



**CHANGING LIVES,  
CHANGING SYSTEMS**

**SUPPORTING PEOPLE WITH HEALTH  
CONDITIONS INTO PAID WORK**

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[SOCIAL FINANCE] IS NOW  
POSITIONED TO FOSTER  
UNIVERSAL AVAILABILITY  
OF SOMETHING THAT WE  
KNOW WORKS.

**EXTERNAL STAKEHOLDER**



## FOREWORD

Too many disabled people and people living with health conditions are out of work.

That fundamental injustice, which deprives people of an independent way to make a living, the social status and dignity of work, and the benefits that good work can have for health and wellbeing, is what has driven us over the past seven years to launch and grow our Health and Employment Partnerships programme.

Our goal is nothing short of a revolution in the opportunities afforded to disabled people and those living with health conditions to live a fulfilling life.

We have been incredibly fortunate in our journey so far to benefit from the generosity, openness, and insight of experts in the field, experienced practitioners, and committed policymakers. Many of these individuals, our partners in this effort, have been plugging away at this issue for much longer than we have. Yet they have been willing to work together with us to put evidence into practice and to take local projects to national scale. We want to take this opportunity to say thank you to them.

This paper is an attempt to share what we have learnt so far from the successes we have had and the challenges we have faced as we seek to achieve impact at scale. While we have just about reached Base Camp 1 in our quest to climb Everest, this is our equivalent of repacking our bags before we tackle the even harder climb ahead.

While so much of any effort to drive social change comes down to individuals, relationships, and a benign external environment, we hope that some of these lessons will prove useful to others who are beginning their own journeys to right some societal wrong.

Finally, we would like to thank Dan Jones, the author of this case study, for putting the mirror in front of us and making sense of our reflections.

**Lela Kogbara**

*Chair, Health and Employment Partnerships*

**Adam Swersky**

*Executive Director, Health and Employment Partnerships*

## Introduction

This report is one of a series commissioned by Social Finance into its experience of pursuing impact at scale, in order to draw out and share lessons for charities, funders and others involved in social change.

The series covers five initiatives that Social Finance has worked on over the last five years:

- **Drive** – a ‘systems change’ initiative aiming to change the way that the criminal justice system, social services and other statutory and voluntary agencies respond to high harm perpetrators of domestic violence and abuse
- **Health & Employment Partnerships** – a ‘portfolio’ programme which has pursued a wide variety of approaches to develop and spread better models of employment support for people with health conditions
- **Housing Gateway** – an initiative which took an ‘open source’ approach to share its sustainable model for housing homeless families more widely
- **Positive Families Partnership** – a programme supporting families at risk of breakdown, which was built around a ‘platform’ model that enabled new areas to come on board quickly and easily
- **Reconnections** – a programme for lonely and isolated older people which Social Finance transferred to a larger specialist organisation with the resources to replicate it in multiple areas

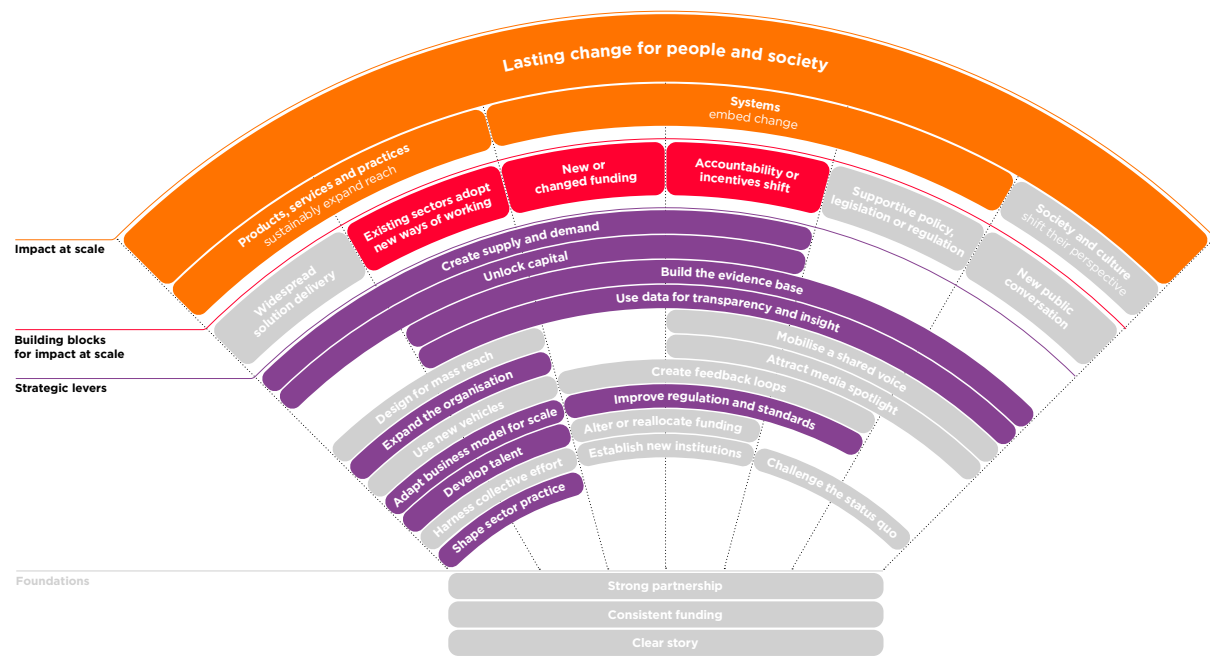
Drawing on our experiences and learning from these initiatives, as well as the social change efforts of other organisations, we have identified a range of strategies and approaches for achieving social impact at scale. These are captured in our ‘Routes to Scale’ framework, which sets out a series of ‘building blocks’ or milestones on the way to impact at scale, and a variety of different ‘strategic levers’ that organisations and movements can deploy to put these building blocks in place (see Figure 1).<sup>1</sup>

Where organisations pursuing social change often focus on a single strategic lever, such as growing their own service footprint or advocating for new policies, Social Finance has pursued a wide variety of approaches to develop and scale better models of employment support for people with health conditions. These are highlighted in red and purple in Figure 1 below.

