Navigating change: using new crime, health and financial structures to tackle multiple needs and exclusions

A briefing for voluntary organisations across homelessness, mental health, substance misuse and offending.

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Making Every Adult Matter (MEAM) is a coalition of four national charities – Clinks, DrugScope, Homeless Link and Mind – formed to influence policy and services for adults facing multiple needs and exclusions. Together the charities represent over 1,600 frontline organisations working in the criminal justice, drug treatment, homelessness and mental health sectors.

Introduction

Since coming to power in 2010 the coalition government has introduced a series of new structures across crime, health and finances. Underpinned by localism these new structures seek to increase local accountability, public engagement and value for money in the delivery of services.

The new structures will give local areas more control over how they deliver services, allowing them to focus on the needs and priorities of the local population. But equally, budgets are much more restricted, there is likely to be geographical variation in provision, and the rapidly changing landscape is increasingly difficult to navigate.

As we approach the halfway point of this parliament, we pause to consider these changes and the challenges and opportunities they present for local areas and services seeking to better support people facing multiple needs and exclusions.

An opportunity to influence

Whether these new structures improve support for people facing multiple needs and exclusions will be a litmus test of success. This group experience several problems at the same time such as substance misuse, mental health problems, homelessness and offending. They have ineffective contact with services, and as a result live chaotic and expensive lives. For both social and economic reasons it is vital that emerging local structures in every local area prioritise the support needs of this group.

The local voluntary sector has a crucial role to play in ensuring that this happens. Voluntary services are well placed to inform emerging structures about this group's complexity of need and to highlight the extent to which offering effective, coordinated support can have a positive impact. By developing a clear message, working in partnership and presenting a strong evidence base, the voluntary sector can engage with these new structures and influence their development.

This briefing is intended to support that process. It outlines some of the emerging structures across crime, health and finances; it looks at how each of these relates to multiple needs and exclusions; and at what local voluntary organisations can do to prepare for their arrival. Working together, local services can help to ensure that the new structures provide the best opportunities for the most excluded in our society.

Emerging Crime Structures

What are Police and Crime Commissioners?

In 2010, the government first stated its intention to increase democratic accountability by allowing the public to elect a representative and hold them accountable for policing outcomes in their local area.[1] In September 2011, the government passed the *Police Reform and Social Responsibility Act 2011* which included the introduction of directly elected Police and Crime Commissioners (PCCs) to replace police authorities.

The election of PCCs will take place on 15th November 2012 resulting in one PCC per police force area, excluding London.[2] PCCs will be responsible for:

- **Developing a 5-year Police and Crime Plan**, in consultation with the public, which sets out the strategic policing priorities in a force area.
- **Holding the Chief Constable to account** for the force's delivery and outcomes. PCCs will have the power to appoint and dismiss Chief Constables.
- **Encouraging joined-up working** to achieve the objectives set out in the Police and Crime Plan. PCCs and Community Safety Partnerships will have a reciprocal duty to cooperate and have regard to the priorities of one another.[3]
- **Ensuring value for money** through the setting of the annual police budget. From 2013 the Home Office element of Drug Intervention Programme funding and local authority community safety funds will cease to exist. Instead the PCC will hold a Community Safety Fund which they can use to commission services that contribute to the reduction of crime and the objectives set out in their Police and Crime Plans.

How could this affect individuals facing multiple needs and exclusions?

We know that many individuals experiencing multiple needs and exclusions frequently come into contact with emergency services, such as the police.[4] These individuals can often cause a disruption to neighbourhoods through crime and anti-social behaviour whilst also experiencing a high-rate of victimisation.[5] For these reasons, PCCs may want to consider how to improve local responses for this group.

Local voluntary organisations across homelessness, substance misuse, mental health and criminal justice will know these individuals well. They will often have a clearer picture of an individual's complexity of needs than many statutory services. This presents an opportunity and a challenge: in a landscape of competing priorities and reduced funding, how can the local voluntary sector share their expertise and ensure a commitment from PCCs that tackling multiple needs is a priority?

