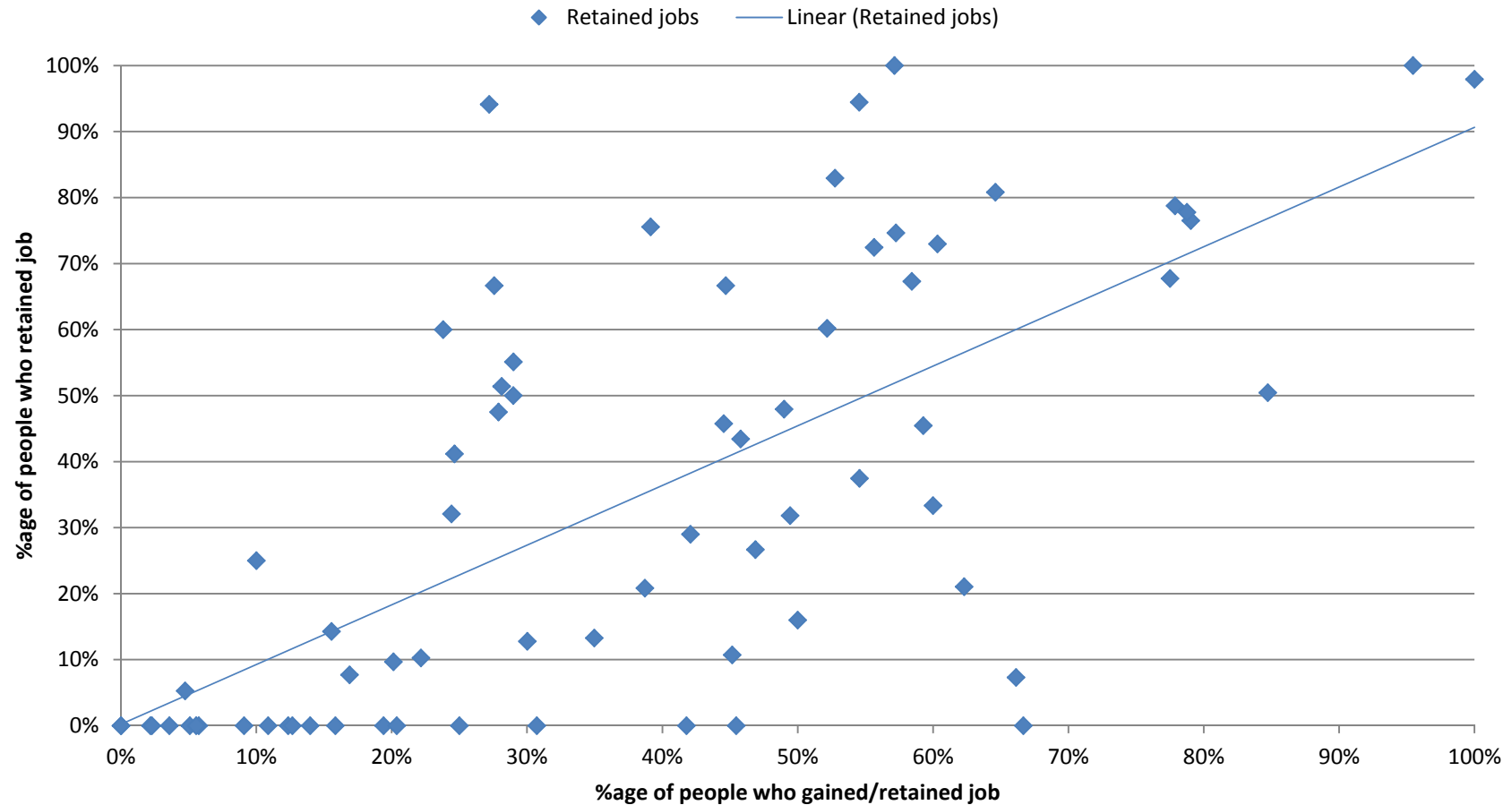
# Types of job outcomes

## Gained new jobs against overall gain/retention rate



# Types of job outcomes

## Retained jobs against overall gain/retention rate



# Types of job outcome

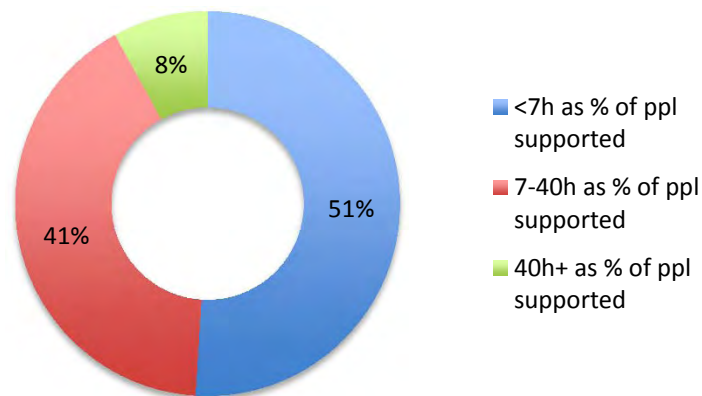
- The most effective services in terms of outcomes are those that aim to get a good balance between gaining new jobs for people and helping people retain existing jobs
- Trend stronger for MH than for LD