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<sup>1</sup> For more details, see [Changing Lives, Changing Systems - The Routes to Scale Framework](#)

**FIGURE 1. ROUTES TO SCALE FRAMEWORK**



This report sets out the lessons from this kind of ‘portfolio’ approach to impact at scale. It was written by Dan Jones, based on a review of programme documents and interviews with key internal and external stakeholders (see Annex). Dan is an independent consultant who has worked with Social Finance to capture its learning on impact at scale. He has extensive experience in programme delivery, policy influencing and system change across the social sector in the UK and internationally.



## Executive Summary

Disabled people, including those living with long-term health conditions, are much more likely to be out of work than non-disabled people – and being out of work over the long term is associated with further physical and mental health problems. The gap between disabled and non-disabled peoples' employment rates is particularly stark for those with severe mental illness – although the majority want to work, only seven percent are actually in work.

Individual Placement & Support (IPS) is an effective, evidence-based approach to support people with severe mental illness into paid work. Over the past six years, Social Finance's Health & Employment Partnerships (HEP) initiative has made a major contribution to the growth of IPS in the UK.

Through HEP, Social Finance has pursued a range of approaches to support the scaling of IPS. This has included developing its own services, mobilising additional resources from social investors and the public sector for delivery, and testing new applications and models for employment support. It has also made a significant indirect contribution, advising funders and commissioners who have gone on to establish large-scale provision. Since late 2017, Social Finance has been supporting DWP and NHS England to build the infrastructure for the world's largest scale-up of the IPS model.

Taken together, this represents a portfolio of multiple different but ultimately complementary routes to scale:

- Expand the organisation
- Adapt business model for scale
- Unlock capital
- Build the evidence base
- Shape sector practice
- Develop talent
- Improve regulation and standards
- Use data for transparency and insight

Taken together, this 'portfolio approach' has helped build the market for IPS, creating a significant increase in both **supply and demand**.

We have identified seven key lessons from HEP's experience of this 'portfolio approach' to scale:

- **Balance a flexible approach with a consistent focus on the end goal** – HEP is a great example of this kind of 'strategic flexibility'
- **Show that a more effective approach is feasible in practice**, and invest in making it work – HEP identified a model with a strong evidence base, but which was not yet widely implemented

- **Build for impact, flexibility and scale** – for HEP, the key was developing a high quality offer to support other IPS programmes and commissioners with implementation
- **Link delivery to the wider system, and build a broad coalition for change**
- **Find the right people and partners**, with expertise across your ‘portfolio’ of routes to scale – for HEP, this included operational delivery, data analysis, financing and policy influencing
- **Find the right funding mix** to enable strategic flexibility
- **Work with the context** to identify windows for change and respond to new opportunities – HEP was lucky enough to build its experience and credibility on health and work as momentum built around the issue, and canny enough to take the opportunities this presented

This report presents the story of HEP and how these lessons have been applied in practice, and seeks to draw out some more specific ideas and suggestions for VCSE organisations and funders seeking to navigate changing circumstances and opportunities in pursuit of impact at scale.

## 8 PRINCIPLES OF IPS



- 1. It aims to get people into competitive employment...** volunteering or sheltered work are not counted as outcomes



- 2. It is open to all those who want to work...** with no exclusions based on diagnosis, health condition or benefits claim



- 3. It tries to find jobs consistent with people’s preferences**



- 4. It works quickly...** job search starts within four weeks, even if a client has been off work for years



- 5. It brings employment specialists into clinical teams...** so that employment becomes a core part of mental health treatment and recovery



- 6. Employment specialists develop relationships with employers based on a person’s work preferences...** not based on who happens to have jobs going



- 7. It provides ongoing, individualised support for the person and their employer...** helping people to keep their jobs at difficult times



- 8. Benefits counselling is included...** so no one is made worse off by participating



## Mental health and employment

Disability and long-term health conditions are strongly associated with lower employment rates. In 2019, the UK employment rate for adults without disabilities was over 80%, compared to only ~50% for people with a disability. This “disability employment gap” has remained at ~30% for over 10 years. People who fall out of work because of a health condition generally remain out of work for longer than those who lose their jobs for other reasons, and sometimes permanently.

Many people with long-term conditions want to work. Work is associated with higher self-esteem, social status, a way to structure the day, social contact, and financial independence. Good work is also linked to improved wellbeing and improved recovery from mental ill health. Although 70-90% of people with mental health conditions would like to work, employment rates are particularly low among this group. Only 37% of people with mental health conditions are in paid work, falling to only 7% among people with severe mental illness. Around half of the 3.7m people with disabilities in England and Wales who aren't in work have a mental health condition.<sup>2</sup>

Unemployment is itself associated with a range of mental health problems, such as depression and anxiety, which then exacerbate pre-existing conditions. For many people who've experienced mental illness, returning to work, and the independence and status it provides, is an important contributor to their recovery. Appropriate, good quality work is good for our mental health and wellbeing.

Individual Placement & Support (IPS) is an effective, evidence-based approach to support people with severe mental illness into paid work. It is a person-centred, face-to-face model, providing employment support alongside health treatment. As well as rapid, personalised job search and support, it involves active engagement with employers to tailor opportunities to individuals' aspirations, and ongoing support once someone is in work. Over 20 trials have shown that IPS is significantly more effective at supporting people with severe mental illness into employment than traditional approaches.

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<sup>2</sup> This includes people with both mental and physical health conditions.

## Social Finance's work on health and employment

Over the past five years, Social Finance has played an important role in the growth of IPS in the UK. As well as developing, supporting and managing a series of large IPS programmes, Social Finance is delivering a national infrastructure programme to support the roll-out of IPS for people with severe mental illness across the NHS in England.

Social Finance's work on health and employment falls into four main categories:

- **Design, mobilisation and management** of funding and delivery mechanisms for IPS – Mental Health & Employment Partnership
- **Development and testing** of innovative services for people with other health conditions – Thrive Into Work (supporting the West Midlands Combined Authority) and The Link
- **Driving quality** through advice and support to other IPS programmes – IPS Grow
- **Changing the system** by influencing commissioners and policymakers

### MENTAL HEALTH & EMPLOYMENT PARTNERSHIP

In 2015, Social Finance launched the world's first social impact bond (SIB) for IPS, the Mental Health and Employment Partnership (MHEP). Upfront delivery costs were initially funded with a £400,000 investment from Big Issue Invest, which became the principal owner of MHEP.

