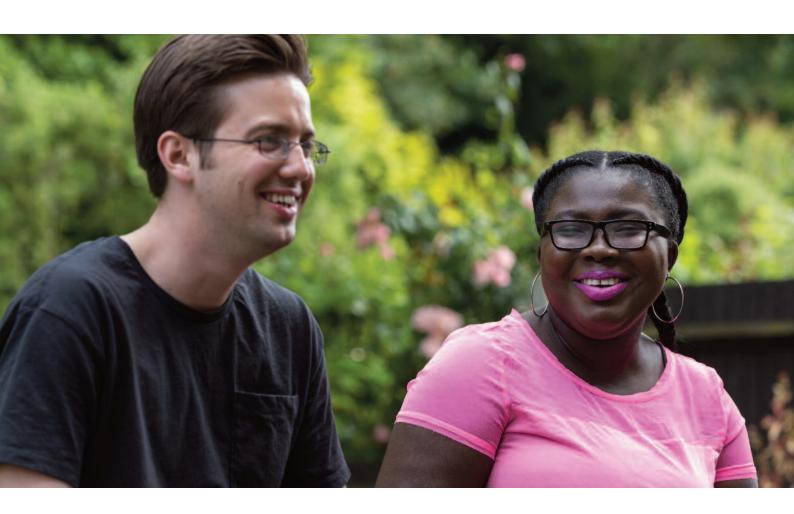


# The financial case for integrated mental health services and supported housing pathways







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## **Foreword**

### from Chris Hampson, Chief Executive Look Ahead

I am pleased to introduce this report from Europe Economics, which looks at the benefits of integrated, community-based mental health services.

Look Ahead commissioned this report and several of our services are highlighted in it. However, it is my hope that the evidence presented here serves as a useful resource for system leaders, clinicians and providers across the country in their work to progress the integration agenda.

The benefits for service users of more integrated service offers are a driving principle behind system development across NHS and social care services. This is true both at a local level, with councils and local authorities working hard to offer better joined up services, and nationally through the priorities outlined in the NHS Long Term Plan. The countrywide network of Integrated Care Systems that will be in place from April 2021 is probably the highest-profile of these and demonstrates the commitment of the government in progressing this work. What I feel Europe Economics achieves through this report is that it makes a significant contribution to the financial evidence base. It is also fundamental to the strategic push towards providing more community-based mental health services. We appreciate that it is based upon a number of assumptions that may be viewed with some challenge. I do believe, however, that it is a contribution that, through my conversations with colleagues, I feel the sector has been eager to receive in order to drive real change. It is particularly relevant given the challenges around funding we will undoubtedly see following the pandemic.

I would also like to thank our partners who commission these services. As the report suggests, our joint commitment to work in an integrated way has a positive outcome for service users as well as delivering value for money for commissioners.

Finally, I would also like to acknowledge the service teams for their invaluable contribution to this report. They are truly passionate about what they do and the level of commitment they show to our customers in these services is exemplary.

While this report focuses on the financial benefits we must always remember that the most important benefits of these services are the improvements in quality of life for individuals. I hope you find this report an informative and enjoyable read. We currently run over 40 mental health services across 18 health authorities and we are looking to expand to new areas and NHS trusts. Please do not hesitate to get in touch if you'd like to explore opportunities or find out more about our offer.

#### **Chris Hampson**

Chief Executive, Look Ahead



# Parliamentary foreword



"The issue of social care is a personal one to me.

Both my parents were nurses. My

father managed residential nursing homes until he retired, while my mother was a deputy sister in a residential home, caring for people with dementia.

Fixing the social care system is one of the main reasons why I wanted to become an MP."

## Paul Bristow MP



"For me the failure of successive government to grapple with the reform of social care is

nothing short of a national scandal. Social care affects many people's lives and will touch most families at some point

"Most people think of the elderly when it comes to care - as indeed has been the case in my own family - but many other younger people and their families are affected too including those with learning difficulties, mental health problems and the homeless.

"We urgently need a national strategy for social care and long term funding which works for everyone".

Claire

**Baroness Tyler** 

#### Joint foreword

For years, the work and extraordinary sacrifices made by those in the social care sector were not properly appreciated by those in positions of influence. It has also been clear for years that a long-term plan to reform social care is urgently needed. These matters have undoubtedly been brought into even sharper focus during the COVID-19 pandemic.