[1] Home Office (2010) *Policing in the 21st Century: Reconnecting police and the people*
[2] In London, the Mayor's Office for Policing and Crime will perform the role of the PCC.
[3] Local Government Association (2012) *Police and crime commissioners: A guide for community safety partnerships* http://www.local.gov.uk/c/document_library/get_file?uuid=fa66031e-07a6-4bc6-a6de-f8f1bc6f996d&groupId=10171
[4] FTI Consulting, Pro Bono Economics, Compass Lexecon (2012) *Evaluation of the MEAM Pilots: an interim report*, pg. 6 http://www.meam.org.uk/wp-content/uploads/2012/06/MEAM-Pilots-Evaluation-June2012.pdf
[5] *Ibid*

What can local voluntary agencies do to prepare?

1. Understanding the role of PCCs

To best understand the opportunities for your organisation and clients it is important to be aware of how PCCs could affect the current service-delivery landscape. There are a number of accessible resources to explain the role of PCCs and how partners can work with them in the future. The Home Office has launched a website to keep the public, partners and PCC candidates informed.

2. Getting to know your PCC candidates

Many PCC candidacies have already been announced. With the elections fast approaching, now is a good opportunity to consider the priorities and objectives of your prospective PCCs. You can use the Police Foundation candidate table to find out who is running in your force area.

3. Strengthening your partnerships

Due to the cross-sector support needs of this group, voluntary organisations should work together to demonstrate why individuals experiencing multiple needs and exclusions should be a priority for PCCs. This will be particularly important as PCCs will be responsible for an entire force area with potentially conflicting priorities between local authority areas. It may not be necessary to form new partnerships but instead look to strengthening and expanding existing networks.

One option is to approach your local Safer Future Communities network. Safer Future Communities, a partnership of organisations led by Clinks, is set up to assist the voluntary community in the transition to PCCs. They have developed a series of networks, designed to engage with PCCs and promote the role of the voluntary sector. Other options may include your local homelessness forum or other multi-agency initiatives in your area.

4. Developing your message and building a case

With other local agencies it will be crucial to develop a clear cross-sector message and to show how joint-working can lead to better outcomes for this group: how is your community affected by individuals experiencing multiple needs and exclusions? In your local area, what kind of outcomes does this group face? Can you and your partners suggest new coordinated approaches for supporting this group and provide evidence of what works? How could PCCs support these interventions? It will be important to answer these questions and to link them to your PCC's future objectives and priorities. A local, cross-sector position paper on multiple needs and exclusions may be a persuasive tool to influence both PCC campaigns and later, the development of Policing and Crime Plans.

Helpful resources

Safer Future Communities website
http://bit.ly/rXmlHD

Police and Crime Commissioners policy briefing (Safer Future Communities)
http://bit.ly/LUThDq

Police and Crime Commissioners – A briefing for the drug and alcohol sector (DrugScope)
http://bit.ly/KXSdbw

Emerging Health Structures

What are health and wellbeing boards?

The Health and Social Care Act 2012 introduced a statutory duty for upper tier local authorities to establish health and wellbeing boards. Health and Wellbeing Boards are responsible for developing and supporting a shared approach towards improving local health and wellbeing outcomes and have a duty to encourage integrated working across the partners of the NHS, health and social care. Specifically, health and wellbeing boards will be responsible for assessing the needs of the local population through joint strategic needs assessments, developing a joint health and wellbeing strategy to address those needs and promoting greater partnership working and joint-commissioning.

Each board will have a minimum membership including: the director of public health, the director of children's services, the director of adult social services, a representative of the Local Healthwatch and a representative of each relevant Clinical Commissioning Group. A local authority can also select other representatives who can contribute to the shared-vision of the board, which may include the voluntary sector, or they may set up sub-committees to involve wider local stakeholders.

Health and wellbeing boards will be fully implemented in April 2013 and as of April 2012 all local authorities were expected to have shadow boards in place. Shadow boards are responsible for conducting joint strategic needs assessments and developing joint health and wellbeing strategies ahead of April 2013.

What are Clinical Commissioning Groups (GP Consortia)?

