

Matters Arising 20 July 2016: Social Impact Bond (Update)

- (1) That the Schools Forum gives its support, in principle, to the Council's application to enter into a Social Impact Bond, where a proportion of the contribution to the successful outcomes payments for the proposed service will be met from the High Needs Block as indicatively set out in the PowerPoint presentation.**
- (2) That the School Forum's final agreement on the detail of the Social Impact Bond (and funding from the High Needs Block) is subject to consideration of the confirmed Social Impact Bond contract.**

BACKGROUND

- The Council is developing an innovative programme utilising a Social Impact Bond (SIB) funding model. The target group is children and teenagers (10–15 years) with complex Learning Difficulties and Disabilities (LDD) and/or behaviour that challenges who are struggling to be supported within the family unit.
 - Social Finance Ltd was commissioned to investigate the feasibility of a new service, financed through a SIB, which would target this group of young people and provide a method of funding that does not exacerbate existing budget pressures. This work has included engagement across the Council and with Clinical Commissioning Groups (CCGs), the Schools Forum and parents in order to secure support from Care, Health and Education budget holders as co-commissioners within the SIB model.
 - A multi-agency steering group was established to oversee the SIB project work and identify a service model that would best meet the needs of the District. 'Positive Behaviour Support' (PBS) was identified as a service that has successfully helped a similar cohort of young people in Bristol and Ealing. (Across these two services, 35 out of 42 high risk children referred to the PBS service avoided full time residential care and/or education entry.)
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- The Council and partners are currently working with Social Finance to develop the proposed new service with a view to service delivery beginning in, or shortly after, April 2017.
 - The new service is based on the PBS model and involves a small team of highly trained Key Workers with skills in psychology and behavioural therapy who provide intensive, hands-on support to children and families, as well as co-ordinating existing support services.
 - The Council was notified of its successful application to the Big Lottery's 'Commissioning Better Outcomes Fund' (CBO) in October 2016. This has resulted in the In Principle award of up to £255,000. This grant will be released in arrears to provide contributions to commissioner payments for any successful outcomes delivered by the new service. It is expected that the grant will contribute 14% of outcome payments made to social investors over the full 9-10 years of the SIB. (The total outcome payments from local commissioners are expected to be up to a maximum of c £1.56m. The base business case indicates the distribution of contributions to outcomes payments across co-commissioners is likely to be: Social Care (CBMDC) 61%; Education 10%; Health 15%; CBO 14%)
 - Under the SIB model, social investors pay the delivery costs of the service upfront and receive payments from commissioners for each young person the new service successfully helps. These success payments are spread over several years. The primary success measure for which payments would be made is that a child avoids full-time residential entry.
 - Financial modelling indicates that commissioners will be saving more money than they are paying out each year that the SIB operates. The SIB business case estimates that over the lifetime of the service, it will generate net savings (after outcome payments) of c £1.9m.
 - Over the next six years we envisage the new service working intensively with a total cohort of around 14 young people at high risk of residential education and/or care entry. We believe that with the support of a PBS service 9 or 10 of these young people should avoid entry into care.
 - The proposed new service has the potential to contribute to reduced costs for Adult Social Care budgets. Enabling young people to remain supported within their local communities avoids the transfer of often highly expensive out-of-area care packages to Adult Services when the young person reaches 18 years old.
 - The proposed new service also aligns with national policy initiatives. People with needs arising from Learning Disabilities and/or autism are currently the focus of a National Transforming Care Plan. This includes a national service model for commissioners across health and care, led by NHS England, which aims to provide more care in the community, with personalised support delivered by multi-disciplinary health and care teams.
 - The links between Bradford's SIB project and the Transforming Care agenda has generated interest from the Department of Health, with the potential for further support being offered to CBMDC to develop the new service under the SIB model.
 - It is recommended that a joint commissioning approach is adopted with the Council acting as Lead Commissioner. Commissioners and parents will co-produce the service specification and work together on the tender process.
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