The numbers of people over the age of 65 is rising as is the number of working-age people requiring care and support. As demand for funding increases, no matter how much we prioritise, social care budgets will continue to be a challenge.

The pandemic has shone a spotlight on many of the fundamental problems within the social care system, most of which stem from the absence of a long-term strategy and a severe lack of funding.

Over the past two decades, we have seen at least a dozen government papers on social care reform. Too seldom has there been the political will and financial backing to implement them. Events of the last year show why such reforms have never been more urgent and necessary.

On entering office, the Prime Minister said, "I am announcing now on the steps of Downing Street that we will fix the crisis in social care once and for all." As the government takes forward that agenda is essential to do what is already proven to work.

This report demonstrates the benefits to patients, society and the taxpayer from mental health services integrating medical care, social care and supported housing. It shows this approach can improve the quality of care while also creating cost efficiencies which if scaled up to the rest of England, could generate savings of nearly one billion pounds.

In October 2020, the Health and Social Care Select Committee, published a report urging the government to spend at least £7bn more on social care by 2023-24. The pandemic has taken a major toll on the public finances, but as its Chair, former Health Secretary Jeremy Hunt MP said, "We were even more bankrupt in 1945 when we decided to sort out the NHS." This report shows how savings could be made to facilitate investment in an improved quality of service.

Reform of social care cannot be kicked further down the road. As we emerge from the pandemic, the need for mental health services will grow and the coming months offer an opportunity for reform every bit as profound as the creation of the NHS in 1948.

Building on the proposals in this report, the government must put in place reforms which can command support across the political spectrum, ensuring they stand the test of time.

# **Executive** summary

Europe Economics has prepared an independent analysis of Look Ahead's range of services, addressing the varied needs of individuals with mental health conditions.

This report analyses the benefits and cost savings that can be made with an integrated approach to mental health care which combines the provision of clinical care, social care and housing support.

Our report examines the benefits of Look Ahead's five key housing models – Crisis and Recovery Houses, Rehabilitation services, Forensic step-down, Housing and advice workers and Community-based support. For those services where sufficient data are available, we estimate that Look Ahead's models generate around £5 million a year in cashable savings and non-cash releasing efficiencies compared to hospital-based mental health care. This amounts to a broad average of approximately £60,000 across relevant service users.¹ These savings are driven by avoided hospital admissions, freeing up demand on the NHS, and cost efficiencies generated by Look Ahead. The graphic on the next page describes the services and estimated cost savings.

A key feature of Look Ahead's services is the integration of housing support with clinical and social care, enabling individuals to receive tailored treatment, interventions and care closer to home and within the least institutionalised environment. Appropriate housing is also a vital element in supporting these individuals to develop, regain and retain independence and reintegrate into their communities.

There is extensive evidence in literature of the benefits of integrated mental health care, including improved, lasting patient outcomes and resource efficiencies. There is also growing support for these models, for example the NHS' commitment to integrated care systems set out in its Long-Term Plan launched in 2019, the Mental Health Implementation Plan, and the Community Mental Health Framework for Adults and Older Adults.

The provision of health care services outside hospitals, wherever feasible, helps to reallocate resources and may improve hospital capacity to deal with unexpected health events. The COVID-19 pandemic provides important context for this. Entering 2020, 83 per cent of adult critical care beds were already occupied in England, leaving little room to accommodate the demand spikes brought by emergency COVID-19 cases. The pandemic has also contributed to the deterioration in mental health specifically amongst those with pre-existing mental health conditions, and it may have prolonged impacts on the demand for mental health services. It is widely reported that we will see a spike in the need for mental health services as a result of the pandemic.



<sup>&</sup>quot;Relevant service users" does not necessarily include all users of Look Ahead's services.

For example, aspects of cost savings such as reduced hospital readmissions only considers users at risk of readmission.