The Health and Social Care Act 2012 makes a significant amendment to the way that local health services are commissioned. By April 2013 Primary Care Trusts (PCTs) will be replaced by Clinical Commissioning Groups (CCGs). CCGs, formed of GP Practices, will be responsible for buying health and care services for the local population. CCGs will also include lay members to promote accountability. The duties of CCGs include:

- **Commissioning healthcare** to patients who are registered with the GP practices of the CCG and people who live within the CCG's geographic area.
- **Working with the local health and wellbeing board**. This includes contributing to the development of the JSNA and JHWS. The CCG must have regard to the priorities and areas of need as set out in each of these documents, and to the Commissioning Outcomes Framework which is set nationally.
- **Promoting patient involvement** and control over treatment.
- **Improving access to services and reducing health inequalities** among the population. CCGs must produce a commissioning plan at the beginning of each financial year; this will include specific reference to reducing inequalities and improving health outcomes for excluded groups.

- **Cooperating with a range of partners** including the police, prison services and probation services and participating in the development and implementation of local crime and disorder strategies.[6]

CCGs will have a range of powers to perform their duties, such as the power to contract other bodies, including voluntary organisations, to provide services. CCGs may also make grants and loans to voluntary organisations which deliver services in line with the aims and priorities of their commissioning plan.

What are joint strategic needs assessments (JSNAs)?

Introduced in 2007, JSNAs are a process by which upper-tier local authorities and PCTs assess the current and future health needs of a local population. The findings from the JSNA are then reported in an accessible, public document. The JSNA is intended to inform commissioning arrangements and underpin the health and wellbeing priorities of an area.

The Health and Social Care Act 2012 amends the JSNA to reflect the replacement of PCTs by making the JSNA a statutory duty of local authorities and CCGs. JSNAs will be undertaken by health and wellbeing boards and will inform joint health and wellbeing strategies and the commissioning priorities of CCGs. JSNAs will have a greater influence on local service design than they have previously.

Due to the localised nature of the process, JSNAs will vary widely in content, analysis, and structure; however the Department of Health outlines a set of underpinning principles for health and wellbeing boards to abide by. While developing the JSNA, health and wellbeing boards should:

- **Consider the needs of the entire population**. This includes groups who are excluded or do not normally engage with traditional health services.
- **Examine the health inequalities** in their local area and consider the wider determinants of health, such as access to housing and offending behaviour.
- **Involve a range of individuals and stakeholders outside the health service**. For example, there is a statutory duty to engage with the local population but there is an expectation that other individuals and groups such as Police and Crime Commissioners and the voluntary sector will also play a role.[7]

What are joint health and wellbeing strategies (JHWS)?

Similar to the JSNA, the Health and Social Care Act 2012 places a statutory duty on local authorities and CCGs to develop a JHWS to underpin commissioning arrangements. Health and wellbeing boards will develop the JHWS, which will provide a strategy to address the health needs of the population as outlined in the local JSNA.

It is expected that the JHWS will promote an integrated, whole area approach to improving the health and wellbeing of the local population; like the JSNA this should include consideration of

[6] For a full list of duties, as summarised from the Health and Social Care Act 2012, see a summary note provided by the Department of Health
http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/documents/digitalasset/dh_134569.pdf

[7] Department of Health (2012) *JSNAs and joint health and wellbeing strategies – draft guidance*
http://healthandcare.dh.gov.uk/files/2012/01/JSNAs-and-joint-health-and-wellbeing-strategies-draft-strats.pdf
Although this is draft guidance, the underpinning principals of the JSNA are unlikely to change.

the wider determinants of health. Through the development of the JHWS, health and wellbeing boards should consider the priorities of other local bodies and recognise any opportunities for joint-commissioning and coordinated service delivery.[8]

How could this affect individuals facing multiple needs and exclusions?

Individuals experiencing multiple needs are more likely to face worse health and wellbeing outcomes than the general population and to have ineffective contact with the support they need.[9] There is a high rate of mental health problems, substance misuse, homelessness and offending among this group.[10] This complex, overlapping set of needs means that traditional health services often do not provide the integrated support that this group can require. This causes an overuse of emergency services, such as A&E, which could otherwise be preventable through drug and alcohol treatment, mental health treatment, regular visits to a GP or improved access to housing.

