FUNDS, BONDS AND CONTRACTS - METHODS TO REALISE THE PROMISE OF PREVENTION ECONOMICS?

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I-CIRCLE (**I**NTERNATIONAL **CI**TY AND URBAN **R**EGIONAL **CO**LLABORATIV**E**)

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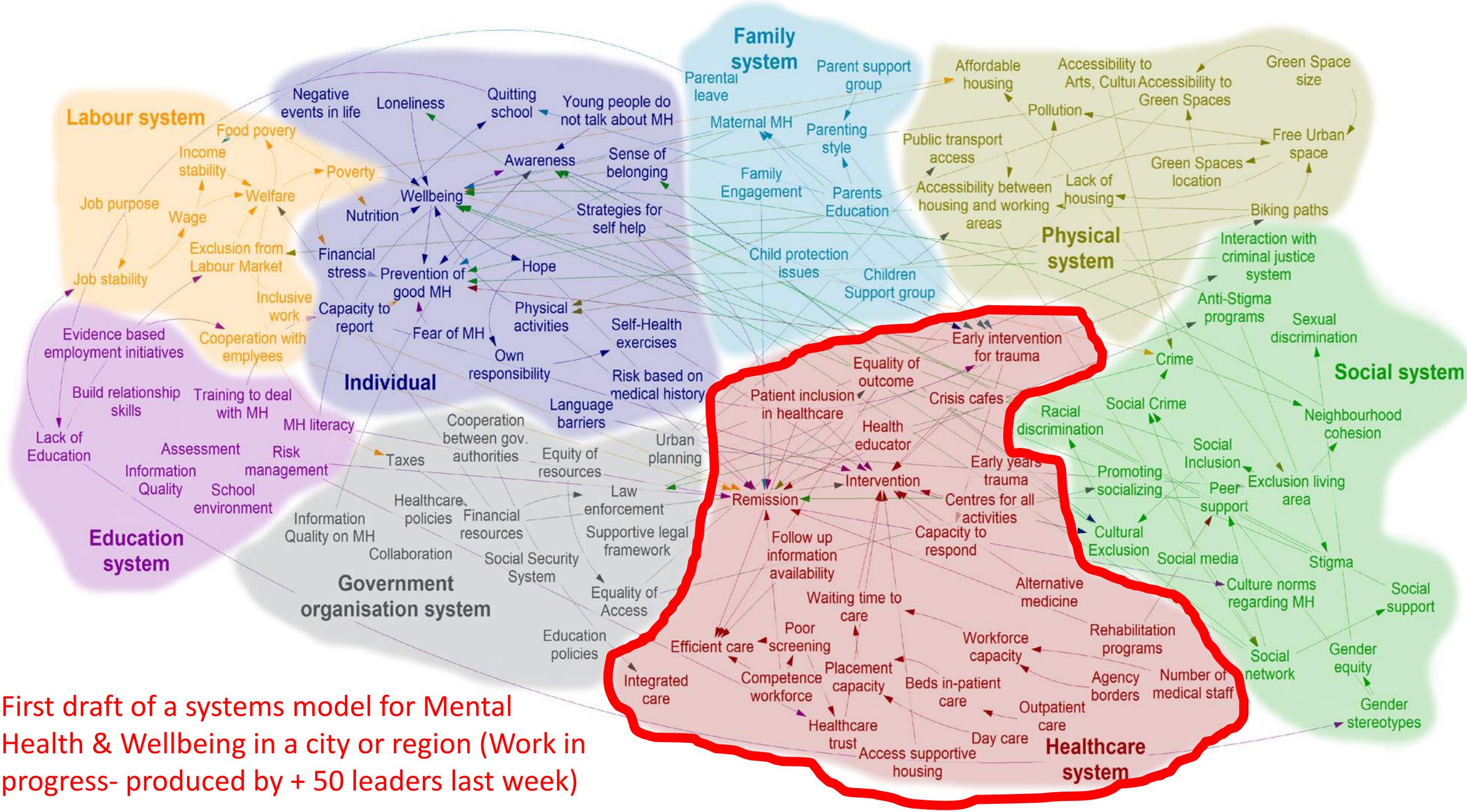
THE NEED IS UNDISPUTABLE

improving mental health is vital to both economic growth and happiness and “could be the most important single step forwards [economically and socially] in the 21st century” (Layard, 2013).

