

Adults with Multiple Needs and Exclusions: The challenges for government and public services

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Introduction & Summary

Adults with multiple needs and exclusions are part of every community. Typically the difficulties they face mean they impose disproportionate costs on public services, often without their problems being addressed in a holistic or 'joined-up' fashion. Recent work has shown that more effective interventions hold potential for saving costs for government as well as improving outcomes for individuals. In this spirit, the new government has shown a willingness to advance the debate about how to redesign rather than simply cut services. However, short-term fiscal pressures, and a lack of focus on this group, pose a risk that budgets for important collaborative and preventative activities may be squeezed, endangering the government's aim of protecting the most vulnerable while tackling the budget deficit.

The Institute for Government and Making Every Adult Matter (MEAM) coalition, supported by the Calouste Gulbenkian Foundation, held a roundtable seminar in February 2010 to advance the debate on how government and public services should respond to these challenges, drawing out lessons both for the specific issue of adults with multiple needs and for the more general challenge of getting government to 'join up' around complex issues. We now revisit this topic, providing a summary of some of the main issues in this area and the key points raised in the roundtable event, and reflecting on these issues in the light of the new political and fiscal context.

Political Context

Tackling social exclusion has been an objective of government for more than a decade. Peter Lilley raised in the mid-1990's the issue of how government was spending substantial sums on the same disadvantaged individuals but in separate and ineffective silos. In 1997, the new Labour administration created a high-profile Social Exclusion Unit, and the issue remained central to the government through to 2010, as indicated by the work of the reconstituted Social Exclusion Task Force and various strategies and initiatives.¹ The Labour administration also set itself a range of cross-government policy targets relating to social exclusion, such as the dedicated Public Service Agreement on social exclusion² and national and local targets in related areas such as criminal reoffending, homelessness, drug treatment, and independent living for adults with learning disabilities.

While remaining sceptical about much of Labour's approach to tackling social exclusion, the Conservative party retained an interest in a similar agenda as part of its critique of the 'broken society', arguing that problems such as family breakdown, welfare dependence, debt and addiction create 'an ever-growing underclass' excluded from mainstream society.³

Following Labour's defeat in the 2010 general election, the incoming Conservative-Liberal Democrat coalition government has sought to emphasise its commitment to fairness and social justice, stating that while meeting its primary aim of reducing the budgetary deficit it would seek to protect the most vulnerable from the effects of cuts. It has also emphasised

that it would not micromanage public services from the centre and would seek to foster local innovation and bottom-up solutions to complex problems (as part of the 'Big Society' agenda).

The new coalition thus swept away much of the existing framework for monitoring and managing public service performance. Notably, the PSA system of national policy targets and the Comprehensive Area Assessment were early casualties of the coalition's reform agenda. In the field of children's policy, the Every Child Matters strategy (structured around five core outcome targets relating to children's wellbeing) was also abandoned.

At the same time, basic levels of support to some of those suffering from social exclusion have been reduced by the decisions announced in the 'emergency Budget' of June 2010 – such as the squeeze on Disability Living Allowance and Housing Benefit payments. The tough fiscal climate may make this trend inevitable, but there is a risk that problems around deep and complex social exclusion will be exacerbated as a result.

As recognised by the previous administration,⁴ even when money is plentiful, and progress is being made in reducing certain priority problems (such as child poverty and homelessness), government action may fail to tackle the 'persistent and deep-seated exclusion of a small minority'.⁵

One group of citizens that is particularly likely to be 'left behind' are adults facing multiple and often inter-related problems, for instance relating to mental health issues, substance misuse, criminal behaviour, homelessness, and learning difficulties. These multiple needs leave individuals prone to 'falling into the gaps' between different support agencies, and to 'bouncing around the system', accessing different services in an often 'chaotic' and expensive way, without any single organisation helping the individual to tackle their problems holistically. Such individuals come to be seen as 'everyone's problem but no one's particular responsibility'.⁶ While the new government has recognised this group in certain circumstances (most notably with regards to reducing re-offending⁷), its overall vision for reforming the support on offer to this group currently remains unclear.

The Scale of the Problem

Since there is no nationally agreed definition of multiple exclusion it is difficult to put reliable figures on the scale of the problem.

The Cabinet Office in 2007 estimated that 2-3% of the population suffer from 'deep and persistent exclusion' – or around 1.5million individuals.⁸ The Making Every Adult Matter (MEAM) coalition has used a subset of this population in its definition of multiple needs and exclusion, arguing that this much smaller group should be the initial point of attention. Its definition focuses on individuals who are 'routinely excluded from effective contact with the services they need' and 'tend to live chaotic lives that are costly to society'. MEAM estimates there are about 56,000 people fitting this definition at any one time in the prison and homeless populations alone.⁹ This figure excludes other groups of high-cost, high-need people such as those living chaotic lifestyles in social and rented housing.