Social Finance designed and manages the financing structure for MHEP. The partnership receives an outcome payment when someone starts a job, with a further payment if they stay in the job (for example, for at least six weeks). These payments come from the Lottery-funded Commissioning Better Outcomes fund, and two national government funding streams, the Social Outcomes Fund and the Life Chances Fund. Outcomes payments are recycled to cover further delivery, and the initial loan was rolled over to support a second round of programmes.

Starting in Haringey and Tower Hamlets in London and Staffordshire in the Midlands, MHEP has now launched IPS services in 14 areas. Social Finance works closely with commissioners, service providers and other local stakeholders to support programme mobilisation, delivery and performance management, and quality assurance.

In 2019, MHEP raised a further £400,000 to invest in the largest IPS programme for people with drug and alcohol addictions nationally. Over the past two years, it has raised a further £850,000 to extend and expand other services.

As of October 2020, services funded through MHEP have engaged over 3,400 people with mental health problems, and supported more than 1,000 (30%) into paid work. Two thirds of these people have sustained their jobs for a minimum of six weeks.

## **TESTING INNOVATIVE MODELS OF EMPLOYMENT SUPPORT FOR PEOPLE WITH OTHER HEALTH PROBLEMS AND DISABILITIES**

Social Finance also supports two other programmes, supporting people with physical as well as mental health conditions. While IPS for people with severe mental illness has a strong evidence base, the evidence base around employment support for people with other health conditions is less deep and robust. These programmes are therefore developing and testing innovative service models – for example working through GPs and other primary / community care services, rather than secondary care settings as in the standard IPS approach.

Thrive Into Work is a large-scale randomised controlled trial in the West Midlands, testing the IPS approach for people out of work who have any kind of health problem. Thrive Into Work is led by the West Midlands Combined Authority (WMCA) and funded by the Work & Health Unit, which sits across the Department for Health & Social Care and the Department for Work & Pensions.

The Link was a programme in Leicester and Newcastle, which tested a model where a health worker trained in vocational rehabilitation supports people with a health condition to return to work, rather than going on long-term sickness absence. It is also funded by the Work & Health Unit, through a specific Challenge Fund aimed at testing promising approaches to helping people with long-term health conditions to stay in work.

## **ADVICE AND SUPPORT TO OTHER IPS PROGRAMMES**

Social Finance has been involved in many of the other major IPS programmes launched since 2015.

Public Health England are running a trial of IPS for people with drug and alcohol addictions, and Social Finance supported the quality assurance process for this programme in partnership with the Centre for Mental Health. The team also supported commissioners in Greater Manchester to scope an IPS and wider supported employment service, develop outcome metrics and payment structures, and design the specification for providers.

## **IPS GROW**

Social Finance established the IPS Grow partnership in 2017. Following a competitive tendering process, IPS Grow was commissioned by NHS England and the Department for Work and Pensions (DWP) to deliver a national IPS support programme. The programme is designed to support the NHS's commitment to dramatically increase IPS provision – from ~10,000 people reached in 2017 to 20,000 in 2021 and then 55,000 by 2024.

Building on Social Finance's experience of supporting service design, mobilisation, delivery and quality, IPS Grow offers NHS commissioners and IPS providers (in or out of the NHS) across England a combination of:

- Hands-on operational support
- Workforce development
- Tools and systems

## HEP PROJECTS

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### **West, North and East London; and Shropshire**

Supported **over 1,000 people** with serious mental illness into paid work since 2016

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**National infrastructure support programme** for IPS services, commissioned by NHS England and Work and Health Unit

Includes operational support, workforce development, and tools to improve data and outcomes reporting

Aims to **support England-wide scale-up of IPS** from 10,000 people per year in 2017 to 115,000 people per year by 2029

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**World's largest trial of IPS in primary and community care settings**, targeted at people out of work with a long term health condition

Driven by West Midlands Combined Authority and backed by NHS England and Work and Health Unit

**Gold standard evaluation** (Randomised Control Trial) - results in 2021

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**Vocational rehabilitation (VR) pilot** embedding Allied Health Professionals, e.g., OTs / physios, in GP surgeries in **Newcastle and Leicester**

Funded by Work and Health Unit Challenge Fund

Aims to show that VR embedded in primary care can support faster return-to-work times for people on sickness absence

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## INTERNATIONAL

Supporting development of IPS in **Ireland and Scotland**

Building a **European IPS community**



A team of eight regional leads covering the whole of England work with commissioners and delivery teams to support them to design, mobilise and implement high quality IPS services. The leads provide coaching, advice, quality assurance and technical support, and facilitate shared learning between IPS teams in their region.

At a national level, IPS Grow supported the development of a curriculum for IPS employment specialists, e-learning materials and an online collaboration platform. The team is currently supporting the development of standard job specifications and recruitment processes, team structures and routes for progression to enable rapid recruitment of an entire new cadre of employment support professionals across the NHS.

It is also developing and rolling out digital monitoring, reporting and data assurance tools, and guidance on how to assess outcomes to support effective performance management. Finally, drawing on experience from MHEP and IPS Grow consortium partners of large-scale IPS delivery and performance management, IPS Grow has shared standard national outcomes metrics for IPS.

## Scaling

Social Finance has pursued multiple routes to scale in its work on health and employment, including:

- Create supply and demand
- Expand the organisation
- Adapt business model for scale
- Unlock capital
- Build the evidence base
- Shape sector practice
- Develop talent
- Improve regulation and standards
- Use data for transparency and insight

In only five years, Social Finance has grown the MHEP IPS portfolio from three sites in London and the Midlands to 14 different local authorities / Clinical Commissioning Group areas.

This is a remarkable example of scaling delivery – the direct route to scale which is the main focus for many organisations and initiatives seeking to grow their footprint as well as their impact. For MHEP, achieving this rate of growth required significant investment in business development – making new deals – built on a platform model, which has been important to enable rapid scaling.