WE SPEND RESOURCES

- We already spend at least 4% of GDP on Mental Health (OECD, 2014)
- This figure will increase dramatically
- Three similar pieces of the investment pie
  - 1/3 = direct health & social care provision

2/3 are ”hidden resources”



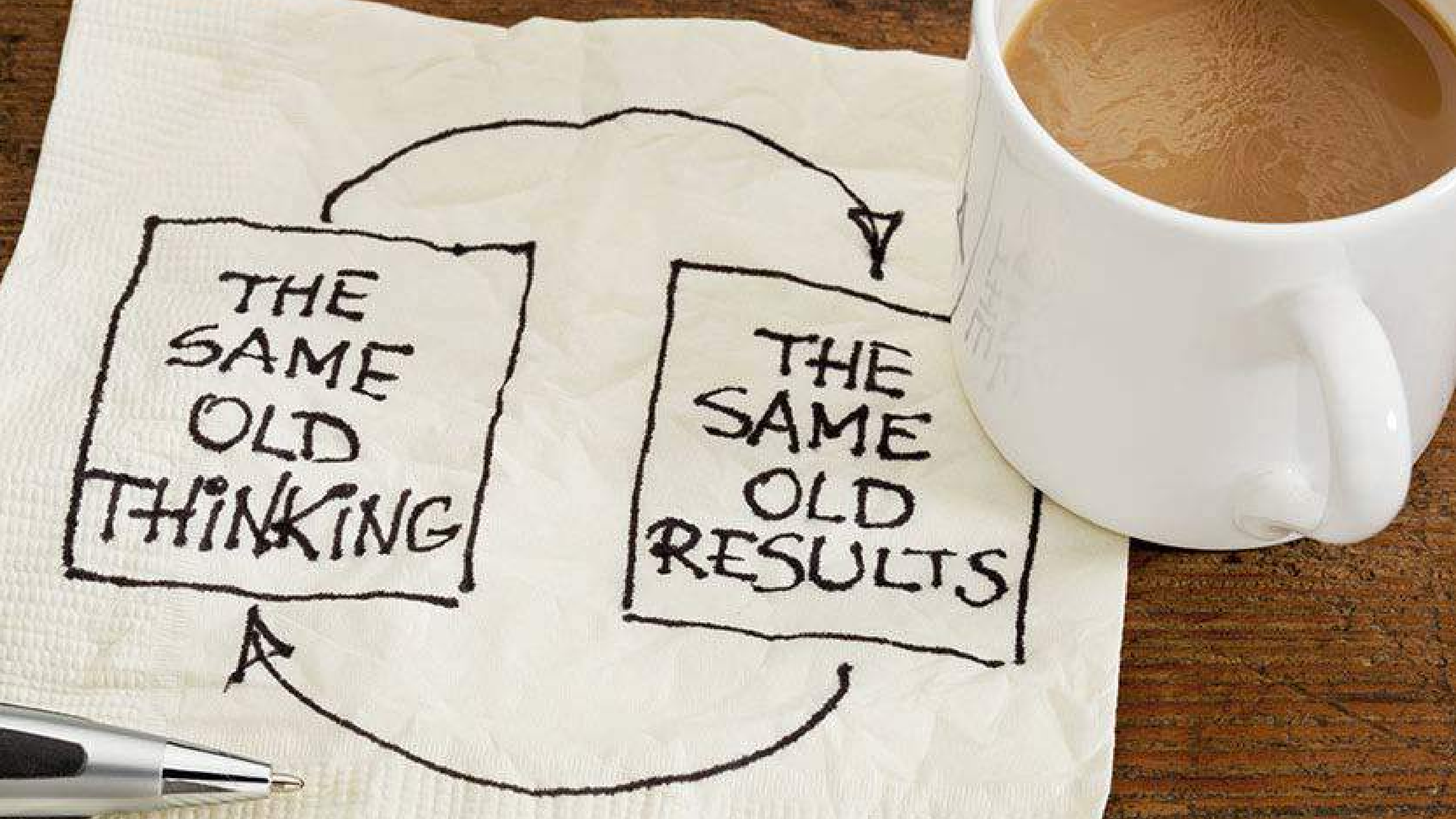
First draft of a systems model for Mental Health & Wellbeing in a city or region (Work in progress- produced by + 50 leaders last week)