|         | Retained | Gained |
|---------|----------|--------|
| Overall | 0.68     | -0.64  |
| LD      | 0.61     | -0.59  |
| MH      | 0.75     | -0.64  |

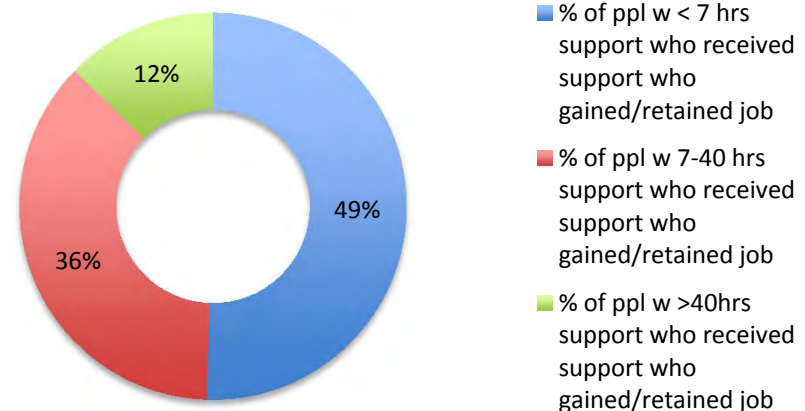
# Impact of people's support levels

- Do people's support levels affect job outcomes and/or costs?
- No

**Support needs of people supported (LD services)**

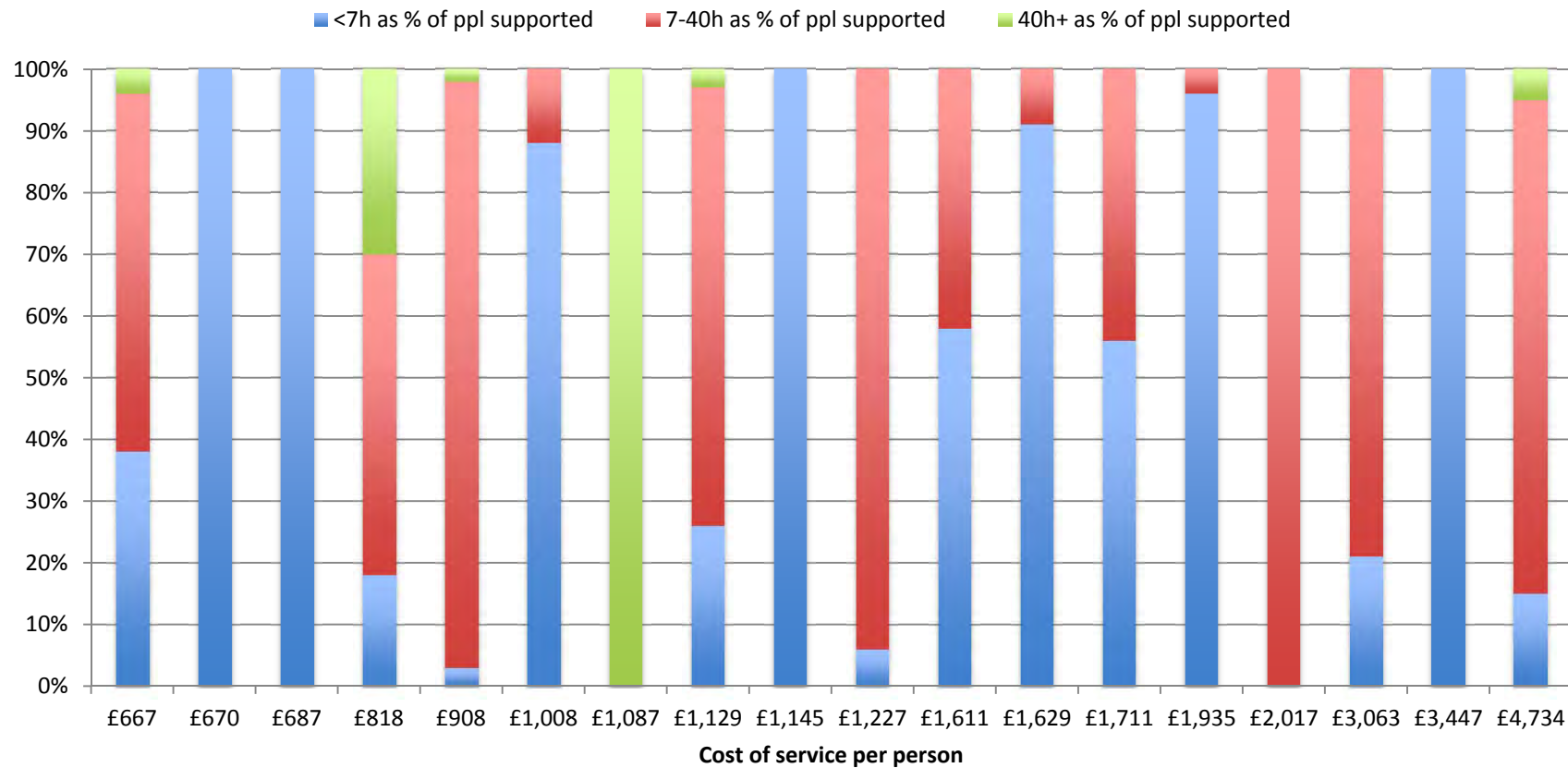


**Job outcomes by level of support need (LD only)**

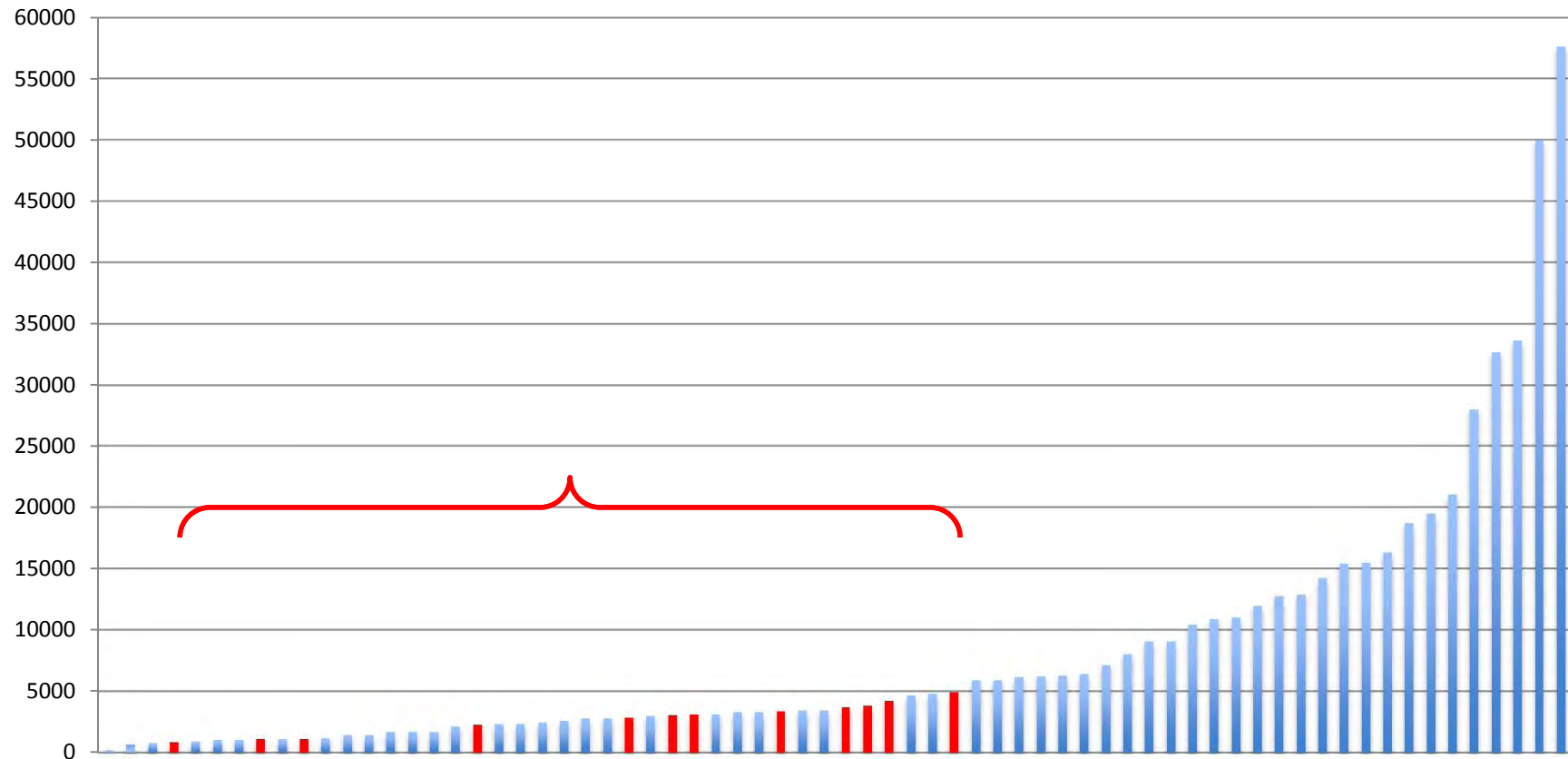


# Impact of people's support levels

Distribution of level of support needs by costs per person of service (LD services)



# Costs / job outcome: good practice



# Findings: Good practice sites

|                                   | Range           | Lower range | Average | Upper range |
|-----------------------------------|-----------------|-------------|---------|-------------|
| <b>Costs per person supported</b> |                 |             |         |             |
| <b>Best practice sites</b>        | £366 to £2,281  | £600        | £1,170  | £1,739      |
| <b>All sites</b>                  | £165 to £10,000 | £197        | £1,730  | £3,263      |
| <b>Costs per job outcome</b>      |                 |             |         |             |
| <b>Best practice sites</b>        | £870 to £4,908  | £1,612      | £2,818  | £4,024      |
| <b>All sites</b>                  | £208 to £57,640 | £0          | £8,217  | £19,034     |
| <b>Job outcome rate</b>           |                 |             |         |             |
| <b>Best practice sites</b>        | 22% to 62%      | 30%         | 43%     | 56%         |