Data collected to monitor performance against the previous government's Public Service Agreement targets provides additional indicators of the level of particular combinations of multiple needs. The latest data showed that one in five ex-prisoners and one in ten care leavers are in unsuitable or temporary housing, although these figures have improved slightly in recent years.¹⁰ Furthermore, employment levels among those groups has fallen or stagnated: the most recent statistics showed that over half of people under probation supervision and over a third of 19-year old care leavers were out of work.¹¹ But these figures also only represent a partial picture, reflecting government's natural inclination to focus on those groups it can readily define and those problems it can readily measure.

Despite the difficulties of defining this group through national data it is clear that individuals facing multiple needs and exclusions are well known to services, councils and often the public in local areas. Working together, some local areas have successfully defined individuals with multiple needs and exclusions in order to guide specific service interventions. For instance, as was discussed at the February seminar the New Directions Team (NDT), a multi-agency partnership in the London Borough of Merton, has developed a shared assessment tool which uses a range of behavioural indicators to assess whether particular individuals are suitable for referral to a programme of focused intervention. Given the difficulties with previous top-down approaches to defining this group, the NDT assessment may well be a useful way for local areas to focus their attention on the most vulnerable individuals.¹²

The Costs of Multiple Exclusion

Individuals facing multiple needs and exclusions are known to incur high costs for government through repetitive and ineffective use of public services; a reliance on expensive emergency interventions (such as A&E) and criminal justice responses; and regular receipt of welfare payments.

Individual case studies illustrate the high costs involved. For instance, one former drug addict and serial offender was estimated to have cost government in excess of £400,000 over several years in direct costs (not counting the social costs of crime and anti-social behaviour).¹³ Case studies are supported by wider analyses of costs of social problems. For instance, Class A drug use has been estimated to cost £13.9 billion per year in terms of increased rates of crime alone.¹⁴

Particularly in the current context of severe budget pressures, a key challenge for those committed to tackling multiple needs and exclusions is therefore to continue to develop the evidence base to show which interventions are able not only to improve life chances of individuals involved, but also to generate savings for the public sector.

As it takes forward the debate about how to redesign (rather than simply cut) services so as to reduce costs and improve outcomes, government should regard the provision of suitable services for adults facing multiple needs and exclusions as one important test of its success. There remains, however, a continued danger that the fiscal squeeze (as reflected in the Spending Review 2010) and a lack of focus on this group will impact disproportionately on collaborative and preventative approaches to tackling social problems, as agencies and departments seek to preserve core budgets at the expense of activities whose benefits might accrue in the future, to other parts of the public sector or to other local areas. Avoiding this by making coordinated local service delivery a key focus of government policy, and over the longer term looking at more sophisticated mechanisms to allow public actors to retain the cost savings their interventions bring about, might help to unlock some of these problems.

What Works Locally?

The 2006 social exclusion strategy showed that it was possible to identify those at high risk of multiple problems in adulthood from relatively early in childhood. For example, the 5 per cent most 'at-risk' 10-year-olds were found to be around 100 times more likely to be suffering from ten or more problems at the age of 30 than the 50 per cent of 10-year-olds at the lower end of the risk scale. The strategy identified a number of well-evidenced interventions for the early and teenage years, suggesting the possibility of long-term prevention, but it was much less confident about what works for adults.

To address this, a set of pilot adult interventions, the Adults facing Complex Exclusion (ACE) projects, were initiated by government, with interim results released shortly before the 2010 election. As part of this programme, 12 local areas were given funding totalling £6m to trial

and evaluate innovative methods of improving outcomes for adults with complex needs.¹⁵ Sponsored by four government departments,¹⁶ the ACE pilots focussed on three main areas:

- 'System change – simplifying the complexities associated with several statutory services working collaboratively (e.g. housing, social care, benefits, health and criminal justice system) to offer co-ordinated support to someone with multiple needs.
- Transition points – helping people to negotiate difficult times in their lives such as leaving prison, leaving care and fleeing domestic violence.
- System navigation – Offering practical help to people to access several services at one time.¹⁷

Findings from the ACE pilot projects suggest that a relatively low investment of around £50 per month per client can lead to behavioural changes that deliver cash benefits. For instance, clients of the projects were found to have reduced their use of expensive emergency treatments and instead doubled their use of GP visits at a tenth of the cost.