Healthcare systems contribute 20%

Healthy life

Source: *Public Health England*


1 NO POVERTY
2 ZERO HUNGER
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
THE GLOBAL GOALS
For Sustainable Development
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
14 LIFE BELOW WATER
15 LIFE ON LAND
16 PEACE AND JUSTICE STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS


THE SAME OLD THINKING
THE SAME OLD RESULTS


1 NO POVERTY
2 ZERO HUNGER
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER
6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
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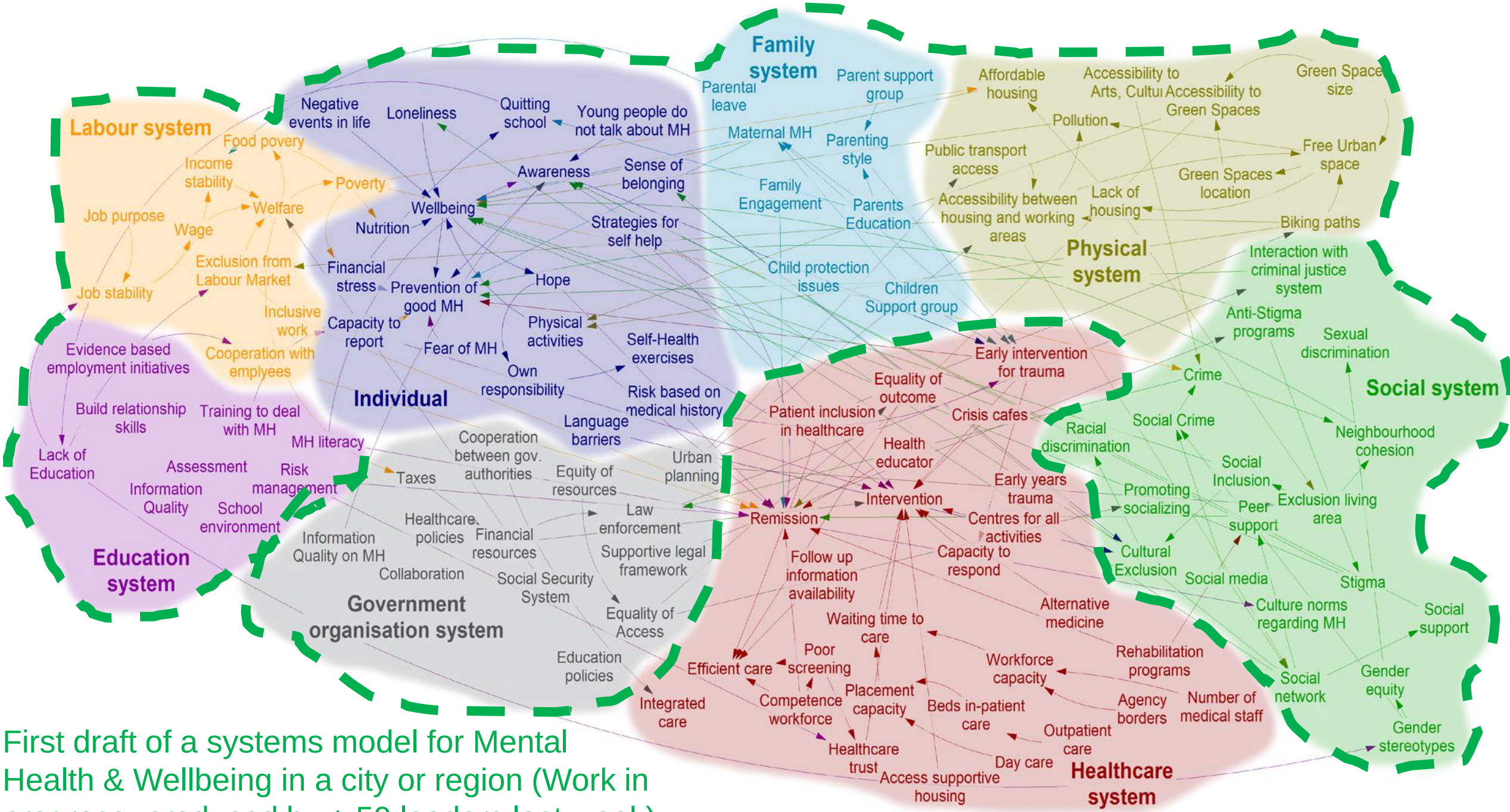
MENTAL HEALTH & WELLBEING