Through its advice and support offers, sectoral engagement and wider networking, Social Finance has been in contact with almost all the IPS services in the country, along with many commissioners. Although these routes to scale (create supply and demand, shape sector practice) offer much less in the way of control and/or directly attributable results than the programme delivery route, they have unlocked much wider reach for relatively limited resource.

With IPS Grow, Social Finance has secured dedicated resources to scale impact through persuading and supporting people in their own practice, and through building the “plumbing” of the system – developing tools and metrics to create new data and feedback loops, and supporting workforce development. While there is still a long way to go, if the ambition in the NHS Long Term Plan is realised, England will be the world leader in the IPS model, and most people with severe mental illness will be able to get evidence-based employment support as part of their treatment.

All this work has been underpinned by ongoing policy engagement, continuing to keep IPS at the forefront of government thinking about health and work.



Finally, Social Finance is a key partner supporting one of the largest randomised controlled trials ever conducted on IPS – Thrive Into Work. It is too soon to say whether incubating this new model will ultimately lead to further scale. However, it has offered Social Finance valuable experience around promoting innovative approaches to health and employment more widely.

Through a combination of direct, hands-on delivery, helping to demonstrate the feasibility and cost-effectiveness of IPS, support for very large programmes within the NHS and the West Midlands, and ongoing policy engagement, Social Finance has made a significant contribution to the wider growth of IPS in the UK.

This strategic flexibility – moving between different routes to achieve change and gain more traction, based on the opportunities available, while always maintaining focus on the mission – is part and parcel of Social Finance’s approach to scaling impact. While there are risks to this approach, the rapid growth of the work on health and employment demonstrates that the potential rewards are huge.



“SOCIAL FINANCE  
HAS MADE A  
SIGNIFICANT  
CONTRIBUTION  
TO THE WIDER  
GROWTH OF IPS  
IN THE UK”

## Why has HEP taken a portfolio approach to scaling impact?

In any initiative seeking to achieve impact at scale, especially one like HEP that has pursued so many different routes to change, a mix of deliberate choice and implicit assumptions sits behind the approaches and options taken. Even HEP's overall stance of 'strategic flexibility' reflects the character and preferences of key individuals within the team as much as an explicit rationale. Nevertheless, there are some clear factors underpinning this stance.

Any strategy for impact at scale needs to take account of three main parameters:

- The change you are trying to achieve
- The capabilities and distinctive competence of your organisation
- The external context

The main change Social Finance has sought, and is now seeing, is more effective employment support for people with disabilities and serious health conditions. IPS works – it is a highly robust model, with a strong evidence base and established protocols for implementation and evaluation. This has provided a stable core for HEP's work, enabling it to experiment with a variety of tactics and approaches to change.

By contrast, where you are developing and testing new models and innovations, without knowing what works, a portfolio approach would be much less suitable. In Social Finance's work on domestic abuse, for example, the focus has been on building the model, and pursuing other opportunities (for example working with different target groups) would have been a distraction from this.

Social Finance's entry point to this area was its distinctive competence in outcome-based financing. However, the main internal driver of taking a portfolio approach was the realisation that developing a cohort of SIBs was not sufficient in itself to influence change in health and employment systems.

This was largely due to factors in the external context, which was characterised by multiple policy interests and levers:

- The Department for Work & Pensions was interested in the disability employment gap and the large numbers of people on long-term health-related benefits
- The Department of Health and NHS England were interested in employment for people with serious health conditions as an element of recovery
- The DH/DWP Work & Health Joint Unit combined both these interests, along with a need to deploy a reasonably large amount of additional funding into trials / demonstration programmes



- The Cabinet Office was interested in fostering more social investment in the UK
- Local and regional authorities had focused on supporting people with health conditions and other barriers into work, as a key strategy to improve outcomes and support local economies

HEP's experience suggests that a portfolio approach is well suited to this kind of context – strategic flexibility and a willingness to pursue multiple routes to the end goal can help to align different agendas and opportunities. Policy attention and funding opportunities have moved across this landscape, and HEP has been able to move with them. Conversely, pursuing a single route to impact at scale would have been highly vulnerable to shifts in this complex external context.

## Lesson 1: Balance a flexible approach with consistent focus on the end goal

Social Finance has used a wide range of approaches to grow the reach and impact of its work in health and employment. This reflects a deliberate choice in favour of seizing emerging opportunities for scale, in order to grow the organisation's visibility and credibility as a new entrant in a relatively crowded area. However, there are clearly risks of losing focus and becoming spread too thin, so that individual initiatives don't receive enough attention or resource to achieve real impact or traction, and different initiatives pull in different directions and don't generate wider impact.

Getting this right, so that a wide range of activities adds up to something greater than the sum of the parts, requires a consistent focus on the end goal, and an ability to read and navigate the context in order to take the opportunities with the greatest potential for impact.

*“The sense I've always had with Social Finance is it's not about organisational ego driving things, it's about the cause driving things.”*

EXTERNAL STAKEHOLDER

IPS already offered a proven model for employment support, but in 2013/14 there was only a limited market for it in the UK. However, there was interest from funders, including the Lottery and national government, in social impact bonds. In choosing to develop a SIB for IPS, Social Finance drew on its existing strengths as a pioneer of SIBs, giving it the credibility to enter a new field.

The MHEP platform has proven a highly effective way to replicate the model, building momentum and providing an increasingly well-established vehicle for other areas to adopt IPS (see lesson 3). By running a number of models across a range of contexts, Social Finance has built up significant operational experience and expertise (see lessons 2 and 6).

This has also been an important way to build the wider market for IPS – opening opportunities for Social Finance to work with areas which are not involved in MHEP, but were seeking advice to develop and implement their own IPS programmes.

As wider interest in tackling the disability employment gap grew, Social Finance could build on its successful track record in IPS to support innovation and develop new applications of the approach for people with other health conditions – Thrive Into Work (supporting the West Midlands Combined Authority) and The Link. While these trials do not exclusively focus on mental health, they are firmly aligned to HEP's wider mission to help more people with health conditions to secure, sustain and retain fulfilling work. Thrive Into Work is one of the largest trials of this kind of employment support in the world, so it represents a significant play for scale, raising the profile and building the evidence base of the approach with practitioners and policy audiences beyond mental health.

