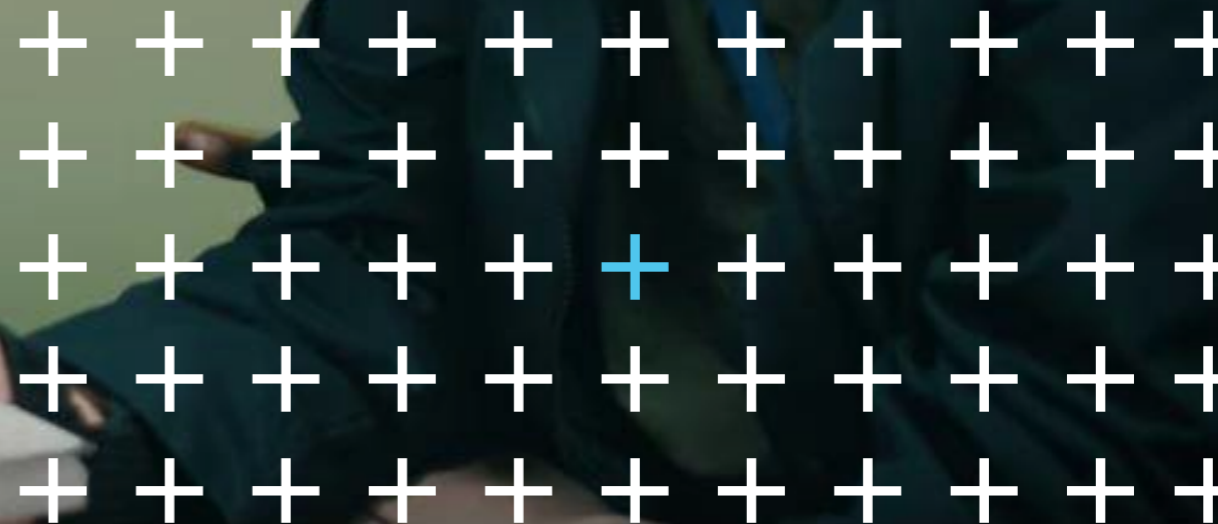


How we are using data and performance management to gain efficiencies and enhance impact in delivery

Impact Bond Working Group



'Social Outcomes Contracts'

Creating an environment for **Flexibility** and **Accountability** in public contracting

Traditional Government contract

- > A minister / councillor wants to address a problem
- > A civil servant researches the issue, and writes a detailed specification for a service
- > An organisation bids to deliver the specification
- > Civil servants audit periodically that the service is delivered according to the specification
- > Payment is made by Government for the inputs defined in the specification (e.g. staff, offices, etc), **regardless of the performance** of the service
- > £7.6m budget, target 400 housed = **£19k pp** if target hit
- > = £38k pp if only 200 successfully housed