The evidence provided in this report suggests that significant benefits could be achieved from the wider provision of integrated mental health, social and housing care for individuals receiving mental health services. We believe that if the subset of Look Ahead services for which we estimate cost savings were rolled out across England, potential savings in the region of £0.95 billion could be realised, which could be redirected to other public health needs. Whilst there are naturally some limitations to this estimate, it nevertheless serves to demonstrate the power of community-based, integrated mental health care services working in partnership with NHS trusts, Integrated Care Services and Primary Care Networks. The commissioning of more integrated services that offer benefits to individuals with mental health needs and to the NHS is a clear policy conclusion in response to the immediate future influenced by COVID-19, and beyond.



Estimated annual savings

#### Crisis and recovery houses

- ► High quality support with clinical input.
- Less time spent in the crisis house than would be required in hospital.
- Lower readmission rates, reducing patient costs over the long-term.
- ► Cost efficiencies enabled by lower bed-day costs.

#### Rehabilitation services

- Specialist support and treatment.
- Accomodation that is safe, supporting and empowering.
- Ocupational therapy services to support individuals' independence.
- Less costly than other long-term mental health rehabilitation services.

#### Forensic step-down

- Builds important life skills and confidence.
- Support provided for individuals with substance misuse issues.
- Lower cost per-stay than in NHS low-secure units.
- Lower recall rates compared with NHS forensic units.

compared to low secure unit/ hospital bed costs

£1.33m

(av. £10k per user)

£530k (av. £48k per user)

£3.15m (av. £143k per user)

£5 million

#### Supporting inpatient discharge

Look Ahead's Housing and Advice Workers (HAWKs) support mental health patients in accute wards to ensure they have suitable housing options following discharge.

- Reduced delays in discharge as a result of housing issues. This can maintain patient flow in hospitals and reduce bed occupancy.
- ▶ Housing support helps to prevent relapses and hospital readmissions. Supportive housing facilitates better recovery.

#### Community-based support

The Independent Living Community Support provided in Tower Hamlets currently supports 186 individuals with varying needs to live independently and to maintain their tenancies.

May reduce the risk of homelessness.

► Helps the transition from points of care to the community.

## 1. Introduction

Europe Economics has been commissioned by Look Ahead to prepare an independent analysis of the benefits of integrated mental health and social care services, with a particular focus on housing.

We analyse the benefits to patients, society and the taxpayer from mental health services integrating medical care, social care and housing such as those offered by Look Ahead, and estimate cost savings compared to more traditional mental health care pathways.

#### 1.1 Context

Integrated health and social care services – in particular those providing out of hospital care – are widely recognised as a means of achieving better outcomes for individuals with mental and physical health needs, and can also be linked with significant cost savings compared to hospital-based care pathways. The launch of the NHS Long Term Plan 2019 (LTP) and the expected publication of the Government's Social Care Green Paper presents a key opportunity for renewed policy discussions around the issues related to mental health care. Some of these issues have been drawn into the light during the 2020 coronavirus pandemic, which has strained the capacity of the NHS to an unprecedented level as well as highlighting the value of services that minimise hospitalisation. The disproportionate mental health impact of the pandemic on those with existing mental health conditions has also emphasised the value of and need for dedicated mental health care delivered in community settings.

#### 1.1.1 COVID-19

The COVID-19 pandemic has exacerbated the pre-existing constraints on the NHS. Even before the pandemic the NHS already experienced high hospital occupancy rates – 83 per cent occupancy of critical care beds in England in January 2020, with many trusts already at 100 per cent.<sup>2</sup> The NHS also entered the crisis with staffing levels that were lagging behind hospital visits and admissions.<sup>3</sup> This has left parts of NHS services perilously close to becoming overwhelmed at points during the pandemic.



- <sup>2</sup> NHS England (2020) "Critical Care Bed Capacity and Urgent Operations Cancelled 2019-20 Data" [online]
- 3 Lee et al (2020) "Medical Labour Supply and the Production of Healthcare" [online]

Unprecedented levels of additional funding were provided to the NHS following the March 2020 Budget to bridge the gap between resources and need.<sup>4</sup> However, the crisis has impacted people's health in myriad ways that additional funding for personal protective equipment and test-and-trace systems will not resolve. The prevalence of mental health conditions is considered to have increased over the course of the crisis, with an equivalent rise expected in the demand for mental health care services going forward.<sup>5</sup> National and local lockdowns confining people to their homes have had imbalanced effects on people with different backgrounds, livelihoods and resources; the largest deteriorations in mental health have been felt by those groups who already had the poorest mental health before lockdowns began. Research by the Mental Health Foundation has found that individuals with existing mental health conditions have been far more likely to express anxiety, panic and hopelessness in response to the pandemic compared with the wider population.<sup>6</sup>

Whilst lockdowns subjected much of society – including some healthcare services – to closure, many social and mental health care service providers – including Look Ahead – continued to provide their services to vulnerable individuals. The continued operation of extra-hospital health services meant that these continued to deliver space savings in inpatient and critical care hospital wards, which was one of the primary objectives for the NHS in mitigating the contagion of the pandemic.