| <b>All sites</b>                  | 0% to 100%      | 13%         | 38%     | 63%         |

n.b. Do not misinterpret. This does not mean it costs £2,818 to support someone into work.

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# Summary of key data findings

- Size of a service doesn't have a strong impact
- Good services balance gaining and retaining jobs
- People's support levels don't affect outcomes/costs
- Results from good site sample give tentative suggestions of what what to expect if things are working well
  - More predictable
  - Lower average costs
  - Better job outcomes
  - Overall average per job outcome: £8.2k / £2.8k

# Qualitative study



# Theory of Change 1

## Shifting Culture: Increasing opportunities

- A positive decision by key decision makers (like elected Members) to make employment a central strategic outcome and contextualise that to local circumstances so it becomes part of the culture of service behaviour and performance expectation

# Theory of Change 2

## Employment outcome: Local agreement

- A clear understanding of what is meant by employment – based on ‘real’ work including proven steps towards it, so inappropriate and non-evidence based approaches are not tolerated

# Theory of Change 3

## Strategic direction: Joint vision

- A comprehensive strategy, owned by key players, based on evidence linked to wider strategies that is used to guide action/delivery

# Theory of Change 4

## Developing relationships and the market

- Knowledgeable leadership (if not commissioners then commissioners listening to it) that works with all stakeholders, but especially providers, to specify, support and manage the development of systems and market that can deliver 1, 2 and 3