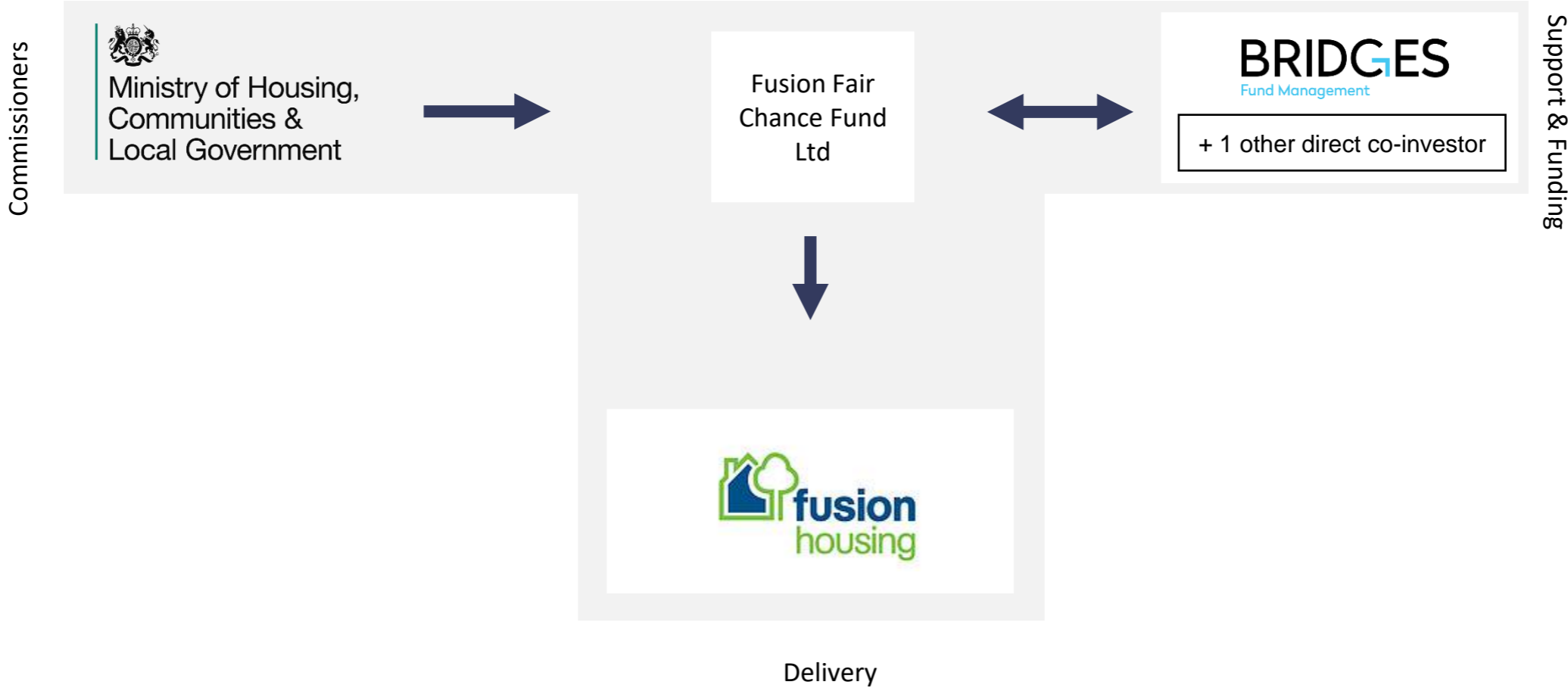
Social Outcomes Contract

- > A minister / councillor wants to address a problem
- > Civil servants define what success looks like, then invite local experts to design their own service
- > Local teams design a project to aim for success
- > Local team and civil servants work in partnership throughout the project, trialling different ideas
- > Payment is made by Government **if and only if pre-defined success metrics are achieved** – which drives accountability to find effective and efficient solutions
- > £1.8m budget, target 200 housed = **£9k pp payment**
- > = £0.9m total cost if only 100 successfully housed



Fusion Fair Chance – Case Study: Sam
Bridges Social Impact Bond Fund I

The Fusion Fair Chance Fund project (invested in by the first Bridges Social Impact Bond Fund) performed well



Kirklees has launched the UK's biggest SOC so far, to help vulnerable adults with housing needs and related issues



So what are the important features?