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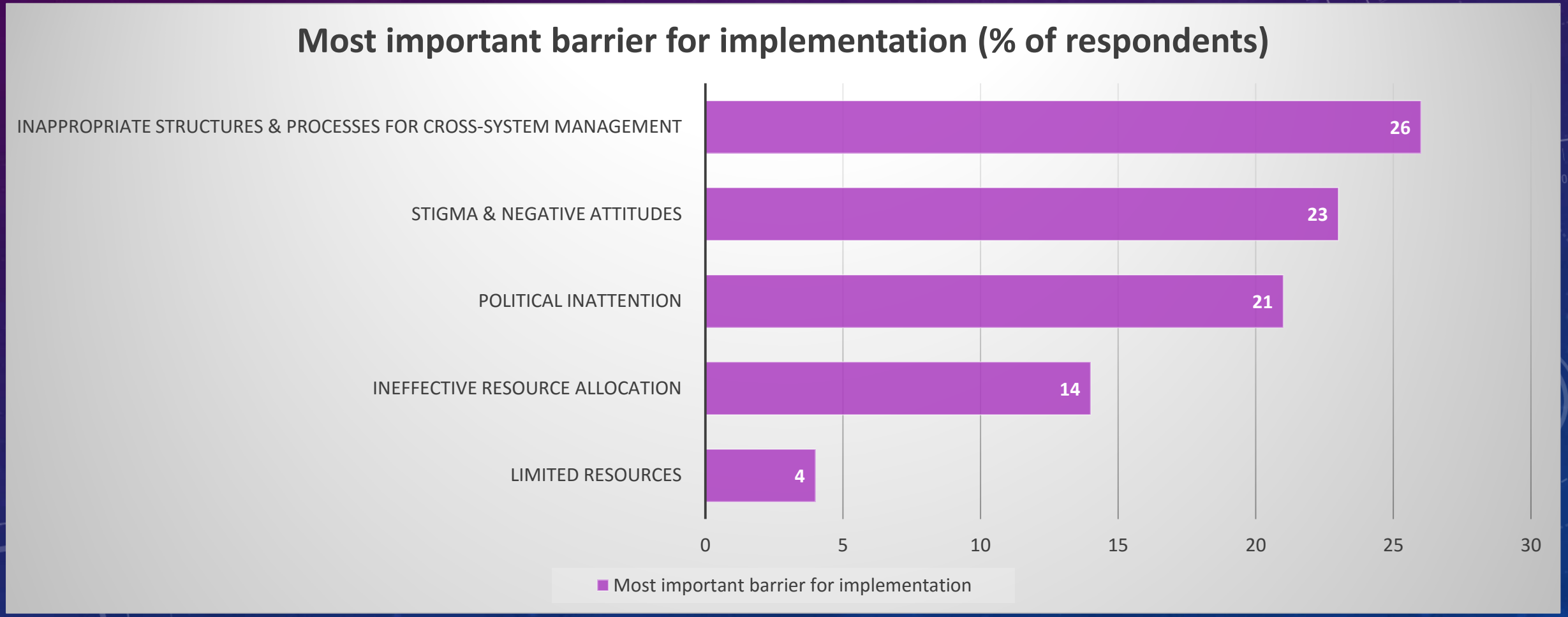
Three critical strategic shifts (OECD, 2015)

1. shift in **when** to intervene - Policy should focus on prevention, early identification, and early action
2. shift in **how** to intervene and **what** to do – Redefine incentives, obligations and procedures from scattered and contradictory to coherent and focused on shared outcomes
3. shift in **who** needs to intervene - Everyday settings are often best placed to help people early

WHICH IS THE MOST IMPORTANT BARRIER TO IMPLEMENTATION OF AGENDA 2030 AND THE SDGS?

(ACCORDING TO + 400 MENTAL HEALTH & DISABILITY LEADERS - MAY 31ST)



PUT IT FRONT AND CENTER!

improving mental health is vital to both economic growth and happiness and "**could be the most important single step forwards [economically and socially] in the 21st century**" (Layard, 2013).

ACT SMARTER!