As the Department of Health notes, routinely excluded individuals with multiple health and social care needs can represent only a very small proportion of a local population.[11] Data can also underestimate the true scale of need for this group. This presents a challenge for health and wellbeing boards as they determine local priorities and inform commissioning arrangements for the health needs of the entire population. However, the Health and Social Care Act 2012 is clear that emerging health structures have a duty to address and reduce health inequalities and the expertise of the local voluntary and community sector can play a key role in ensuring this focus. Health and Wellbeing Boards could provide an important opportunity to address the challenges of fragmented care through their strategic oversight and focus on integration.

What can local voluntary agencies do to prepare?

1. Preparing for April 2013

With a number of changes to the design and delivery of the health service, it is important to understand how these health reforms could affect your service and your clients. In April 2013, the new health system will take full statutory form. The Department of Health has published a useful infographic to represent what the health and social care system will look like. You can also access a Health Glossary from Homeless Link, information from Mind and a briefing from NCVO that outlines how local voluntary organisations may influence the new health system.

[8] Department of Health (2011) *Joint Strategic Needs Assessment and joint health and wellbeing strategies explained* http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_131733.pdf

[9] CLG (2011) Vision to end rough sleeping: No second night out nationwide http://www.communities.gov.uk/documents/housing/pdf/1939099.pdf; CLG (2008) *No one left out: communities ending rough sleeping* http://www.communities.gov.uk/documents/housing/pdf/endingroughsleeping; Cambridgeshire County Council (2010) *Joint strategic needs assessment – Homelessness and at risk of homelessness* http://www.cambridgeshirejsna.org.uk/webfm_send/110

[10] FTI Consulting, Pro Bono Economics, Compass Lexecon (2012) *Evaluation of the MEAM Pilots: an interim report*, pg. 5 http://www.meam.org.uk/wp-content/uploads/2012/06/MEAM-Pilots-Evaluation-June2012.pdf

[11] Department of Health (2012) *JSNAs and joint health and wellbeing strategies – draft guidance* http://healthandcare.dh.gov.uk/files/2012/01/JSNAs-and-joint-health-and-wellbeing-strategies-draft-strats.pdf ; In the joint strategic needs assessment for homelessness, Cambridgeshire County Council identified only 27 individuals experiencing complex needs and chronic exclusion.

2. Understanding your local landscape

Local areas are approaching this transition phase at varying rates and with differing methods. To assist, the King's Fund has created a health and wellbeing directory which provides useful information including a map of shadow health and wellbeing boards and contact details (including websites) wherever possible. The shadow board websites will provide you with information about local opportunities for engagement, such as public meetings or formal consultations.

In some areas Health and Wellbeing Boards are more open than others, so you may need to proactively build your profile with new structures or nurture existing relationships with commissioners in the local authority and CCG. In many areas the new structures will need advice and expertise, so position you and your partners as the 'go to' on multiple needs and facilitate direct engagement mechanisms with service users.

3. Strengthening your partnerships

It is difficult to tackle multiple needs and exclusions without a coordinated, multi-agency response. Local voluntary agencies who are interested in influencing the emerging health and social care priorities must therefore consider developing their message on multiple needs with like-minded partners from a wide range of sectors. Before developing new partnerships you should first assess your existing networks. You can use the same partners to approach both PCCs and the emerging health structures; this will enforce a truly cross-sector, whole area message.

4. Building an evidence base

To influence new health structures you and your partners will need to provide evidence of the complex health and wellbeing needs of this group. Individuals experiencing multiple needs are often excluded from national data sets and their needs are rarely represented in population health trends. However, local organisations that work closely with these individuals are well placed to identify and document need and to present this information to emerging health structures.

Ideally your JSNA will explicitly recognise individuals experiencing multiple needs and exclusions. If it does not, other references to mental health, homelessness, substance misuse and offending should provide you with a starting point to discuss multiple needs and exclusions with your local commissioners and to influence your local JHWS.

5. Making contact with your LINk and Local HealthWatch

LINks are comprised of individuals, community groups and voluntary organisations that have an interest in improving local health and social care services. As of April 2013, Local HealthWatch will take over the functions of the LINk. Broadly they will be responsible for gathering the views and experiences of the community, making people's views known to commissioners and supporting the involvement of local groups in the commissioning process.