1

Structure
enables
scale

2

Strong central
team

3

Focus on long
term outcomes

4

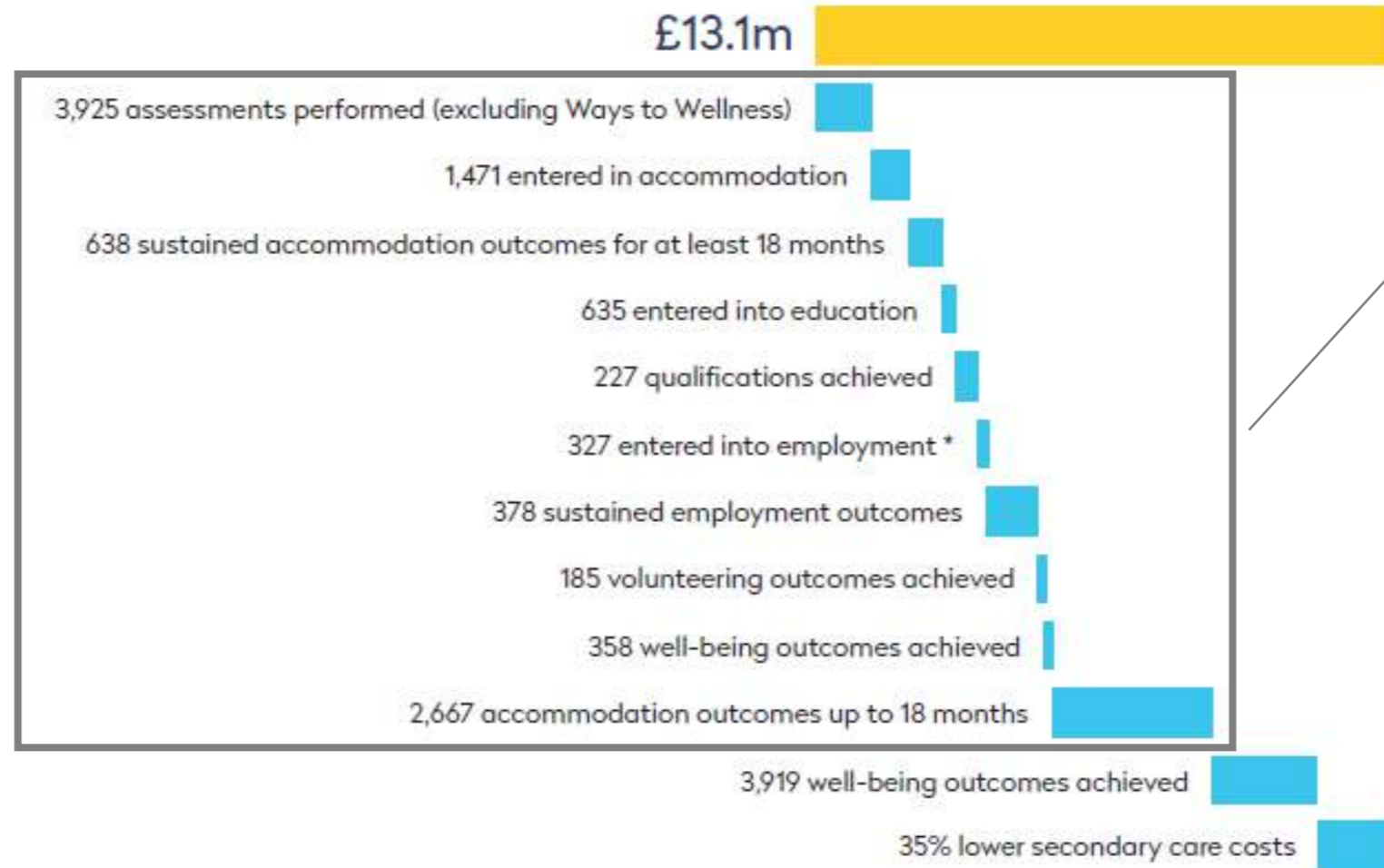
Data and
analysis
enables better
outcomes

5

Build capacity
within Delivery
Partners














Homelessness outcomes achieved

Adults



£9.0M payments for helping 1,471 people enter accommodation and make broader wellbeing improvements