Services that support individuals with mental health conditions outside of the hospital setting, and help those who need treatment in acute hospital wards step-down back into the community, may help the NHS recovery from covid-19 and the vulnerable individuals themselves. Organisations such as Look Ahead may also support efforts to reduce the risk of the pandemic on homeless individuals with its extensive accommodation support and integrated model (e.g. through supporting the transition to independent living following discharge from places of care).



<sup>&</sup>lt;sup>4</sup> See, for example, IFS (2020) "Summer Economic Update: IFS Analysis", 9 July 2020 [online]

<sup>&</sup>lt;sup>5</sup> Karjalainen, H. for the Economics Observatory (2020) "How will the Covid-19 crisis affect the NHS?" [online]

<sup>&</sup>lt;sup>6</sup> Mental Health Foundation (2020) "Coronavirus: The divergence of mental health experiences during the pandemic" [online]

<sup>&</sup>lt;sup>7</sup> Look Ahead (2020) "Coronavirus: Look Ahead running and continuing to deliver all services" 20 March [online]

Letter from Sir Simon Stevens (NHS Chief Executive) and Amanda Pritchard (NHS Chief Operating Officer) to NHS trusts, 17 March 2020 [online]

#### 1.1.2 Integrated mental health care

More generally, within the social care sector, mental health care is prominent. Indeed, in 2007 it was forecast that service costs, which include direct health and social care costs, as well as informal care and criminal justice services could reach £32.6 billion (at 2007 prices) in the 20-year period up to 2026. In 2018/2019 NHS England planned to spend £12.2 billion on mental health. That's roughly one in every ten pounds spent by the Department of Health and Social Care, further demonstrating the importance of expenditure in this sphere.  $^{10}$ 

Since 2014 the direction of travel in the NHS has been towards a more integrated health and social care system, recognising the benefits of integration in terms of efficient resource use and improved patient outcomes. For example, as part of the LTP integrated care systems (ICSs), changes were proposed to further achieve coordination at a local level, including pooling health and social care budgets and enabling the commissioning of new services. Our findings point to the need for integrated services and a focus on partnerships between housing and health to realise better outcomes and savings.

The acute inpatient bed sector in the UK has been forced by high demand to operate at capacity, even exceeding the safety limit of 85 per cent of beds in many hospital trusts. In 2016 researchers estimated that a reduction of one per cent in acute inpatient bed days could imply a conservative saving of £16.5 million; and that a conservative estimate of the cost savings that would be generated in a scenario in which all delayed discharges were eliminated was £54 million. This is just one example of the cost savings implied by integrated mental health, social care and housing support.<sup>12</sup>

Whilst the benefits from integrated mental health and social care are widely accepted, a scarcity of evidence around cash-releasing savings has been published. For example, a review of integrated health and social care in England in 2015 stated that the "expectations that integration will deliver cash-releasing savings, particularly in the short term, have yet to be supported by compelling evidence". There are also concerns about regulatory inhibitors to wide-scale integration, for example as raised by the NAO (National Audit Office).

<sup>9</sup> Paul McCrone. et al., Paying the price – The cost of mental health care in England to 2026, 2008 [online]

House of Lords, NHS and Integrated Healthcare Service, 2018 [https://fullfact.org/health/mental-health-spending-england/]

<sup>11</sup> House of Lords, NHS and Integrated Healthcare Service, 2018 [online]

David Mcdaid and A-La Park (2016), Mental health and housing: Potential economic benefits of improved transitions along the acute care pathway to support recovery for people with mental health needs [online]

Richard Humphries, Integrated health and social care in England – Progress and prospects, 2015 [online]

National Audit Office, Health and social care integration, 2017 [online]

#### 1.2 Aims of the study

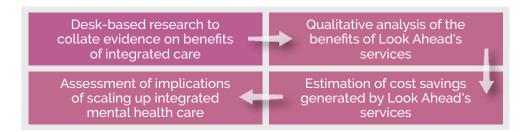
It is within this context that the services of Look Ahead are especially relevant, and an assessment of the cost savings and benefits of integrated approaches like Look Ahead's mental health pathways particularly timely. This report showcases both the cost savings that could be achieved through jointly funding mental health care provision through health and social care budgets – especially including the integration of housing support – and the increased benefits to individuals' experiences and outcomes.