- 70% of a Swedish local or regional authority budget is welfare & education
- Three similar pieces of the investment pie
  - 1/3 = direct health & social care provision

2/3 are "hidden resources"

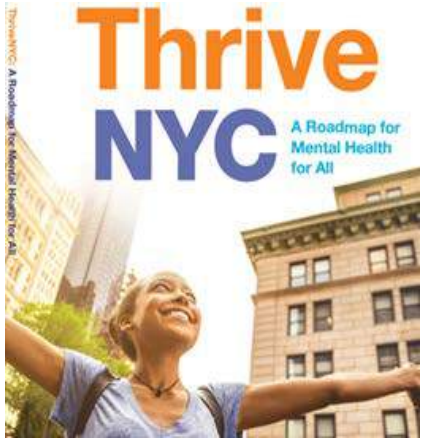
Thrive LDN

Are we OK London?

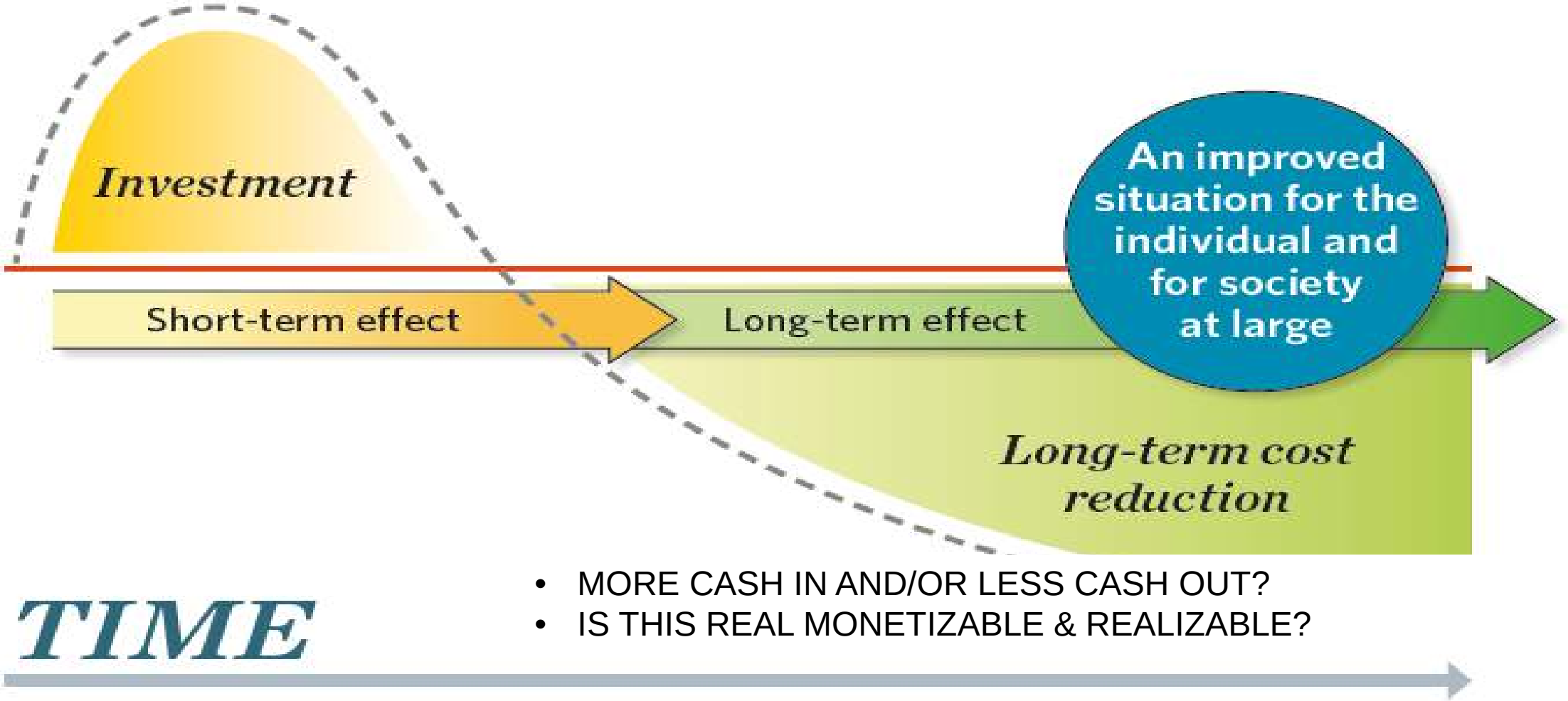
Thrive LDN: towards happier, healthier lives.