Despite differing approaches, the conclusions drawn from the 12 pilots were similar. The majority of pilots led to marked improvements in the adults' life as a whole. Substantial cost savings resulted, such as big reductions in the use of expensive emergency medical care and police call-outs. And there was a simple common thread in the successful pilots – the introduction of a 'consistent trusted adult' – at a relatively modest cost of around £10-20 per hour.¹⁸

It was also clear that success depended on different parts of the public sector being prepared to 'flex' their eligibility criteria for services provided, so that people with a range of medium-level problems rather than one severe problem were not left to fall between the gaps. Information sharing and collaboration between agencies (as well as non-government actors) is necessary to make this work.

Widening Implementation

The ACE pilots and other recent initiatives¹⁹ suggest that there is a set of core elements that are necessary for successful multiple needs interventions. These include:

- A named coordination worker or team to (a) help link individuals to existing service responses and (b) to influence local services to be flexible in their responses for this group
- Senior-level strategic commitment from all relevant statutory and voluntary agencies, including a willingness to offer flexible responses for people facing multiple needs and exclusions
- Consistent identification of potential clients using an agreed methodology, such as the New Directions Team assessment (discussed above);
- A commitment to measuring progress.

It may be possible for government to build on such learning to support wider implementation of coordinated interventions. Over 2010-11 three local areas will be supported by the MEAM coalition of charities to deliver coordinated service interventions that display the elements outlined above.²⁰ Each area will receive £35,000 to make the service operational illustrating that coordinated delivery need not be expensive. The pilots will be assessed by a team of economists to examine individual outcomes and their impact on local and national budgets.

Removing the National Barriers to Joined-up Working

While over 80 per cent of senior civil servants in a recent Institute for Government survey believed Whitehall had made significant improvements in joining-up over the past five years, nearly 60 per cent believed that government remained a long way from where it should be in

this regard.²¹ A range of approaches to improve joining-up in Whitehall have been attempted in recent years, including: joint strategies, specialist units, cross-cutting Ministers, cross-cutting targets such as those in PSA 16, and using appraisal processes and Capability Reviews to create incentives for collaboration.²² But despite these various initiatives there remains no clear ownership of the multiple needs issue across government and no clear message to local areas.

Fragmentation in Whitehall has a habit of cascading down to the local level with detrimental effect.²³ Frontline practitioners report that multi-agency working is hampered by factors including:

- Differing and sometimes contradictory target regimes;²⁴
- Silo-like commissioning structures that do not focus on multiple needs;
- Restricted budgetary flexibility and difficulty in seeing cost efficiencies across separate budgets.

Many observers have concluded that the weak link is money. Budgets split into discrete pots for specialist agencies at both national and local level, especially when reinforced by separate accountability agencies, make silos hard to break. Accounting rules are also too simplistic. It is rare, for example, to be able to attribute (or reward) spend in one budget for achieving outcomes in another. As one Whitehall official working on a cross-cutting policy area complained, 'If you split money and governance like that you almost neuter the project before it starts, it proves very difficult to do and you are almost doing it on good will.' Solving this problem suggests a role either for dedicated national budgets for cross-cutting priorities or the pooling of budgets at a local level, which the Total Place initiative has been exploring.

Interestingly, however, the results of the ACE pilots suggest that complete pooling of resources may not be necessary to get better outcomes, though some cash to help with tailored solutions can be helpful. The key to success for the ACE pilots has been the willingness of existing services to flex the way they work and to coordinate individuals' access to services.

So while complex solutions such as an overhaul of government accounting methods may be helpful in the long-run, it is possible that much could be achieved by national policy actively encouraging and empowering local services to coordinate their responses to multiple needs and exclusions and to act together when they see that an intervention will have positive effects in relation to their outcomes, budgets or those of their partners. Exploring how to achieve this across government would be an important step.

Conclusion

The coalition government formed in May 2010 is under great pressure to bring the fiscal deficit down, and this is understandably its top priority at this point. But there is a real danger that this focus, along with the strong silo-based character of British government, will lead to innovative and cross-cutting programs for adults with multiple problems to be cut in order to protect conventional mainstream services. This would be a mistake, since coordinated interventions for multiple needs have potential to reduce costs and improve outcomes.

To prevent this politicians and those working to improve the lives of these adults will need to buttress moral and compassionate arguments with robust cost-benefit analyses and continue to show how national policy can support and encourage coordinated local interventions. In this respect, the recent and positive results of the ACE pilots and the ongoing work of MEAM are likely to be critical.

