Supporting economically wise social investment and early intervention in Swedish local authorities and regions

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Agenda

- Our mission
- Social investment
- Conclusions
Creating coordinated mental health services in Sweden

- Agreement between Ministry of Health and Social Affairs and SALAR to support development of mental health services at regional and local level
- Agreements since 2008
- 2015 focus is on
  - Disseminating previous work and tools
  - Intensive case work
  - Planning for long term strategy on mental health in Sweden
The real picture!
2 million children in Sweden

3-6% needs specialized care

20-30% needs special support in school, by first line health care and/or social care

Everybody needs good parents, schools and general prevention

Specialist service

First line care

General level
Our vision: A synchronized system

- Children, youth (+ parents) in focus
- Universal + targeted
- All necessary sectors
- Horizontal collaboration
- Vertical coordination

We also need all potential formal and informal service providers...
Current themes in our project

- Mental health in schools
- First line of mental health services (indicated problems)
- Coordinated services for those in need of specialised interventions from multiple actors
- Social investment!
Agenda

- Our mission
- Social investment
- Conclusions
What is social investment?

- A social investment is a:
  - Well-defined (early) intervention that leads to better outcomes AND lower costs for public sector (and society)
  - Early in age or in process
- Relates to ‘business as usual’ and implicates inefficiencies in current services
  - Supply
    - Wrong/insufficient
    - Under dimensioned
  - Organisation
    - Lack of incentives/silos
    - Inadequate matching of demand and supply

http://streamio.com/api/v1/videos/536b25115b90359739000372/public_show
A well-defined intervention:

- Content
- Extent
- Criteria for fidelity, process indicators
- Expected outcomes/effect are clear and measurable
Two aligned perspectives

- System perspective
  - More efficient public sector
  - Need for new methods and innovation
  - Release/redistribute financing streams

- Human perspective
  - Meet needs
  - Decrease inequalities in health and wellbeing
  - Compensate risk groups
  - Maximize individual potential
Invest now for lower expenses in the future

Cost

Time

Current expenses

Future savings

Future expenses

Time

Swedish Association of Local Authorities and Regions
Social investment – a new practice

- Cross sectorial analysis
  Results and gaps in the organization?

- **Identify interventions that can improve results**
  Stimulate new ideas, use evidence and design intervention adapted to local practice

- **Assess the effect on target groups**
  Short and long term effects including economic outcomes

- **Structure for project phase**
  Clear targets and continuous project management

- **Follow-up and evaluate**
  Fidelity - are planned activities happening, is everyone in the target group included, what are the effects? How does the effects compare to those of the control group?

- **Scale up and implement in ordinary services**
  Successful interventions are integrated into ordinary services
Social investment – requires organisation

- **Cross-sectorial perspective in strategic development**
  Counterweight to ‘silo mentality’ in operation of ordinary services

- **Reservation of financial resources**
  Centrally allocated financial means reserved for cross-sectorial social investments pools risk higher up in organization and promotes strategic development of welfare services
What organization?

http://psynk.se/download/18.2ec9551814855cd716b3bc33/1410954042707/NY_Psynk_guide_EN-LR-130125_webb.pdf
Management - active ownership

KONTEXT

Sociala investeringsprojekt

Aktivt ägarskap

Lärande utvärdering

Prestationer och kunskap

Effekter

Effekter

Effekter

Effekter

Swedish Association of Local Authorities and Regions
Economic model – social investment fund

- Virtual fund – reservation of resources from the operating budget
- Called investment but not accounted as an investment – due to accounting legislation
- Signal value
  - Long term
  - Cross-sectorial
  - Not traditional project financing
Financial model 1 – without repayments

Example 1: Pooled budget

Contributors: Local authority, Region, Other sources

Distribute funding to interventions:
- Interv. A
- Interv. B
- Interv. C

Implement, follow-up and evaluate:
- ✓ Target 1: Outcome
- ✓ Target 2: Outcome
- ✓ Target 3: Outcome

End intervention:
- Integrate to regular operations

Illustrative
Financial model 2 – repayments to the fund

Example 2: Investment fund

Contributors
- Local authority
- Region
- Other sources

Investment fund

Distribute funding to interventions
- Interv. A
- Interv. B
- Interv. X

Implement, follow-up and evaluate
- 50
- 50
- 50
- -100

End intervention
- Integrate to regular operations
- Investment fund
- Financier

- Follow-up and evaluation with equal concern of social and economic outcomes (e.g. savings for involved actors)
Investment fund in practice

Example of refunding plan (from Örebro), KSEK

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<thead>
<tr>
<th>Year</th>
<th>Department of skills and employment</th>
<th>Department of social services</th>
<th>Department of disability services</th>
<th>Department of education</th>
<th>Department of culture and leisure</th>
<th>Social investment fund</th>
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Analysing results and gaps

http://psynk.se/download/18.2ec9551814855cd716b3bb8d/1410952945540/Oversikten_EN-HR-130125.pdf
LOGIC MODEL – designing an intervention

Struktur för effektutvärdering & programtrohet

MODELLEN IFYLLDES

1. Långsiktiga effekter
   Vilka långsiktiga effekter förväntas projektet ha?

2. Resultat/utfallsmått
   Vilka resultat vill vi förändra eller uppnå med projektet? Med vilka utfallsmått kan vi mäta resultaten?