With the NHS making a huge commitment to IPS, Social Finance shifted tack again, from supporting delivery of local programmes to building the infrastructure to support delivery at national level, such as data and performance management systems and workplace development.

***“IPS Grow is now positioned to foster universal availability of something that we know works”***

**EXTERNAL STAKEHOLDER**

As IPS is rolled out across the NHS in England, Social Finance will need to pivot again, perhaps to focus on new approaches to quality assurance, regulation or oversight, so as to ensure that new services meet the IPS gold standard, perhaps to continue growing the approach for other conditions.

The key question remains the same – what is the best way for Social Finance to support the growth of effective approaches to employment support for people with health conditions? Keeping their eyes on this prize has been critical to Social Finance’s achievements so far.

The HEP structure has been instrumental in maintaining strategic focus. By creating a separate entity for its work on health and employment, Social Finance sought to establish a clear sense of identity, purpose and ambition. This has helped unite the team around the vision of HEP, and supported their personal commitment to the work. The HEP Board, with senior representatives from the health and employment sectors, has also played a valuable role in building Social Finance’s credibility, and providing expert advice to navigate the context and assess new opportunities strategically.

***“When Rachel Perkins [who had written the 2009 Review with Paul Farmer and Paul Litchfield] said yes to joining the Board, I realised what we were doing had legs.”***

**SOCIAL FINANCE HEP STAFF**

## Lesson 2: Show that a more effective approach is feasible in practice, and invest in making it work

Since the first trials of IPS in the US in the late 1990s, there have been calls for the UK to adopt it, alongside local pilots and academic reviews. By the time Social Finance began exploring health and employment in 2013/14 there was a significant body of evidence, backed by practical experience, that IPS was an effective intervention for people with severe mental illness.

In this context, Social Finance's key contribution has been to demonstrate feasible models to finance and deliver IPS in the UK context.

*“Social Finance have led the way in looking at how a policy can be rolled out ... this is an absolutely critical role. We're all so tired of people coming up with innovative ways of doing things which then fall by the wayside because nobody actually looked at how to roll them out.”*

EXTERNAL STAKEHOLDER

Delivering through a SIB brought together different local and national funding streams in support of a common outcome, and created a structure where funders and delivery partners (both within and outside the NHS) were all focused on fidelity to the IPS model and effective implementation.

MHEP has invested significant time and effort in support for implementation, quality assurance and performance management to ensure that commissioned IPS services are as effective as possible.

*“It's not enough just to go to market and get a provider who says they can deliver. It is very unlikely we will find providers with the right combination of IPS delivery experience and focus on performance. You have to coach them and support them to build their capability ... sometimes you have to do a lot of work on the relationship between the provider and the commissioner.”*

SOCIAL FINANCE HEP STAFF

Delivering this kind of intensive support obviously depends primarily on building the right team, with the knowledge, skills and credibility to add real value (see lesson 5). Social Finance has also been able to deploy people in an extremely responsive and flexible way, drawing on its existing pool of expertise in SIB performance management and data analysis without needing to employ a large central team dedicated to MHEP.

This experience of hands-on operational support to providers and commissioners is the backbone of Social Finance's wider advisory offer to other IPS services and the IPS Grow support programme (see lesson 3).



## Lesson 3: Build for impact, flexibility and scale

It was also essential for Social Finance to demonstrate that it could operate effectively at scale. There were already a number of small IPS schemes in operation around the UK, and another relatively small pilot, however effective, would not have made a major difference either in making the case for IPS or building Social Finance's credibility and ability to achieve wider impact.

The Mental Health & Employment Partnership operated as a platform for scale, enabling multiple commissioners to commission their own local services, but all using the same basic contractual and delivery structures.<sup>3</sup> The initial MHEP investment from Big Issue Invest of £400,000 has leveraged over £10m of additional funding into high quality employment services for people with severe mental illness in 14 areas around the country.

Over time, Social Finance has developed a suite of robust procedural and contractual documentation for IPS, with an outcomes framework, measurement and payment mechanisms and data modelling tools to allow commissioners to scope a service that is appropriate for their area. This material, and the expertise that supports its use, has been refined through multiple rounds of development and commissioning, including repeat SIBs in several of the initial areas. The platform approach has meant that a small central MHEP team can work across multiple sites to capture and codify this learning.

This has allowed Social Finance to develop new IPS programmes much more quickly and cheaply – the costs of setting up a new IPS SIB have reduced from ~£200,000 at the outset to ~£60,000 in the latest round. However, this is not an insignificant cost, as each deal still requires a degree of local tailoring and brokering agreement on shared outcomes and approaches between local authorities and national commissioners with very different cultures and imperatives.

It's important to note that this approach to scale relies on an established, tested model such as IPS – local commissioners need to have confidence in the service they are buying into. MHEP has shown that the model can be rapidly implemented in multiple areas to a high standard, with the same results that were achieved in academic trials, if the right funding and support is available.

Although the MHEP platform approach has enabled much more rapid growth of IPS programmes than would have been possible through traditional funding approaches, it is not the route to sustained national scale. As well as the transaction costs involved in replication, once the focus moves to large scale service delivery, operational and accountability demands often take over, preventing innovation and further development in response to the changing context.

However, MHEP is only part of the wider Health & Employment Partnerships programme. The operational experience that Social Finance gained by supporting the practical delivery of the MHEP SIBs has been critical in positioning it to take new strategic opportunities (lesson 1).

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<sup>3</sup> For further discussion of the 'platform' route to scale, see the case study on Positive Family Partnerships published as part of this series

“Operational insight is the key that unlocks wider engagement with the system”

SOCIAL FINANCE HEP STAFF

Through its ongoing work in a range of different areas and operating contexts, Social Finance has developed a deep understanding of what drives performance, and how to support effective delivery. Over time, Social Finance has tested a range of operating models and parameters. These include:

- Developing and refining contractual terms such as contract volumes, appropriate outcomes measures, targets and payment rates
- Testing models of operational support to help providers implement high fidelity IPS consistently
- Testing provision in different settings and with different groups

“I don’t think we could be surprised by a problem that comes up in an IPS service now.”

