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Evaluation of the Essex Multi-Systemic Therapy Social Impact Bond

Findings from the first three years

September 2016

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GLOSSARY

AfC – Action for Children. They are the service provider for this Social Impact Bond.

CIN – Children in need.

CSSL – Children Support Services Limited. This is a Special Purpose Vehicle formed specifically for the purposes of delivering the Social Impact Bond.

D-BIT – Divisional Based Intervention Teams. This is an internally commissioned Essex County Council service which works with a similar group of young people to those supported through Multi-Systemic Therapy, where there is a risk of entering care or custody.

ECC – Essex County Council. They are the outcome payer for this Social Impact Bond.

LAC – Looked after children.

MST – Multi-Systemic Therapy. This is a licensed programme of intensive family and community based intervention for children and young people aged 11-17, where young people are at risk of out of home placement in either care or custody due to their offending or having severe behaviour problems.

PbyR – Payment by results.

PM – Performance management.

RA – Research Assistant.

SDQ – Strengths and Difficulties Questionnaire. This is a brief behavioural screening questionnaire about 3-16 year olds.

SF – Social Finance. They are an agent of Children Support Services Limited and played a key role in scoping the business case and payment schedule for the Social Impact Bond.

SIB – Social Impact Bond.

VCS – Voluntary and community sector

YP – Young people.

CONTENT

1. Overview of our brief
2. Methodology
3. Headline findings:
    a. Impact of the SIB: on systems and processes, and on outcomes
    b. Comparing Essex with other areas
    c. Economic assessment
4. Recommendations

RECAP OF OUR BRIEF

Capture evidence of, and explore the extent to which:

1) **The SIB structure impacts on the implementation of MST.**

2) **Delivery of MST through the SIB payment by results mechanism adds any further significant value in terms of outcomes or performance.**

Focus on the SIB, not MST as an intervention.

Formative, summative and economic assessment.

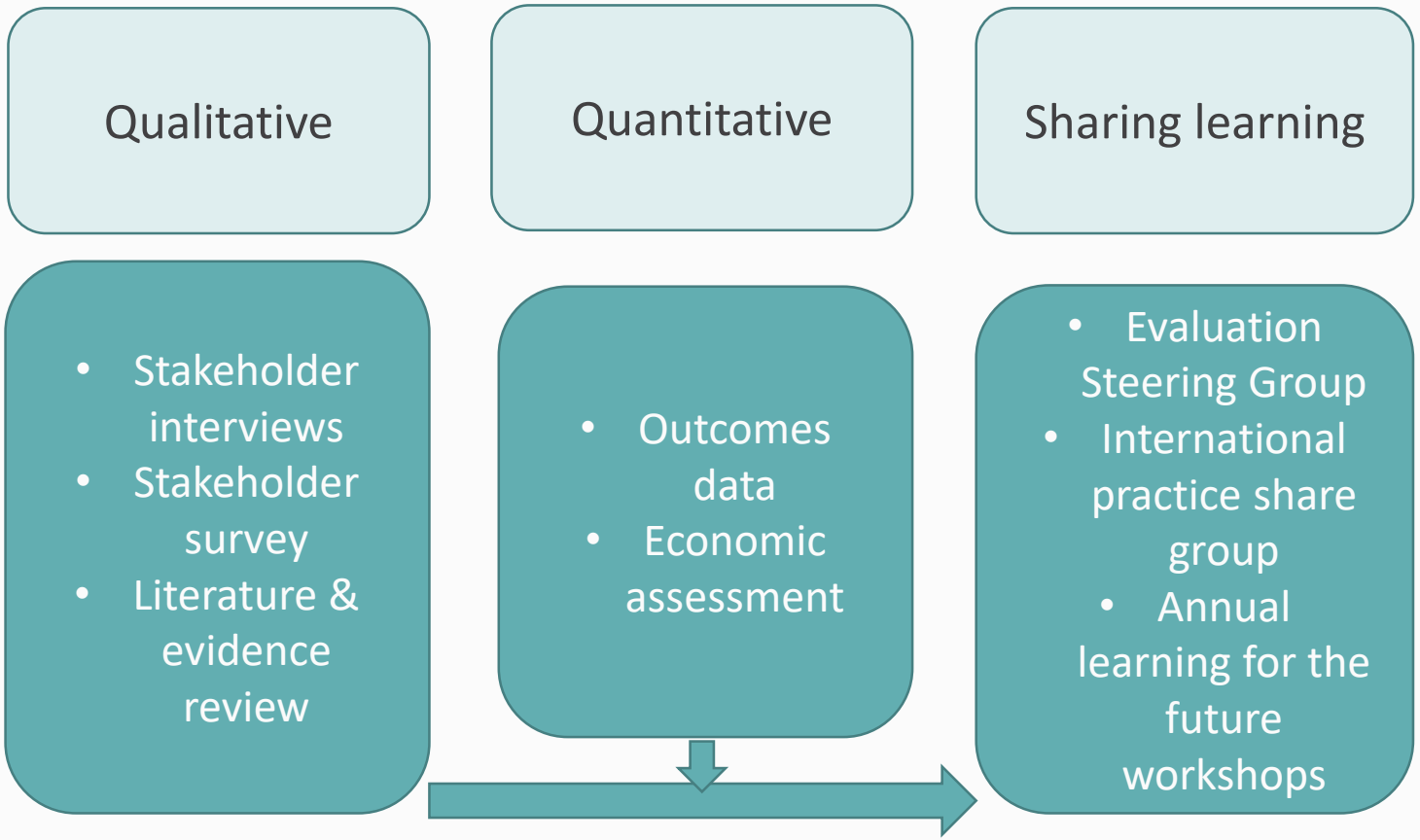
Internal and external audiences.