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Notes

- ¹ See for instance the Drugs Strategy, Reducing Reoffending Plans, and the Rough Sleeping Strategy.
- ² Public Service Agreement 16 committed the previous government to 'improve the outcomes of the most excluded people in society'. Progress towards this objective was assessed on the basis of accommodation and education/employment/training rates for four groups of citizens: offenders in probation, adults with learning difficulties, care leavers, and adults receiving secondary mental health services (making a total of eight indicators). Source: Cabinet Office 2007. *PSA Delivery Agreement 16*, at: <http://tinyurl.com/yz6jopo>
- ³ Centre for Social Justice 2006. *Breakdown Britain: Interim report on the state of the nation*, p.13. At: [http://www.centreforsocialjustice.org.uk/client/downloads/CSJ%20FINAL%20\(2\).pdf](http://www.centreforsocialjustice.org.uk/client/downloads/CSJ%20FINAL%20(2).pdf)
- ⁴ Cabinet Office 2006. *Reaching Out: An Action Plan on Social Exclusion*, at: <http://tinyurl.com/5sorzn>
- ⁵ Cabinet Office 2006. *Reaching Out*, p.8.
- ⁶ CESU, 2007. *Service responses, and outcomes for adults described as having chaotic lives and multiple needs. A scoping exercise*, p.24. At: <http://tinyurl.com/ylixvew2>
- ⁷ See Ken Clarke, 'The Government's Vision for Criminal Justice Reform', Speech to Centre for Crime and Justice Studies, London, 30 June 2010, at: <http://www.justice.gov.uk/news/sp300610a.htm>
- ⁸ Cabinet Office 2007. *Reaching Out: Progress on Social Exclusion*, p.5. At: <http://tinyurl.com/yjmhh9x>
- ⁹ Making Every Adult Matter 2009. *A four-point manifesto for tackling multiple needs and exclusions*, p.8. At: <http://www.meam.org.uk/wp-content/uploads/2009/09/MEAM-report.pdf>
- ¹⁰ Specifically: 'Offenders under probation supervision in settled and suitable accommodation', rose from 76.5% to 78.5% in the past year; 'Care leavers at age 19 in suitable accommodation' rose from 88.4% to 89.6% in the past two years. Source: Cabinet Office 2009. *Autumn Performance Report*, pp.20-21. At: <http://www.cabinetoffice.gov.uk/media/319667/apr2009.pdf>
- ¹¹ Specifically: Offenders under probation supervision in employment' fell to 46.4%; and 'Care leavers at age 19 in employment' fell back to its 2007 baseline level of 63%. Source: Cabinet Office 2009. *Autumn Performance Report*, pp.20-21. At: <http://www.cabinetoffice.gov.uk/media/319667/apr2009.pdf>
- ¹² Cabinet Office 2009. *New Directions Team, South West London*. At: http://www.cabinetoffice.gov.uk/social_exclusion_task_force/adults/new_directions.aspx
- ¹³ This figure included £152k in policing, court and prison costs; £40k in hospital visits and drug treatment; £178k in accommodation and support; and £37k on outreach. Source: Making Every Adult Matter 2009. *A four-point manifesto*, p.22.
- ¹⁴ Singleton, N., Murray, R., and Tinsley, L. 2004–05. *Measuring Different Aspects of Problem Drug Use: Methodological developments*. Home Office Online Report 16/06, p.41.
- ¹⁵ More information at: http://www.cabinetoffice.gov.uk/social_exclusion_task_force/adults.aspx
- ¹⁶ Home Office, Communities and Local Government, Department of Health, Department for Work and Pensions.
- ¹⁷ Cabinet Office, *About the ACE Programme*, at: http://www.cabinetoffice.gov.uk/social_exclusion_task_force/adults/about_ace.aspx, accessed 18 Feb 2010.
- ¹⁸ Source: Unpublished findings of Adults facing Chronic Exclusion (ACE) Pilot projects, presented by Nick O'Shea at the Institute for Government on 25 February 2010.
- ¹⁹ Such as the Revolving Doors Agency Link worker scheme and National Development Programme
- ²⁰ Further information about these projects can be found at: <http://www.meam.org.uk/service-pilots>
- ²¹ See Simon Parker, Akash Paun, Jonathan McClory and Kate Blatchford 2010. *Shaping Up: A Whitehall for the Future* (London: Institute for Government), in particular chapter 4.
- ²² As discussed in Parker et al, *Shaping Up*.
- ²³ Clinical Effectiveness Support Unit 2007. *Service responses, and outcomes for adults described as having chaotic lives and multiple needs*. p.19.
- ²⁴ These problems are reported, for instance, in Sheffield City Council (2009) *Developing the Whole Household Model*. (Sheffield City Council: unpublished paper)
- ²⁵ David Halpern contributed to this paper in his former capacity as Director of Research at the Institute for Government. He has now moved on from this role to a position in government. This paper is not a reflection of government policy.