Join the conversation
#OKLDN
@ThriveLDN
thriveldn.co.uk

UPPDRAG PSYKISK HÄLSA
Stockholms län



The invest to save principle



- MORE CASH IN AND/OR LESS CASH OUT?
- IS THIS REAL MONETIZABLE & REALIZABLE?

Functions in a social investment system

Challenge
Clearly defined with measurable social and economic outcomes

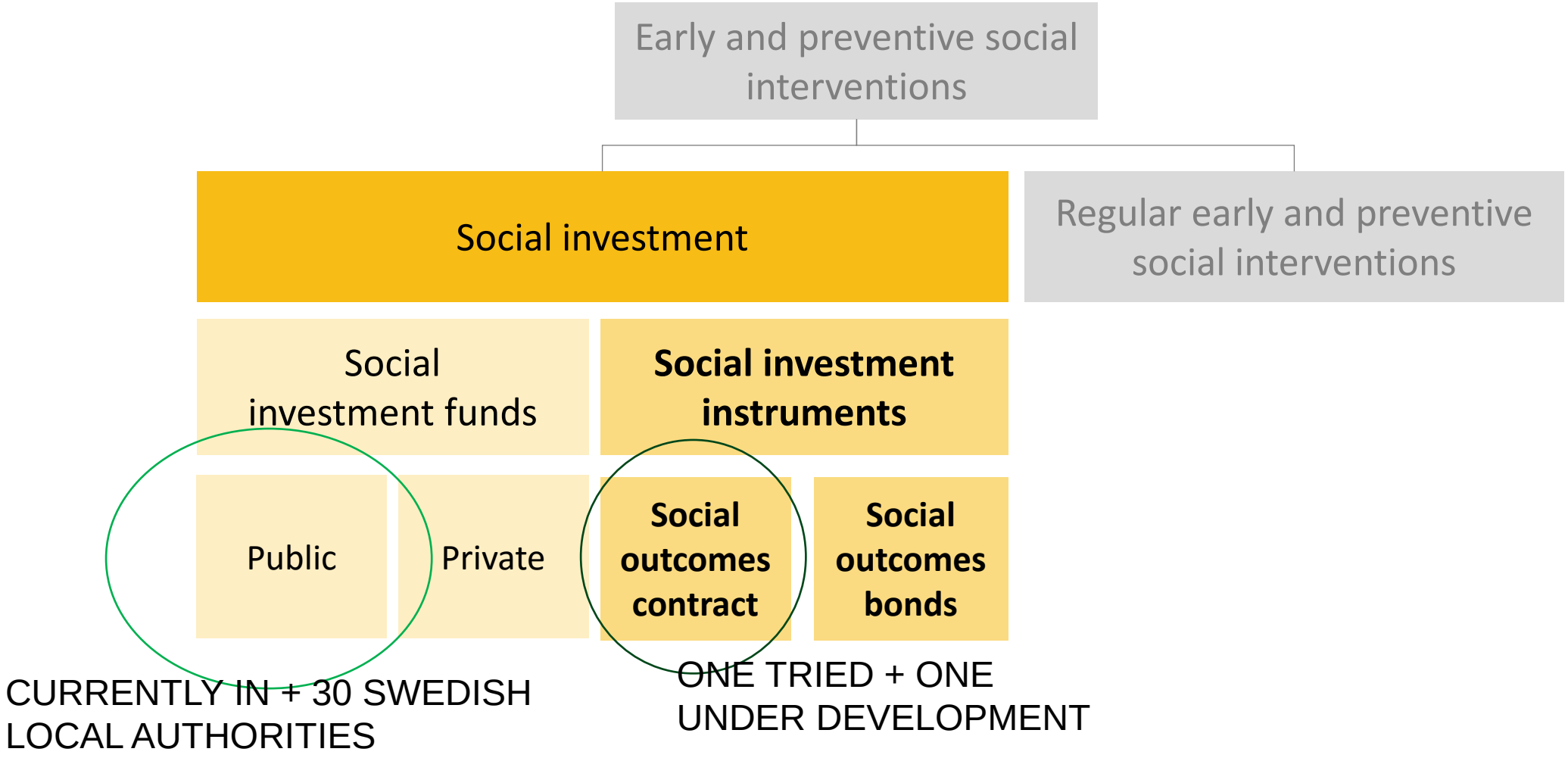
Service that improves outcomes
Clearly defined set of services that can improve outcomes

Funding the extended service

How can the 3 strategic challenges be overcome?