3. Aktivitet/insats
   Vilka aktiviteter/insatser genomför vi under projektet för att uppnå förväntade resultat? Hur ofta? Av vem?

4. Processmått
   Processmått: Kan vi mäta utförandet och delresultat för aktiviteterna? Tid för aktivitetens förberedelse, genomförande och efterarbete? Deltar avsedd målgrupp i aktiviteten?

5. Input
   Vilka resurser kommer projektet att kräva? Hur fördelas dessa på aktiviteterna?

KAUSALETITEN
Follow-up and evaluating

- One of the key challenges
  - Not common practice
  - Weak support from administrative systems and routines
  - Confidentiality – difficult to share data between services
  - Lack of competence

- Guide for evaluation
  - Setup of a structure for evaluations
  - Design of effect study
    - Reflexive comparison, matched control, randomised control
  - Economic evaluation – cost-effectiveness and cost-benefit
Guide for effect evaluation

Four phases of evaluation
1. Planning
2. Project – data collection
3. Analysis – effect size and cost benefit
4. Communicate and use results for policy making!
RANDOMIZE EVERYTHING

Controlled trials are shedding light on human behavior—and how to nudge it in a positive direction.

http://www.wired.com/wiredscience/2013/11/jpal-randomized-trials/
Example of effect evaluation 1

Intervention for children in family care
- Assessment of skills
- Intensive training, math and language skills

Effects:
- Improved educational outcomes
- Lower costs for social care services compared to control group
Example of effect evaluation 2

Intervention for immigrant families with economic support
- Skills matching and traineeship within local authority

Effects
- 44 percentage points reduction of households with support compared to control

<table>
<thead>
<tr>
<th></th>
<th>Intervention group (30 people)</th>
<th>Small comparison group (30 people)</th>
<th>Large comparison group (394 people)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proportion women</td>
<td>53%</td>
<td>47%</td>
<td>46%</td>
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<tr>
<td>(September 2012)</td>
<td></td>
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<tr>
<td>Average number of children in household (September 2012)</td>
<td>2,19</td>
<td>2,56</td>
<td>2,44</td>
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<tr>
<td>Average age of adults</td>
<td>37,10</td>
<td>37,50</td>
<td>41,33</td>
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<tr>
<td>(September 2012)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decrease in number of households with economic support</td>
<td>74 %</td>
<td>20 %</td>
<td>30 %</td>
</tr>
</tbody>
</table>

http://www.norrkoping.se/vardomsorg/arbetsmarknadsatgarder/anstellungar/servicetrainee/
Action 2015 – social investment

- Best practice/role models in social investment
  - Needs assessment
  - Stimulating new ideas
  - Intervention design
  - Internal evaluation competence
  - Communication within organisation
  - Unit costs
  - Scaling up/implementing
Over 50 local authorities and regions works with social investment*

- 1.3 billion SEK/€140 million reserved
- New model - majority 2012 or later
- Plans and discussions in another 87 local authorities and regions
- Stockholm made decision in 2015, 300 million SEK

*Survey made in summer 2014 – 265 of 310 respondents
Agenda

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Part of international trend

- Social Impact Bonds
  - UK
  - US
- Pay for results
- Evidence based practice
- Effect evaluations
Unique to have local authorities social investment ‘funds’

- Other countries and cities are studying Sweden
Social investment is demanding

- Social investment challenges current practices
  - Silos
  - Short sighted economic planning
  - Lack of structure for developing services
Local level needs national support!

- Effective interventions
- Implementation
- Evaluation
Social investment to improve the "Nordic model"?

BCG: Vitalize public sector!

- Instill measurements of productivity
- Focus on outcomes
- Value-based approach for evaluating public sector performance
- Given the size ... small improvements would have significant positive impact on overall economy

7. Revitalize the public sector. The public sector needs to be revitalized further in order to minimize the impact of lower public expenditure on the quality of public services. To do so, we need to **instill measurements of productivity** and focus on the outcome of our public services. This could be achieved by developing a **value-based approach for evaluating public sector performance** (that is, measuring public services on the basis of outcomes rather than just focusing on inputs/costs) in key services areas such as health care, education, and public order. (An example would be the development of value-based health care in Sweden.)

Also, the public sector could benefit from lean methods, digitization (as in Denmark), and being exposed to greater competition. **Given the size of the public sectors in the Nordics, even small annual productivity improvements would have a significant positive impact on the Nordics’ overall economy.**