Completed by March 2016.

Our methodology

Report informed by:

-Interviews with programme stakeholders
-Surveys
-Other MST area interviews
-MST Inc. benchmarking
-Local authority data
-Stakeholder workshops



- A replicable method for capturing any value added by the SIB
- Recommendations for improving the delivery of MST through the SIB
- Recommendations for improved future working of SIBs

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SOME KEY POINTS TO NOTE…

- Evaluation is over 3 years, but service delivery is for 5 years, with outcomes tracked over 8 years. Not all outcomes will be captured in evaluation, as some are likely to manifest themselves over longer term.

- The Essex SIB, the first local authority SIB, reflects the trials and tribulations associated with new and innovative ways of doing things. It also reflects specific contextual factors in play at a particular point in time. The beneficiaries in Essex are families judged by ECC children's services to be at the 'edge of care'.

- Some findings reflect the specificities outlined above and are not meant to imply that these findings are always applicable to other SIBs. Others have wider relevance and are highlighted.

- Despite intentions, it has not been possible to conduct a robust quantitative comparison of the outcomes of the Essex SIB with other SIBs or MST services. The types of comparisons reported here are illustrative.

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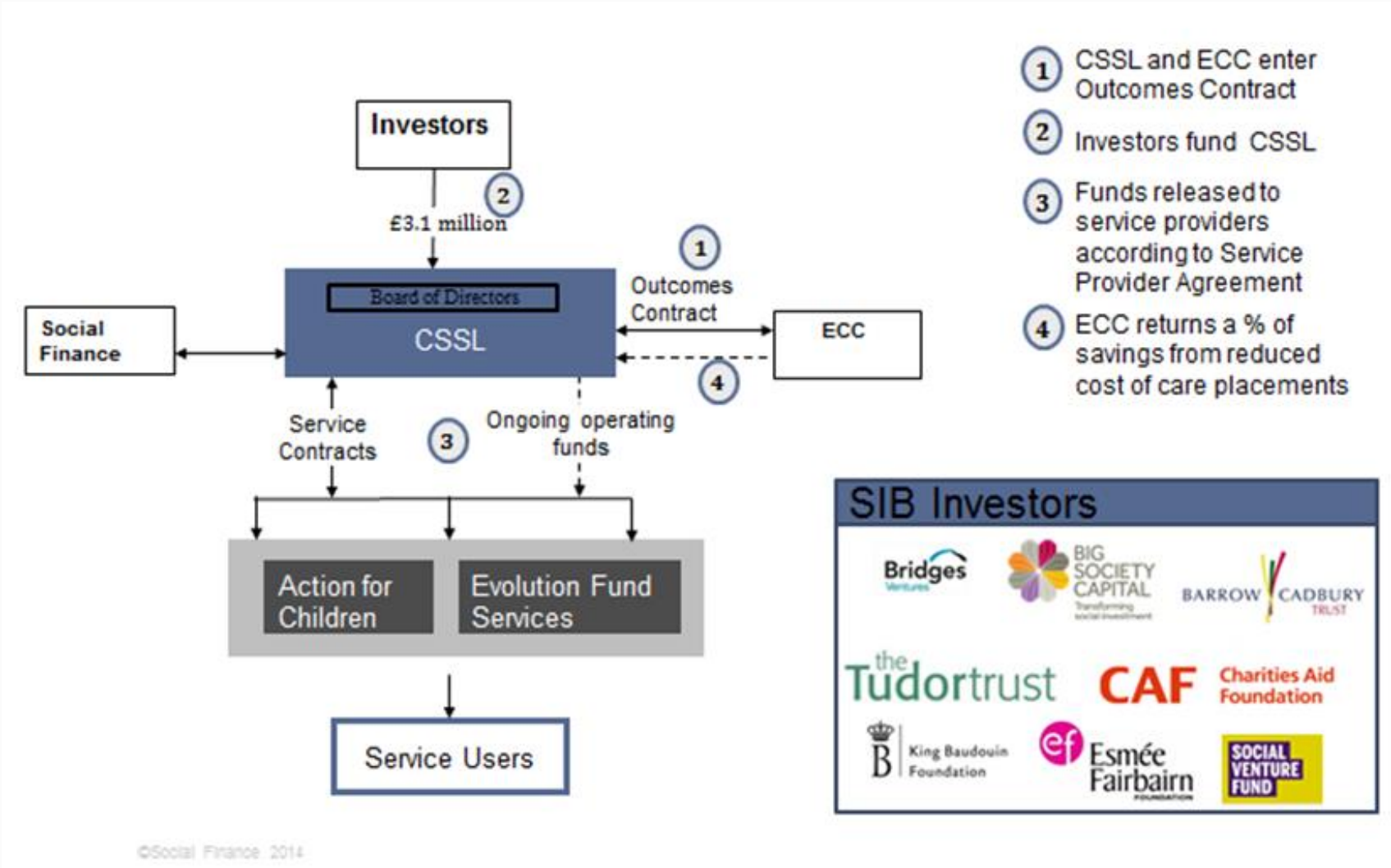
STRUCTURE OF THE ESSEX SIB



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Impact on systems and processes:

- Introduction of the Therapist in Waiting (TinW).
- Sending 2 therapists to train in US for rapid mobilisation.
- Lengthened therapists' notice period to 3 months.
- Research Assistant.
- Performance Analyst.
- Larger Flexible Fund.
- Evolution Fund.

Managing staff turnover:

Turnover of MST therapists identified as issue. Turnover >30% flagged as concern.

Proactive management reducing turnover (40%-Y1, 9%-Y2, 20%-Y3) and minimising gaps in service.

Sending therapists for training in US and having the Therapist in Waiting role led to 9 additional families receiving MST.

STAFF TURNOVER

	Retention rate		
	2013/14	2014/15	2015/16
No. of therapists	10	11	10
No. of therapists resigned	4	1	2
Retention	60%	91%	80%
Turnover	40%	9%	20%

CONTRIBUTION TO ADDITIONAL CASES TAKEN ON

Steps taken	Number of additional cases covered
Training in the US therapist 1	1.4
Training in the US therapist 2	1.2
Therapist in Waiting 1	3.6
Therapist in Waiting 2	2.8
Total	9

Referrals, utilisation and delivery processes:

- While still variable, referral numbers have increased and are now at cumulative number expected after initial slow start.
- Ongoing focus on developing solutions and removing barriers.
- Programme Manager – focus on ‘marketing’ MST. Clinical expertise critical.
- Programme Manager – seen to be having impact.
- Monthly target of new cases taken on – unique.
- On call allowance and London weighting.
- TinW role: cost effective and would like to implement in other MSTs. Fuller impact may be curtailed as cannot provide holiday cover. Role requires coordination, and need to recognise potential impact on other staff morale.