# Theory of Change 5

## Performance management

- Not gathering information to inform achievement of 1,2 and 3 enables cost ineffectiveness of services to continue

# Right conditions for effective strategy

1. Make employment a priority
2. Be clear what is meant by work
3. Have a plan everyone agrees to
4. Strong partnership working
5. Check it is being done



# A word on Personal Budgets

- Clear evidence of non-use for PBs for employment support
  - Probably under 200 people in total through employment agencies
  - Plus a few more through (mainly families) doing their own thing
- Some clear systemic barriers as to why this is the case

# Systemic barriers



# Conclusion



## RIGHT CONDITIONS

Prioritising employment and shifting culture – a positive decision by key leaders to make employment a central strategic outcome

Defining what is meant by employment – hours, wages, employment path and retention

Agreeing a strategic plan to deliver employment with key partners e.g. NHS, schools and colleges and economic development

Using knowledge of best practice to develop the market – working with providers to specify, support and manage systems that can deliver the above

Establishing systems for measuring performance – agreeing meaningful targets and actively managing and monitoring

## RIGHT MODEL

IPS compliant with model fidelity for mental health services

Supported employment for learning disability services

## AIM FOR:

Cost per job outcome: £1,600–£4,000

Job outcome rate: 30%–56%

Equal focus on retaining jobs as gaining new jobs

# Discussion / implications...



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