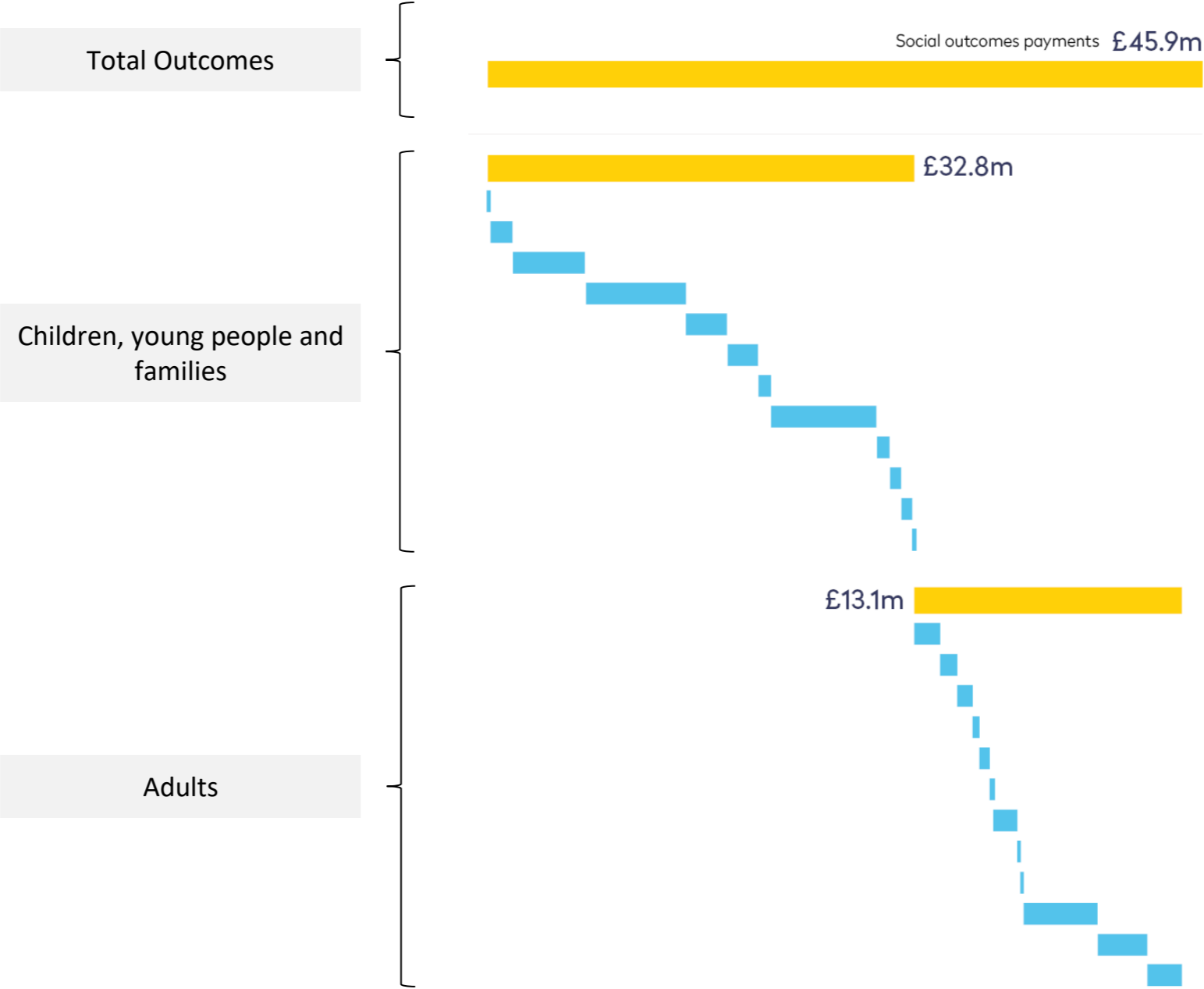
Our approach builds on traditional Government contracting in three important ways:

1	Create more personalised services focused on improving people's lives		
2	Enable delivery teams to continuously innovate and improve their service		
3	Invest in delivery teams to drive better success rates		
4	Use data and technology to drive efficiency and innovation		
5	Co-create services with end-users, front-line staff and experts		
6	Involve the local community in the solution		
7	Coordinate with other relevant services		
8	Agree success metrics that drive better outcomes and better value for Government		
9	Ensure participants' voices are heard when evaluating the service		
10	Invest in proper evaluation and knowledge-sharing		

The £53m of outcomes achieved to date are estimated to have a short-term value to government of £90m (as at 30 Dec 2019)



Social outcomes payments





Q&A