MST specification: 6 cases each, eligibility criteria. However, SIB thought to incentivise timing of cases to meet targets.

Now greater understanding of eligibility criteria and alignment with D-BIT.

Governance and management

- Performing well; roles well defined, stabilised relationships.
- SIB drives commitment.

Potential to scale up the model

- Interest in exploring economies of scale in working with neighbouring areas.

IMPACT OF THE SIB ON OUTCOMES

Flexible Fund is highly valued by therapists, rapidly removes barriers.

Thought to help with family engagement.

Flexible Fund more accessible than other similar ECC funds.

May have the potential of altering family expectations.

"[The Flexible Fund] loads the dice for success. That small amount of money may help to keep people at home."

Note: The Flexible Fund is a small pot of money available to each family participating in MST treatment with the aim of sustaining the positive changes and outcomes achieved. The Fund can pay for activities, services or equipment identified to meet additional outstanding needs of the family.

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IMPACT OF THE SIB ON OUTCOMES

Mid-point panel review to flag additional needs or challenges (not specifically SIB-driven).

Stakeholders generally positive about the data quality, rigour of analysis, utility of the dashboard.

SIB supports sustained focus on outcomes:

- SIB-funded Welfare Call.
- Renewed focus on improving the data returns from SDQs.

Data collection largely business as usual now.

SIB higher scrutiny = reduced error.

RA role in monitoring:

- 30 months data collection.

SIB scrutiny can add value where existing performance management culture weak. ECC is relatively strong in this respect, therefore perceived to be less value added.

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IMPACT OF THE SIB ON OUTCOMES

MST Inc. benchmarking:

- Exceeded majority of target and national average scores.
- Strong on proportion of YP living at home, case closure and proportion with no new arrests.
- Below benchmark in % of YP in school / employment, overall adherence scores.

Outcomes for families

Avoiding days in care for participants.

ECC spending more on SIB payments at this stage than planned for – nervousness re LA funding cuts, despite overall cap.

While the actual number of 11-17 yr old looked after children (LAC) has reduced, they represent higher proportion of overall LAC population – ECC is examining how the MST, alongside other provision, may be meeting wider needs.

COMPARISON WITH OTHER MST AREAS

	Essex A	Essex B	MST UK Average
% young people completing treatment	89.5	89.5	90.4
% young people living at home at the end of treatment	86.8	89.5	93.1
% young people in school or working at end of treatment	78.9	78.9	80.6
% young people with no new arrests at end of treatment	86.1	92.1	86
Average number of days of treatment	126.2	134.5	133.3

Note: Essex A team covers South and West Essex of the county, while Essex B team covers North and Mid county.

COMPARISON WITH OTHER MST AREAS

Hard to compare the performance of the Essex service to others (sizes, contexts etc).

Survey respondents: Essex MST service seen to be somewhat more effective than other MST services.

SIB offers contractual longevity to the service not common elsewhere.

This provides the space to innovate and take risks (within the MST model requirements) to evolve into the highest performing service it can be.

Cannot firmly conclude whether the SIB impacts on outcomes.

But – it is reported to help indirectly, and some evidence to suggest it improved efficiency.

COMPARISON WITH OTHER MST AREAS

	Essex A	Essex B	MST UK average
Cases served per team	45	60	42.2
Cases discharged per team	31	42	31
Cases per therapist	11.25	15	11

Cases Served includes cases open on 1/1/2014 and new enrolments between 1/1/2014 and 31/12/2014

Throughputs are higher than UK average, especially for Essex B, with no discernible negative impact on performance.

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CHILDREN IN CARE – COMPARING ESSEX WITH OTHER AREAS

- Number of children in care in Essex reducing, year on year since 2011, with slightly greater rate of reduction between 2012-2013 (when MST introduced). Nationally, and in most of Essex's statistical neighbours, it is increasing.
- Number of children entering care in Essex fell in 2013, coinciding with introduction of MST. Increased slightly in 2015, but felt to be due to increase in number of unaccompanied asylum seeking children.
- Older children (16-17) make up higher % of children entering care in Essex than nationally – link with unaccompanied asylum seeking children.