- Invest to save
- Manage interdependence
- Monetizing effects

*A social investment is **an early or preventive intervention** that is expected to result **in better outcomes and lower costs** for the public sector (and society)*




What each of us
account for COUNTS

THE ECONOMIC CASE FOR PREVENTION & PROMOTION IS SOLID! BUT…

Top 5 programs for total return on investment	ROI
Socio-emotional learning programmes to prevent conduct disorder	83:1
Bridge safety barriers to prevent suicide	55:1
GPs given training courses in suicide prevention	44:1
Services to intervene early in psychosis	18:1
School-based interventions to reduce bullying	14:1

…WHY DON´T WE DO IT AT THE SCALE NEEDED?

”DIAGONAL ACCOUNTING” – SEING INCENTIVES IN 3D (MARTIN KNAPP, LSE)

ROI in total 83:1

NHS SOCIAL EMOTIONAL LEARNING EXAMPLE

WHO GAINS?

WHEN & HOW?

WHO PAYS?

Tab[illegible]s per child through social and emotional learning pr[illegible]
(20[illegible])

	Year 1 (£)	Year 5 (£)	Year 10 (£)
NHS	-39	-751	-1,148
Social Services	-4	-13	-23
Education	-26	-135	-186
Criminal Justice	-14	-1,139	-1,849
Public sector total	**-83**	**-2,038**	**-3,206**
Voluntary Sector	0	-4	-8
Victim costs (crime)	-30	-3,164	-4,912
Other crime costs	-12	-1,295	-2,038
Other sector/individuals total	**-42**	**-4,463**	**-6,958**
Total pay-offs	-125	-6,501	
Cost of intervention	132	132	132
Net costs/pay-offs	**7**	**-6,369**	**-10,032**

KEY CHALLENGES

WHO?
- Actor-specific business cases

WHEN?
- Investments come before outcomes

HOW?
- Making the savings real


THE VITAL
CONSIDE
11. DEFINITION.—A
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WE SHOULD ARTICULATE THE INTERDEPENDENCE!

MENTAL CAPITAL & WELL-BEING - A SHARED SOCIETAL ASSET

FACILITATING INTERSECTORAL ACTIVITY

Challenge	Response
Limited awareness of benefits to health system of intersectoral actions	Highlight evidence-based short, mid & long-term health system benefits that arise from actions: e.g. **reductions in health & long-term care use**.
Limited incentives for non-health sector to deliver / invest in health actions	Highlight sector-specific benefits of action using their language – **win-wins can help leverage funds & support**
Fragmented funding / responsibility for action	Consider **a range of legal, regulatory and financial mechanisms** to help align incentives

