



Kirklees Integrated Support Service and Better Outcomes Partnership: First report of a longitudinal evaluation of the Life Chances Fund

KEY FINDINGS | December 2020

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This document summaries the key findings of the first report from the supplementary evaluation of the UK Government's Life Chances Fund (LCF). The Kirklees Integrated Support Service (KISS) Social Impact Bond (SIB) seeks to improve a range of social outcomes for vulnerable adults who are understood to need support to live independently. The outcomes contract is held by a special purpose vehicle (Kirklees Better Outcomes Partnership, KBOP), which in turn manages individual service delivery contracts with independent provider organisations.

The KISS SIB is a particularly promising evaluation site, as it was preceded by similar provision of 'Floating Support' under bilateral fee-for-service arrangements between the Council and the same providers. Analysis of this changed contractual arrangement may help to disentangle the effect of the SIB model from that of the intervention. A range of primary data collection methods were used, including in-depth interviews and documentary analysis, and qualitative analysis was used to identify challenges associated with the fee-for-service contracts and the promises of the SIB contract.

FEE-FOR-SERVICE CHALLENGES AND SIB PROMISES

This report identifies four broad challenges faced under the pre-existing fee-for-service arrangements and commissioning environment prior to the adoption of the SIB model in September 2019. Importantly, these challenges (outlined below) are not inherent or solely attributable to the legacy fee-for-service contracting arrangements: significant issues also stem from the constrained funding environment. These challenges provide hypotheses for future waves of research, which will explore the adoption of the new SIB model.

Challenge 1: Limited practice of market stewardship

Public service commissioners are expected to create the conditions for an effective market of providers. However, during the fee-for-service regime, the Council engaged in a limited practice of market stewardship. This included a lack of competitive pressure; limited transparency on the demand for, and performance of, services offered by different providers; and uncertainty over funding, diverting providers' attention from service provision.

The SIB might enable an enhanced practice of market stewardship, including increased constructive performance competition, a central intelligence system to record performance and service demand, and a stable, long-term contracting environment.

Challenge 2: Limited contract and performance management

It is important to ensure that providers are adhering to the terms of the contract and delivering effective provision for people using services. Under the legacy arrangements, the Council engaged in limited contract management of provider organisations. This was driven by capacity limits, with resource-constrained staff responsible for managing many bilateral contracts. In addition, limited contractual levers provided perverse incentives or lacked clear, well-defined measures of success.

The SIB might facilitate enhanced performance management, with contracts managed through a single external entity and payment tied to the achievement of sustainable outcomes.

Challenge 3: Limited flexibility in the delivery of services

Providers often require flexibility in order to meet the needs of individual service users. However, the legacy contracts under the Supporting People grant were perceived to impose tight specifications on service intensity and length, restricting the adoption of creative, tailored approaches. This ultimately limited the likely effectiveness of the intervention, especially for 'harder to engage' service users.

The SIB may bring enhanced flexibility in service delivery, with autonomy for providers in service design and an adaptive approach to management by the social prime, KBOP.

Challenge 4: Limited collaboration across provider organisations

Supporting people who experience multiple, complex disadvantage often requires collaboration between different service providers. Under the fee-for-service contracts, service users were expected to be enrolled with only one provider at any one time. This meant that the infrastructure for collaborative working was underdeveloped with a lack of formal procedures for co-working. In addition, the requirement to evidence demand for individual services fuelled competition for referrals between providers, further inhibiting collaboration.

The SIB might enable enhanced collaboration between providers, with improved information sharing and co-working towards a shared interest in achieving outcomes.

This summary, and the report which underpins it, was prepared by the Government Outcomes Lab as part of the supplementary evaluation of the Life Chances Fund. For more information, you can read the main report at <https://www.gov.uk/government/publications/life-chances-fund-first-stage-evaluation-report-kirklees>