

Supporting People Benefits Realisation Model



The Supporting People Benefits Realisation Model:

- Developed for CLG by Cap Gemini
- Initially national use only
- Now being rolled out locally
- Data in the model is based on the SPLS extracts taken from SWIFT

2. Introduction to the Supporting People Financial Benefits Project

We start by explaining how the national model works...

The model, for each of a set of client groups, compares the cost of:

- existing arrangements (involving Supporting People)
- two alternative provision scenarios.

The alternative provision scenarios for each client group were built on the assumption that, in a world without SP, current clients would get a mix of:

- existing arrangements, with the SP-funded element removed
- alternative residential care arrangements (e.g. nursing care, psychiatric care, rehab etc.)

...it includes the use of two kinds of costing

Costs of **existing arrangements** and the **alternative scenario** include

‘Package costs’: These are the costs associated with providing support (e.g. SP services, Housing costs, Living costs, Social services costs, Benefits administration)

‘Event costs’: These are the costs associated with events that happen to clients (either positive, planned interventions or adverse events e.g. Health interventions, Costs associated with committing or become a victim of crime, Costs associated with becoming homeless (rough sleeping, tenancy failure etc.)).

Example: Drug Problems (1)

For the 30 SP supported households containing people with alcohol problems, the two scenarios are:

The existing arrangement:

100% (30): existing arrangement

Package cost (per household unit):	£15,653	
Event cost (per household unit):	£8,283	
Total cost (per household unit):	£23,936	x 30 = £718,080

An alternative arrangement:

80% (24) Residential care (rehab) **20% (6) Inpatient care**

Package cost (per household unit):	£50,277	£91,684
Event cost (per household unit):	£1,011	£1,011
Total cost (per household unit):	£51,288	£92,695

X 24 = £1,230,912	+	X 6 = £556,170	=	£1,787,082
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Example: Drug Problems (2)

The net financial benefit is £1,069,002:
 $£1,787,082 - £718,080 = £1,069,002$

100% (30): existing arrangement

Package cost (per household unit):	£15,653	
Event cost (per household unit):	£8,283	
Total cost (per household unit):	£23,936	x 30 = £718,080

An alternative arrangement:

40% (24) Residential care (rehab) **20% (6) Inpatient care**

Package cost (per household unit):	£50,277	£91,684	
Event cost (per household unit):	£1,011	£1,011	
Total cost (per household unit):	£51,288	£92,695	
	X 24 = £1,230,912	+ X 6 = £556,170	= £1,787,082

Financial Benefits in Cambridgeshire

Existing arrangements with SP:
Package costs (total): £135,883,630.90
Event costs (total): £45,668,219.20
Total: £181,551,850.10

Alternative arrangement without SP:
Package costs (total): £157,328,305.00
Event costs (total): £56,071,698.50
Total: £213,400,003.50

Net financial benefits with SP:

**£213,400,003.50 - £181,551,850.10 = £31,848,153.40 against a
current expenditure of 12M**

How we have CLG arrived at these figures



These are figures that will vary from local authority to local authority.

So its appropriate to enable local users of the model to edit them to create their own view of costs and benefits.

These figures might vary from local authority to local authority. However in the model, national figures are taken from the research done by Cap Gemini.

3. Ways to use the Benefits Realisation Model locally

- Demonstrate the financial benefits of the SP programme to our partners
- Demonstrate the financial benefits of the SP programme to the LAA

It makes sense to start this conversation by recalling what the local modelling is for