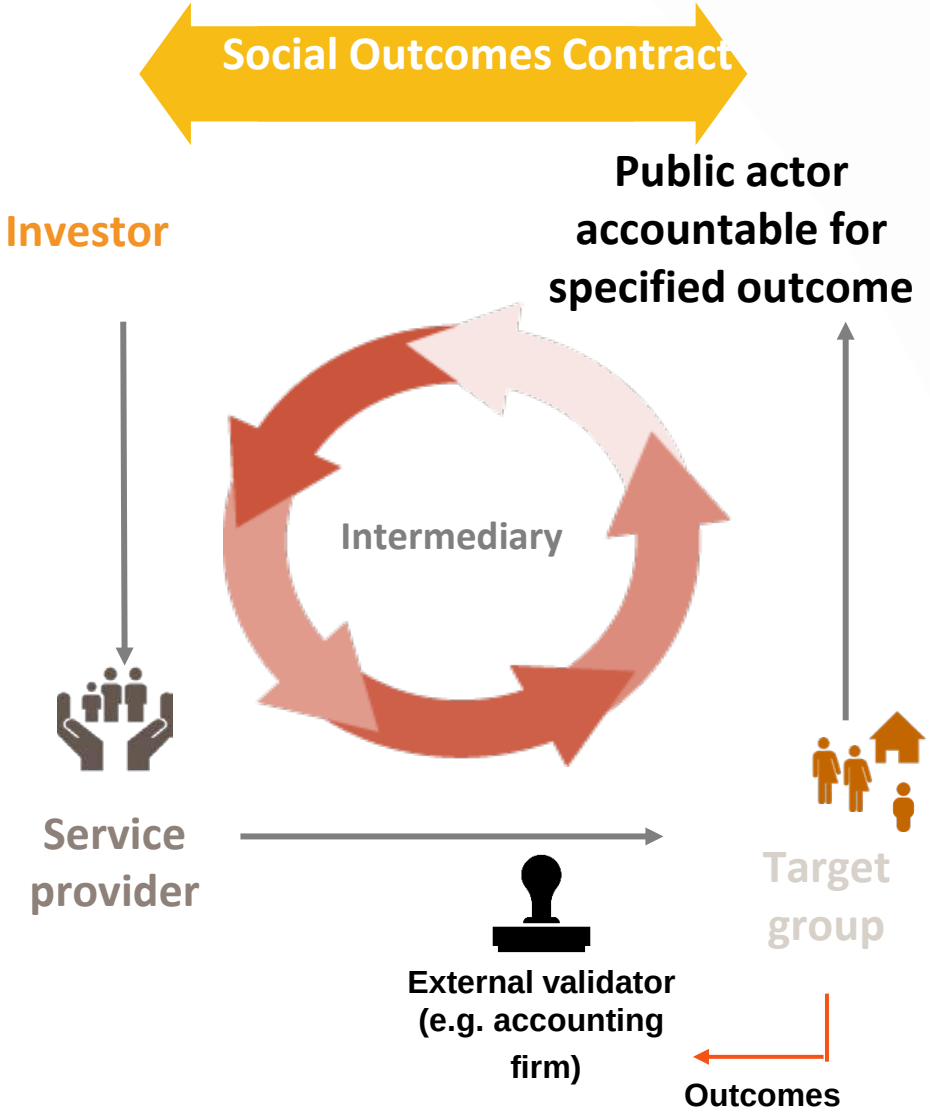
Thanks to David McDaid, LSE!

Roles in a social investment system

Swedish Association of Local Authorities and Regions

ROLES:

- **Target group –** gets better outcomes, through the improved service
- **Investor** – provides the funds and takes most of the risk
- **Accountable for outcomes** – public actor accountable for the outcome – reimburses based on outcomes
- **Service provider –** provides the services to get the outcomes
- **Intermediary** – coordinates the investment system around the outcomes
- **Validator** – provides independent assessment of outcomes



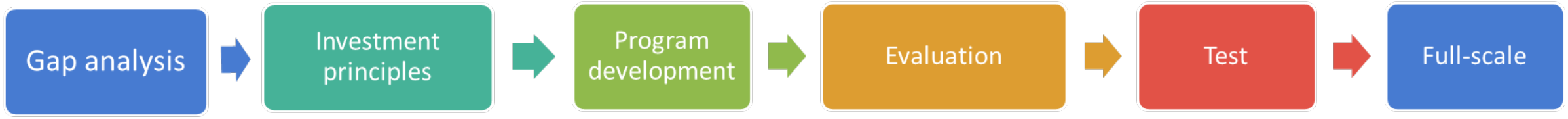
Critical elements to make it work

- Identify some **social investment capital** and how it can be renewed
  - Internal sources with or without payback?
  - External sources?

- Place the fund at the **highest level of decision-making**
  - to optimize for the whole system rather than any specific part of system and to train leaders to think ”whole system first”
  - the broader the reach, the more centrally the fund has to be placed

- Invest in **high quality tehnical assistance** to support all functions and levels throughout all steps

- Conduct comprehensive and rapid cross-.sectoral **needs analysis** city-wide and local to identify challenges systematically



Establishing each investment

- Identify people with **ideas** for solutions
- Help them through a **design process** to turn ideas to programs that can deliver intended effects (content and execution in focus)
- Help them fulfill key **criteria**
    - Effective collaboration to find new synergies (between administrations, NGO´s etc.)
    - Investments are evidence-informed and designed for full-scale implementation and scale-up
- Build an **evaluation model** with realistic (pessimistic) ”invest-to-save” scenarios matched to **each actor** in **each investment**
- **Prepare** the test process
- **Negotiate** requirements and adress **barriers for full-scale implementation** (*Sugai´s law: for every new in – two old are out*)