LINks will be working with Local HealthWatch during the transition period. Local voluntary organisations should use their pre-existing relationships with their LINk to keep informed about the introduction of Local HealthWatch. To find your LINk you can use the King's Funds health and wellbeing boards directory. A few areas, such as Dorset and Wiltshire, have set up webpages specifically for Local HealthWatch; these details are also available in the health and wellbeing boards directory.

Helpful resources

'Improving the health of the poorest, fastest': including single homeless people in your JSNA (Homeless Link & St. Mungo's) http://bit.ly/OsQbFK

Health Needs Audit Toolkit – gathering information about the health needs of people who are homeless in your local area (Homeless Link) http://bit.ly/dNSx0U

Interactive map of clinical commissioning groups (The Guardian) http://bit.ly/K1JNDd

Local HealthWatch – the policy explained (Department of Health) http://bit.ly/ADxi8f

Emerging Financial Structures

What is Payment by Results?

Payment by Results (PbR) is a form of outcome-based commissioning in which providers are paid based on the outcomes they achieve (such as supporting an individual into work) rather than the inputs or outputs of a service. PbR was first introduced in the health service in 2002 and since then has gained momentum in other policy areas. In 2010, the coalition government committed to expanding the use of PbR with the intention that it would allow for greater flexibility and innovation in delivery models and increase the role of the voluntary sector.[12] In addition to health we have seen the introduction of PbR in the Work Programme[13] and pilots in criminal justice,[14] drug and alcohol treatment[15] and for 'troubled families'.[16]

Delivering services with an emphasis on effectiveness, transparency and achieving positive outcomes is a desirable objective; however, concerns remain as to whether PbR is a suitable model for improving social outcomes for the most excluded individuals. Some of the challenges are:

- **Developing appropriate outcomes frameworks**: In order for PbR to function, there must be an agreed set of outcomes that someone is willing to pay for. The determination of these outcomes will impact significantly on what services choose to deliver. Certain outcomes that are desirable may be difficult to measure, particularly over a short period of time or for individuals with a complex set of needs.
- **'Cherry-picking':** As providers will only be paid for successful outcomes, services operating through PbR may focus on supporting individuals who are most likely to achieve a positive outcome. Conversely, individuals with high-level or multiple needs may be overlooked as they may present a greater financial risk to providers.
- **Involvement of the voluntary sector:** PbR requires that providers have sufficient access to capital to sustain service delivery until payment for achieved outcomes has been received. Many smaller voluntary organisations will be unable to satisfy this requirement. Furthermore, without a guarantee of results smaller organisations will be unlikely to take on the inherent risk of a PbR contract.[17]

For a more in-depth discussion of PbR you can download By their fruits… Applying payment by results to drugs recovery.

[12] Cabinet Office (2010) *Modernising Commissioning: Increasing the role of charities, social enterprises, mutual and cooperatives in public services delivery* http://www.cabinetoffice.gov.uk/sites/default/files/resources/commissioning-green-paper.pdf

[13] Department for Work and Pensions (2011) *The Work Programme* http://www.dwp.gov.uk/docs/the-work-programme.pdf

[14] Ministry of Justice (2011) *Innovative rehabilitation – payment by results at Doncaster prison* http://www.justice.gov.uk/news/features/feature131011a

[15] National Treatment Agency. *Payment by results* http://www.nta.nhs.uk/healthcare-pbr.aspx

[16] Department for Communities and Local Government (2012) *The Troubled Families programme: Financial framework for the payment-by-results scheme for local authorities* http://www.communities.gov.uk/documents/communities/pdf/2117840.pdf

[17] National Council for Voluntary Organisations (2011) *Payment by Results* http://www.ncvo-vol.org.uk/sites/default/files/Payment_by_Results_NCVO_Discussion_Paper.pdf

What is Social Investment?

Social investment is a growing term describing "the provision of finance to charities and other social organisations to generate a social return."[18] The term can be used to describe many different types of investment ranging from grants and loans to social impact bonds.[19] Though they represent a small portion of social investment, social impact bonds and charitable bonds have received an increasing amount of attention in recent years. They are most simply described as follows:

- **Social impact bonds** are outcomes-based contracts between the public sector and a private investor. The public sector agrees to pay a private investor different rates of return based on the level of improvement of an agreed set of social outcomes. The private investor then provides the capital for a service delivery organisation to deliver those outcomes. The private investor will only be reimbursed if the agreed outcomes are achieved.[20] A well-known example is the Social Impact Bond developed by Social Finance to reducing reoffending at Peterborough prison.[21]
- **Charitable bonds** may be issued by charities and social enterprises to expand operations, if they have an underlying stream of revenue in which to repay the bond holder. A well-known example of Charitable Bonds is the work undertaken by Scope.[22]

How could this affect individuals facing multiple needs and exclusions?