SOCIAL FINANCE HEP STAFF

This breadth and depth of experience is the ‘USP’ of HEP’s advisory service, which has enabled it to reach many more IPS programmes than it could deliver directly. It also positioned Social Finance to advocate for national implementation support and then to win the IPS Grow contract, supporting the rollout of the approach across the NHS and feeding its learning on effective commissioning, delivery and performance management into the health system at national level.

HEP’s structure has enabled this flexible approach to impact and scale – Big Issue Invest hold the controlling interest in MHEP and underwrite the delivery of high quality programmes, and Social Finance retains the ability to develop new areas of work such as trials of different applications of the approach, advisory support to other programmes and IPS Grow.

## Lesson 4: Link delivery to the wider system and build a broad coalition for change

Many organisations in our sector deliver excellent programmes and services, but still struggle to achieve wider traction or scale their impact. HEP is a relatively rare example of linking effective delivery directly to the wider system.

*“Social Finance is in a position to act at different levels of the system – with NHS England on policy and measuring what matters, plus winning hearts and minds at the frontline with clinicians because of their practical experience.”*

EXTERNAL STAKEHOLDER

Once Social Finance had identified health and employment as an area to work on through its initial exploratory work in Essex, it moved to directly engage the system at national level. Social Finance held a seminar bringing social investors together with policy officials from the Department of Health and the Department of Work and Pensions to explore the potential for social investment in this area. DWP then asked Social Finance to investigate in more depth.

Although these early discussions suggested a range of possible options, senior DWP staff advised Social Finance that the Department was totally focused on major projects such as implementing Universal Credit, and had little spare capacity to sponsor major new initiatives. In an early example of strategic pragmatism, Social Finance therefore decided to focus on launching an IPS SIB as a relatively well-established model which it could implement using alternative funding sources and with limited DWP support (illustrating both lessons 1 and 2).

Even before implementation began, Social Finance worked closely with senior policy makers in the runup to the 2015 Comprehensive Spending Review, which included an additional £115m for health and work trials.

The SIB structure itself was designed to help build a new market, by bringing together different funding streams around a shared outcomes framework. A key insight from Social Finance’s initial exploration was that funding and incentives around health and employment were not aligned. While health commissioners pay for most IPS provision, their own funding from the NHS was not linked to employment. Increased employment among people with health conditions would not be seen as a success in itself, let alone lead to any additional funding. MHEP set out to show that IPS could be funded on the basis of employment outcomes – in other words, that it might be a service that DWP could fund, even if it was provided in health settings.

The SIB approach, where providers are paid based on whether service users find work, also means that MHEP has generated a significant volume of rigorous data on IPS and its employment outcomes. Because the programmes were all commissioned using a similar outcomes framework, this data is standardised and comparable, creating a compelling large-scale evidence base for the approach in the UK context.

There has been ongoing policy engagement since, in particular working with NHS England to feed in the lessons from MHEP programme delivery and support wider delivery against this Comprehensive Spending Review commitment.

*“From the outset we were interested in structural change. We wanted to bring together the DWP and Treasury interest in employment with the NHS and Department of Health interest in recovery to unlock new funding for health and employment support.”*

**SOCIAL FINANCE HEP STAFF**

As well as its own frontline delivery and national policy links, Social Finance has built strong networks across the wider landscape of practitioners and experts in the field. For example, having decided to focus on IPS, they convened an expert forum including NHS and voluntary and community sector practitioners, academics and policy officials from NHS England to discuss how best to take IPS to scale.

As outlined above, they have also built strong networks with other IPS providers and commissioners across the country. HEP maintains wider networks with academics and other experts in the field, for example working in partnership with the Centre for Mental Health, a key voice promoting IPS over many years. This emphasis on bridging practice, evidence and policy has been key to HEP's success.

*“Social Finance haven't operated as lone rangers. They've been much more open to getting people in who know what they're doing.”*

**EXTERNAL STAKEHOLDER**

## Lesson 5: Find the right people and partners

High quality delivery and effective policy engagement both depend ultimately on the right people in the right roles. While HEP continues to draw on Social Finance's more generalist staff pool, over time it has built up a small core team with deep expertise.

The two national operational leads both have a significant reputation in the sector – one of them led one of the UK's largest IPS programmes, and the other brings years of experience of IPS in both the UK and Australian context.

With the launch of IPS Grow and its team of regional leads, there has been a pronounced shift towards operational employment experts – although there are still several 'home grown' staff who have developed their knowledge through their work on HEP. Even now, Social Finance's dual identity, as an agency working for broader systems change as well as a leading light in IPS, is important in attracting staff as well as new opportunities and partners.

*“IPS Grow is an interesting combination of Social Finance's business acumen and the right people with traction in the system.”*

EXTERNAL STAKEHOLDER

The HEP leadership embodies this dual identity – individuals who have built up significant credibility around health and employment, while still clearly rooted in a social investment perspective. This has enabled them to engage strategically with policy makers, commissioners, providers and the wider sector as honest brokers, seen as seeking to grow the IPS market for everyone, as well as securing their own share.

*“It's critical that the people doing that pulling together [of different stakeholders and agendas] are credible both with local change agents and with the system.”*

EXTERNAL STAKEHOLDER

HEP's strategic flexibility (lesson 1) clearly owes a great deal to the commitment of one or two key individuals to the end goal, alongside entrepreneurialism and personal drive. In a departure from its usual model, Social Finance has dedicated these senior staff full time to HEP, to enable them to pursue policy engagement and business development over and above the programme delivery work which is funded through MHEP and other commissioners.

## Lesson 6: Find the right funding mix to enable strategic flexibility

HEP's portfolio approach to scale has involved a portfolio of funding sources – indeed, this is likely to be a characteristic of this approach, as different funders will focus on different elements of the work.