CHILDREN IN CARE – COMPARING ESSEX WITH OTHER AREAS

- On leaving care, slightly lower % of children return to families in Essex than nationally in 2013-14 & 2014-15. However, Essex had more children entering independent living than nationally, due to greater % of older children entering care.
- Similar to trends nationally and in statistical neighbours, adoptions in Essex higher in 2014 & 2015 compared to period 2010-2013. Essex had higher % than national average of children adopted in 2014 (22%) but fell in 2015 to match statistical neighbours (18%).
- In 2015, Essex had slightly longer time from entry into care to adoption than nationally (2Y5M compared to 2Y3M).

CHILDREN IN NEED – COMPARING ESSEX WITH OTHER AREAS

- Referrals to children's services rose in Essex in 2015, while falling nationally and for statistical neighbours. Re-referrals (within 12 months of previous referral) rising in Essex since 2012, contrary to experience nationally and in statistical neighbours.
- Number of CIN declining in Essex, well below that of statistical neighbours and national average, since 2011.
- Numbers of S47 enquiries remain low in Essex, and falling since 2012, in contrast to national and statistical neighbours.
- Child protection commencement rates low in Essex, compared to elsewhere, and have been so since 2009.

What additional costs have been incurred by the project partners as a result of the Essex MST being commissioned by through a SIB, versus being commissioned directly by ECC via a fee-for-service contract?

Scope of the assessment

The additional costs incurred during the MST delivery phase (May 2013 onwards).

- No direct comparisons.
- Hypothetical comparison conducted = subjective viewpoints, based on experience.
- Other MST sites were interviewed. But - local context impacts.

SUMMARY OF ADDITIONAL COSTS

Assumes that all CSSL/SF activities are additional (unless transferred from commissioner).

Additional costs incurred over & above the SIB:

- Governance.
- PM.
- PbyR processes arising from the SIB.

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Some additional costs have been incurred because the SIB was innovative: unlikely to be incurred to same extent elsewhere.

Some additional costs are directly adding value to the MST: e.g. funding new posts.

Others indirectly add value; some not perceived by all to add value.

While additional costs have been incurred, partners confident they are positioning themselves well for future involvement in social investment projects.

Partners already taking steps to reduce complexity and (hence) costs.

GOVERNANCE AND PM – ADDITIONAL COSTS IDENTIFIED

Governance within a typical non-SIB project commissioned directly by ECC would include a monthly performance review meeting between the ECC and the provider.

Other MST sites have short weekly commissioner/provider meetings to ensure no hold-ups are encountered.

ECC has incurred costs over and above the SIB expected costs.

In Essex: **more meetings, more senior input**.

The meetings incurring the most resources are the **board meetings and contract management meetings.**

Some of the additional costs **reduce over time**, in line with expectations – but will have small impact on overall costs.

UNDERSTANDING THE ADDITIONAL COSTS

More rigorous governance arrangements than in other services / MSTs:

- **Robust structure** of the SIB.
- Failure to meet agreed **targets** not seen as an option.
- Need to **ensure investor returns**, recognising that these are **directly linked to outcomes**.
- Less acceptance of low initial referral rates; more **pressure earlier** to increase referrals than reported elsewhere.
- **MST model (as licensed programme)** means that the delivery model cannot be changed. CSSL therefore performed closer management of processes around the intervention than is typical.
- **Intermediary,** changed relationships and duplication of data analysis and scrutiny.
- **More detailed information** being analysed and scrutinised.

THE VALUE ADDED BY ADDITIONAL GOVERNANCE AND PM

- **Reduced risk of under-performance**; mitigating actions quickly identified and implemented; increased ability to measure impact.
- **Clarified referral pathway** as early as possible: facilitated smoother running of MST service moving forward:
  - Greater involvement of MST supervisors in quadrant panels, engaging with social workers and improving the partnership with D-BIT, to ensure more effective referrals.
  - **Costs covered by the SIB**. In a fixed sum contract these activities would have been funded by the provider, either at cost to them, or by reducing other supervisor activity.