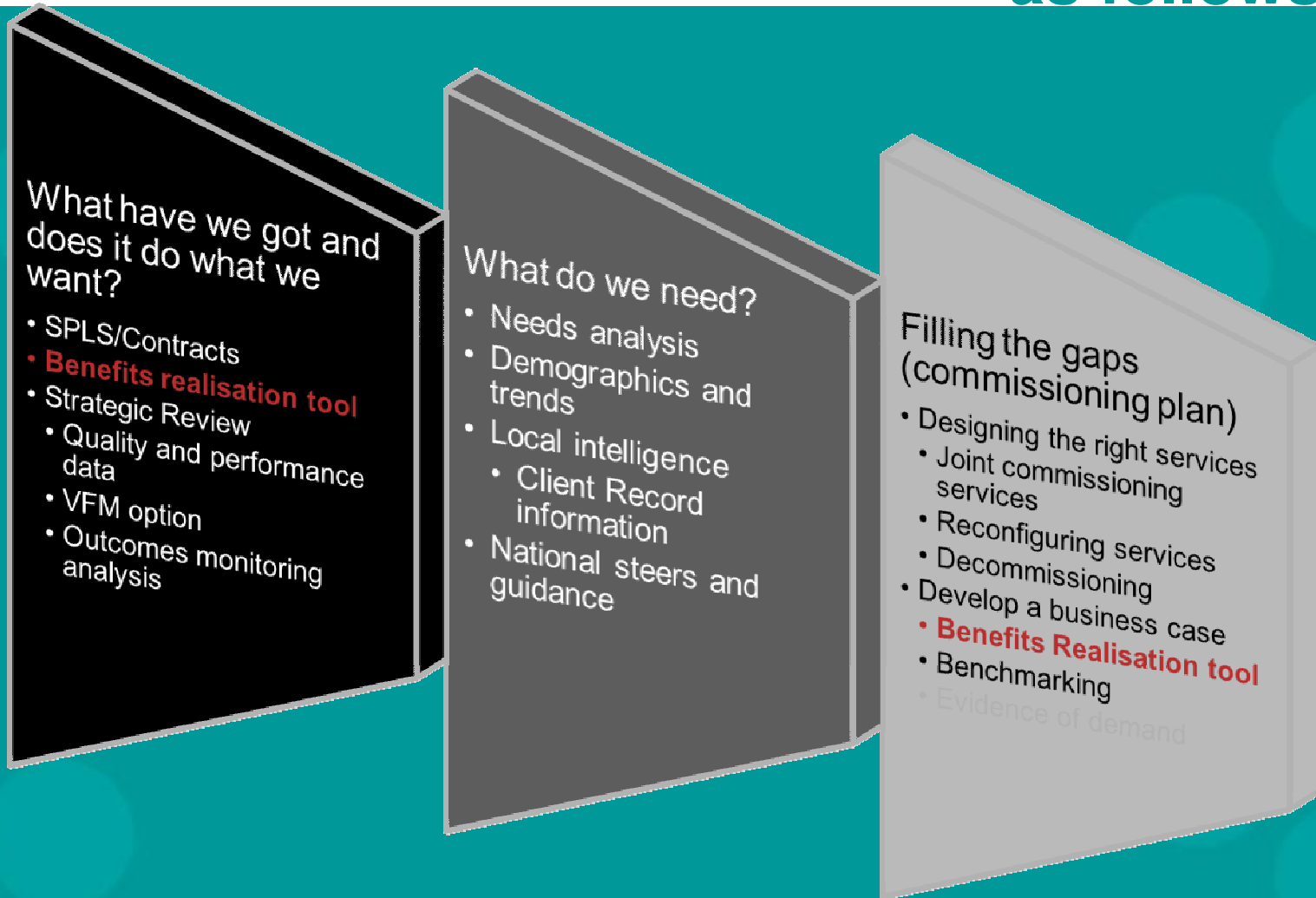
- Local modelling has “offensive” and “defensive” purposes
 - The “offensive” purpose is to allow Authorities to see what they are gaining from using Supporting People services and to help them with commissioning judgements
 - The “defensive” purpose is to allow them to defend these costs to other stakeholders
- To some extent there has to be an assumption that benefits locally are similar to benefits for the national picture

The exact level of benefits that Authorities gain from Supporting People services will depend on their efficiency & their quality of delivery. It is not in the scope of the modelling to support judgements about that.

5. Context of the local model

The context of the local model is as follows

www.communities.gov.uk
community opportunity prosperity



4. Ongoing work at national level

We have established which groups have priority for modelling

- We have discussed priorities with the CLG team and are including these client groups:

People with alcohol problems (Annual spend: £20m*)
Teenage parents (Annual spend: £26m)
Young people leaving care (Annual spend: £14m)
People with physical or sensory disabilities (Annual spend: £33m)

Mentally disordered offenders (annual spend £3m) will be combined with the offenders group, and the data revisited where information allows.

- If time turns out to be available we will also cover:

Rough sleepers (Annual spend: £15m)

- The following are considered to be lower modelling priorities:

HIV/AIDS (Annual spend: £3m)
Refugees (Annual spend: £15m)
Generic (Annual spend: £67m) – [not modellable]

6. Feedback, comments & suggestions

The following remain for us to do

- Questions that remain:
- Where does the data come from/what are the assumptions based on?
- What about those groups where there is not financial gain, e.g teenage parents?
- The current model uses local SP costs but national costs for other services, e.g. health and crime costs. Will we need to use local costs for all to win partners over?