For example, the Lottery-funded Commissioning Better Outcomes programme funded the initial scoping study of a potential SIB for health and employment. Funding for MHEP outcomes payments was initially committed by the Commissioning Better Outcomes fund, the Life Chances Fund and the Social Outcomes Fund (Cabinet Office / DCMS). Local MHEP contracts funded by local authority and CCG commissioners are still complemented by this central government funding. Big Issue Invest provided the SIB investment which underwrites programme mobilisation in new sites. Over time, this initial investment has leveraged an additional £10m of contract funding to support the growth of IPS services across the UK.

Social Finance was able to use these funding streams, which aimed to increase social investment, to fund additional health and employment services alongside existing statutory services. This injection of new money created the space to test a new approach and demonstrate its potential to address the disability employment gap.

This has helped to unlock new funding from the Work & Health Unit and NHS England to develop new programmes in pursuit of that policy ambition. With the launch of a number of large-scale trials of IPS funded by the Work & Health Unit, the approach is now a key part of the government's thinking.

*“Social Finance has given comfort to the system that programmes can be delivered effectively.”*

**SOCIAL FINANCE HEP STAFF**

Social Finance also receives fees for advisory support from other funders and commissioners of IPS services, and is funded by NHS England and DWP to deliver IPS Grow. These additional funding sources have allowed Social Finance to develop new areas of work beyond the MHEP SIBs, and to maintain a small core team to drive forward their strategy and thinking in this area.

As for all organisations, funding imperatives have played a significant role in Social Finance's choice of approach to scaling its work in health and employment. This makes it even more important to maintain strategic focus and avoid becoming distracted from the end goal (see lesson 1).



## Lesson 7: Work with the context

HEP has provided different parts of national government (DWP, DHSC and NHS England) a credible route to deliver on their policy objectives:

- A proven model that makes a real difference to people who would otherwise be out of work
- Confidence that this model can be delivered effectively within the UK system
- Robust outcome metrics, payment mechanisms and operational guidance to enable efficient and high quality delivery

At a critical early stage, Social Finance brought in additional funding from outside the employment and health systems, enabling IPS to be delivered alongside existing services. This kind of 'double running' is critical to give large systems confidence in a new approach – it's far too risky for public services to abandon what they currently provide and move wholesale to something else, unless the alternative has already been proven to work better.

Even with all this behind it, Social Finance's ability to contribute to the growth of IPS has ultimately depended on the wider context. If ministers and officials hadn't already been invested in tackling the disability employment gap, there would not have been a willing audience for IPS – it wouldn't have been relevant to the problems they wanted to solve.

Many organisations focus on making the case for change – why something is important – and persuading government to decide to do it. This is a vital ongoing role for our sector, and indeed it's also key to this story. If practitioners, academics and charities hadn't spent over a decade developing IPS in the UK, it would not have been a credible answer to the policy question. HEP's example shows that you can sometimes build on this long-term work focused on why something should be done, and gain relatively rapid traction at national level, by showing government how to achieve something it already wants to do.

From the starting choice to focus on IPS, the HEP story demonstrates an ability to identify and assess key external opportunities and levers for change. The initial scoping found that there are many more older workers requiring health support than people with severe mental illness. However, early engagement with DWP also revealed that there was little spare 'bandwidth' for the kind of large scale, in-depth experimentation which would have been needed to tackle such a complex, multi-dimensional problem.

By contrast, IPS was a well-defined intervention, with a strong evidence base and established implementation protocols. It had also already been tested within the NHS, albeit on a smaller scale. This meant it was something that Social Finance could pick up and run with, with relatively limited further sponsorship from DWP. It also allowed them to develop new allies in the NHS, where there was a parallel policy interest focused on employment as an element of recovery.

The context is equally critical at local level, and Social Finance have worked hard to identify areas which share its commitment to high quality implementation and improving outcomes for people with mental and physical health conditions. As outlined earlier, a significant proportion

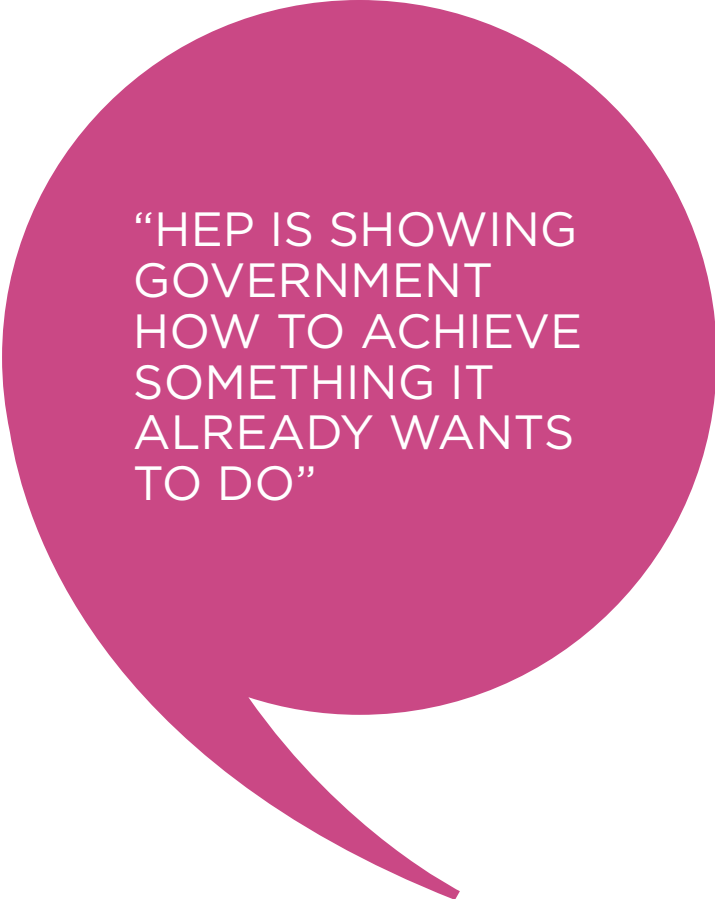
of Social Finance's support for programme delivery has focused on brokering stronger local relationships to build a more enabling and supportive context.

The external context doesn't stand still either. As Social Finance developed its work, it continued to stay engaged with the wider system, so that as new opportunities arose, it was well positioned to take them. This is what has allowed HEP to respond to the new policy context within NHS England and support the national rollout of IPS.