Costs for all parties

Collecting and reporting data, and agreeing the payments.

Highly **complex**; extra work.

SIB perceived to require **more data analysis** than other PbyRs. Validation and duplication.

These costs are **likely to reduce** in future, with streamlined processes.

Value created

- **Reduced financial risk** for partners (but ECC's financial risk extends beyond days in care – role in managing the system as a whole, and the SIB is one subset of that).
- **Focus on outcomes**; other MSTs have had under-delivery.
- Enabled **knowledge transfer** to AfC; capacity building the VCS.

PROJECT MANAGEMENT – ADDITIONAL COSTS

Additional PM activities fall on **both CSSL and ECC**.

The costs for CSSL are expected; their role as SIB manager is a known additional cost within the SIB model.

CSSL costs are reducing each year; expected to continue.

Costs incurred by ECC are roughly equivalent to costs incurred by CSSL.

ECC are incurring costs to manage their involvement in SIB and the complexity that involves – this is not reduced by CSSL's role.

But – would always require ECC due diligence.

Recommendations for the Essex MST SIB

1: Continue building and nurturing trust. Steps taken to improve communications and have more direct relationships between partners will help to instil a sense of shared purpose. This needs constant maintenance and review. An external facilitator may be helpful.

2: Continue the transparency already shown, and share data and learning more openly. The Essex MST SIB has involved open dialogue between partners, and we encourage this to be sustained (and replicated in other SIBs).

3: Celebrate successes and communicate these more widely and regularly. Essex was the first local authority SIB and partners deserve credit for going through the 'pain' of early innovation. The fruits of success should therefore be shared.

4: Continue building capacity within AfC and ECC to understand what it means to initiate and engage in a SIB. This has to happen beyond the individuals who have been engaged directly with the SIB.

Recommendations for the Essex MST SIB

5: Continue tracking wider sets of outcomes beyond the primary outcome metric. Partners have demonstrated real commitment to adopting a holistic view of 'outcomes' and have used the data to 'ask questions' with the aim of deepening understanding and informing improvement (e.g. with the education metrics). This is laudable and should continue.

6: Keep a clear focus on how outcomes may be sustained over the longer term (beyond this SIB). Just because desired outcomes may be achieved in the lifetime of this SIB does not necessarily mean that these will be sustained over the longer term. Partners should work together to better understand and act on the key ingredients that will secure longer term outcomes.

7: Continue internal and external communications. Recognise that staff turnover and wider transformations in policy can have an impact on the types of communication that may be sensible at different points in time.

Recommendations for others seeking to develop a SIB

8: Consider the context in which the intervention will be implemented, and the primary outcomes being sought. 'Evidence' does not simply mean evidence on outcomes or effect size. It is vital to look at other types of evidence (in addition to outcomes) in relation to what effective implementation in specific contexts looks like.

9: Any assumptions about savings made from a SIB need to consider the system in its entirety.

10: Carefully consider Programme Board membership. We recommend that others developing SIBs carefully consider the skill set needed, and how to most effectively maximise the value of bringing together private, public and VCS insights and expertise.

11: Consider any potential differences of culture, expectations or approach, and seek to mitigate the impact of this. Some form of facilitated stakeholder engagement activities at the outset may be useful.

Recommendations for others seeking to develop a SIB

12: Avoid over-complicating the payment mechanism, or the governance and management model of the SIB more generally. This is likely to rely on good quality independent advice and support. We suggest that others would also benefit from a level of trust being established between the partners prior to the finer details of the contract being developed. It is key to strike a balance between simplicity and accuracy, making the contract as pragmatic, proportionate and deliverable as possible.

13: Consider introducing a payment mechanism with sensible operational targets. This will allow time for the upfront 'marketing', awareness raising and relationship building required. New ways of doing things (e.g. new interventions, new partnerships, etc) need time to bed in. There should be sensible operational targets set in recognition of this, with a plan for ramping up.

14: Plan out where data analysis and PM will take place, and resource this accordingly. We recommend that others plan out the levels of analysis and programme management expected, and clarify exactly who will provide what, to minimise the duplication required.

THANK YOU

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