PbR models have the potential to improve coordinated service delivery for individuals facing multiple needs, however as noted above there are a number of concerns to be overcome.

While interventions such as the drugs Recovery Pilot programme and the Troubled Families programme may already support some people experiencing multiple needs and exclusions, there is no PbR pilot or outcomes framework specifically for this group. Developing a PbR framework for individuals facing multiple needs and exclusions is made more difficult by their complexity of needs and level of exclusion. For some, traditional outcomes such as entry into work, moving off benefits or becoming drug free may not be realistic over a short time period. An effective outcomes framework would need to represent a wide-range of outcomes and varying stages of individual progress. Furthermore, with needs spanning across a number of services, it would be necessary to ensure that payment mechanisms accurately reflected the input of a wide range of different providers.

[18] New Philanthropy Capital (2011) *Best to borrow: A charity guide to social investment* http://www.philanthropycapital.org/download/default.aspx?id=1175

[19] For an explanatory note about the different types of investment, see the KnowHowNonProfit resource, specifically designed for the voluntary sector : http://knowhownonprofit.org/funding/social-investment-1/investment-types

[20] KnowHowNonProfit (2012) *Social impact* bonds http://knowhownonprofit.org/funding/social-investment-1/investment-types/social-impact-bonds

[21] Social Finance (2011) *Peterborough Social Impact Bonds* http://www.socialfinance.org.uk/sites/default/files/SF_Peterborough_SIB.pdf

[22] Scope's charitable bonds https://www.scope.org.uk/how-you-can-help/donate-scope/philanthropy/allia-charitable-bonds

What can local voluntary agencies do to prepare?

1. Understanding the new terminology and models

There are resources available that provide tailored information on existing and emerging financial structures specifically for the voluntary sector. As an initial step you can use the resources published by KnowHowNonProfit. These include an explanation of investment types, a guide to understanding and managing risk and information for trustees. Publications such as the New Philanthropy Capital guide Best to Borrow: A charity guide to social investment should help you to consider whether social investment is right for your organisation. It may take some time for charities to prepare for social investment and in the end, it may not be suitable for everyone.

2. Considering the emerging financial structures in your local area

As with the other emerging structures, the government's emphasis on localism makes it difficult to offer a single piece of advice for engaging with these new arrangements. You will need to survey your area to determine the current state of the local commissioning landscape. Clinical Commissioning Groups, Local Authorities and Police and Crime Commissioners in your area may be considering PbR models currently or in the future. You should aim to engage in the development of these at an early stage, paying particular attention to the outcomes frameworks that are proposed.

3. Measuring your outcomes

Any potential commissioner or investor will want to see evidence that you have a track record of achieving successful outcomes. This can be difficult to do, especially for smaller organisations with limited capacity. You may want examine the following: What does your service deliver? What is it possible to measure? What is not measureable? Are you confident that you can show positive outcomes? What data do you currently collect? Is it sufficient? Can you show an economic case for your work? Charities Evaluation Services has created a number of free resources to help get you started.

4. Approaching a range of commissioners and investors

As you consider the outcomes that your service delivers, you may find that these span across issues broader than your traditional remit. For example, many homelessness providers may create positive outcomes around offending or health and wellbeing. If you are able to demonstrate a holistic package of positive outcomes, consider approaching a broad range of commissioners and investors beyond your usual funding base.

Helpful Resources

Bitesized briefing: Payment by results (DrugScope)
http://bit.ly/NaeTcC

Payment by Results: Discussion Paper (National Council for Voluntary Organisations)
http://bit.ly/Noo6wo

Payment by results: What does it mean for voluntary organisations working with offenders? (Clinks)
http://bit.ly/L1Vn3d

Best to Borrow: A charity guide to social investment (New Philanthropy Capital)
http://bit.ly/MWsULV