*“Social Finance was holding the ring at the time that the policy gears were starting to align.”*

**EXTERNAL STAKEHOLDER**

Indeed, with growing policy attention to the issue of older workers, Social Finance has recently re-engaged with DWP – showing the value of continuing to monitor the wider context for change. The challenge is to maintain a position in the meantime, sometimes for years, to be able to take these opportunities as and when they eventually arise. The HEP experience demonstrates that strategic flexibility is one way to sustain the necessary momentum and capacity, while always keeping an eye on the bigger prize.



“HEP IS SHOWING  
GOVERNMENT  
HOW TO ACHIEVE  
SOMETHING IT  
ALREADY WANTS  
TO DO”

## Conclusion

The HEP story demonstrates the potential of a 'portfolio approach' to impact at scale. While there is still much more to do, Social Finance has made an enormous contribution over the last five years to the growth of IPS and similar 'health-led' approaches to employment support.

This approach is less a specific strategy for scaling like those described in other case studies in this series, and more a way of working.

At its heart, it is about strategic flexibility and creativity in response to the changing opportunities and levers for change in the external context, while maintaining a consistent focus on the end goal (see lessons 1 and 7).

In the HEP story, one of the main routes to change was demonstrating that it was feasible to deliver a new approach as a commissioned service, and still achieve the same results that had been seen in academic trials (see lesson 2). This is key to Social Finance's model of change – its learning and credibility with the wider system are rooted in effective implementation. Where delivery is central to a portfolio approach, it is important to ensure that interventions are built for scale as well as high performance – to ensure that the new model works, is seen to work and looks like a feasible solution for the whole system (see lessons 2 and 4). The portfolio approach can enable access to additional funding sources, so that the demands of delivery and accountability don't squeeze out the space for flexibility and responding to new opportunities (see lesson 3).

Both effective delivery and making strategic judgements about potential new opportunities rely on highly capable staff who can build strong relationships and partnerships across the systems that you are trying to influence (see lessons 4 and 5). Much of that credibility and trust in turn depends on effective delivery of earlier commitments and programmes (see lessons 2 and 3). It is also essential to keep making the links between delivery and the wider system that are needed for real impact at scale (see lesson 4).

Funding can be a route to build these links, making programmes visible to key policy targets (see lesson 6). Yet it can also pull an organisation in too many directions. While the portfolio approach is a way of managing risk and drawing in a wider range of resources, the key to success will always be to maintain strategic focus on the end goal.

## Learning from HEP – Summary of Lessons

How can organisations pursue impact at scale in a shifting context? The HEP experience suggests a range of lessons and ideas for organisations pursuing a portfolio approach to impact at scale:

### **BALANCE FLEXIBILITY AND FOCUS**

- Consider how to ensure a consistent focus on the end goal
- Individual buy-in and ownership of the end goal is critical, and it can be useful to involve independent people who are committed to the goal but not part of your organisation

### **SHOW THAT A BETTER APPROACH IS POSSIBLE IN PRACTICE**

- Explore how to deliver concrete activities as part of your work, and be deliberate in using these to develop new routes to scale
- Ensure that any programme delivery is effective, investing in quality assurance, troubleshooting and other support for implementation
- Seek ways to deploy support responsively and flexibly to resolve problems and maintain momentum – e.g. a central support team who can work across multiple programmes as needed

### **BUILD FOR IMPACT, FLEXIBILITY AND SCALE**

- Ensure that any programmes you deliver are themselves designed for scale – e.g. by working in multiple sites to create a sense of generalisability and enable more rapid iteration and learning
- A platform approach is a good option for rapid replication of proven models / solutions
- Seek opportunities to deploy the expertise and assets you build up through your own operations in pursuit of other routes to scale – e.g. through an advisory or training offer
- Ensure that management and governance structures enable flexibility and strategic opportunism

### **LINK DELIVERY TO THE WIDER SYSTEM**

- Ensure that you are developing routes to influence the wider system (government and/or market), and linking any programme or delivery activity to these system levels
- Consider how programme delivery contributes to making the case for your approach more widely – e.g. by testing new funding mechanisms, demonstrating that it can be deployed effectively in a range of different contexts, or building the evidence base
- Invest in building networks and relationships at all levels of the system you are trying to influence, from practitioners to policy makers, as well as other influential stakeholders

### **FIND THE RIGHT PEOPLE AND PARTNERS**

- Identify and invest in key individuals who combine entrepreneurialism with strategic focus
- Commit resources to get the right people at every level, including dedicated portfolio leadership

### **FIND THE RIGHT FUNDING MIX TO ENABLE STRATEGIC FLEXIBILITY**

- Use alternative funding streams to create space and momentum for the change you want to see
- Consider how you can target funding streams closer to the systems you want to influence

### **WORK WITH THE CONTEXT**

- Develop and maintain a strong understanding of the policy context and other opportunities and levers for change
- Ensure that the solutions you are proposing are closely aligned to the problems the system wants to address – showing how to do something rather than why
- Maintain your links and relationships at policy / system level, so that you are in position to take advantage of new opportunities as and when they arise

Funders can also support this way of working by the organisations they fund, for example:

- By funding the costs of central support for quality and learning
- By committing resources to get the right people at every level, including investment in dedicated portfolio leadership
- By seeking to fund in ways that complement other funding sources, for example by funding back office costs, or that enable flexibility, for example by avoiding specifying delivery targets

## Annexe: Interviewees

I am grateful to the following people who generously shared their experiences and insights into Social Finance's work on health and employment with me. Any errors of fact or interpretation remain my own.

- Lela Kogbara, Chair, Health and Employment Partnerships Board
- Adam Swersky, Social Finance
- Dr Axel Heitmuller, Imperial College Health Partners
- Ben Jupp, Social Finance
- Elizabeth Caldwell, Social Finance
- Gary Johnson, Social Finance
- Dr Miles Rinaldi, South West London & St George's Mental Health NHS Trust
- Osutaro Kili, Social Finance
- Peter Molyneux, Sussex Partnership NHS Foundation Trust
- Dr Rachel Perkins, IPS London



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