Look Ahead's accommodation based support services are funded through clinical commissioning groups (CCGs), NHS mental health trusts and local authorities. In some services, housing and housing management related costs (including enhanced housing management activities, for example, concierges) are funded through rent and service charges. Again, in some services, residents occupy the accommodation under licence or occupancy agreements. Subject to individual eligibilities, housing related costs are funded by housing benefit. This is in contrast to NHS inpatient and residential care services which are not funded in this way as bed spaces are not occupied under any form of agreement or tenancy and such services therefore bear the full accommodation costs as well as support costs.

#### 1.3 Our approach

We set out the key stages of our approach below:

Figure 1: Overview of our approach



## 1.3.1 Desk-based research and qualitative analysis of Look Ahead services

We conducted an evidence review of sources describing the potential costs and benefits associated with integrated mental health care services, focusing where possible on the integration of housing and accommodation support.

We then mapped the key features of Look Ahead's mental health services onto the benefits covered in the evidence review, to highlight the extent to which findings of cost savings in the literature can be applied to the types of integrated services offered by Look Ahead. We included evidence from Look Ahead that is gathered for funders on the beneficial outcomes of its services.



#### 1.3.2 Estimation of cost savings

There is a range of cost savings that could be relevant to integrated mental health, social and housing care compared to hospital-based care pathways. These include:

- The **direct cost** differences between providing integrated services compared to a range of separate services. These might stem from synergies and economies of scale, more tailored use of lower-banded staff, lower overhead and estate costs, or a reduction in duplicated time and effort.
- Indirect cost savings stemming from more effective care outcomes, such as less time in hospitals, reduced re-admission rates, or avoided homelessness. We used data provided by Look Ahead on costs and other details of its services, as well as case studies and examples of best practice. Data to estimate the relative cost savings compared to other forms of service were collected from NHS sources and existing empirical work.

#### 1.3.3 Implications of scaling up integrated mental health care

We estimate the potential cost savings that could be achieved if a subset of integrated mental health care services, such as those provided by Look Ahead, were rolled out across the country (as described in detail in Section 3.5). We do this by taking the average cost saving per person generated from the quantitative analysis and scaling this up by the number of people in England receiving mental health services.<sup>15</sup> This approach is subject to a number of caveats and serves purely to illustrate the potential magnitude of savings were such scaling possible.

#### 1.4 Structure of the report

The rest of the report is set out as follows:

- Chapter 2 covers a review of existing evidence and sources describing the potential benefits of integrated mental health care.
- Chapter 3 considers Look Ahead's key services and demonstrates how the
  organisation's mental health pathways link to the benefits discussed in the
  literature, including cost savings. This includes a summary of the cost savings
  generated from Look Ahead's services, and presents our estimate of the wider
  cost savings that could be achieved across England.
- Chapter 4 draws some conclusions based on the evidence.
- The Appendix sets out the calculations and data used in our quantitative analysis.

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# 2. Benefits of integrated mental health care

#### 2.1 Introduction

In this report we define integrated care as delivering health, social and housing support to individuals experiencing mental health problems using a holistic, coordinated approach. This involves using a combined set of methods, processes and models and reducing the fragmentation of services.

A specialist aspect of Look Ahead's services is the integration of housing support, enabling individuals to receive tailored treatment, interventions and care closer to home and within the least institutionalised environment. The literature suggests that there are many benefits to be realised from integrating mental health care, social care and housing support, in particular:

- Improved outcomes for individuals coordination and integration of health care can improve the quality of care and better meet the holistic needs of patients for support across a range of areas such as health care, social care and suitable housing, which feeds through to better patient outcomes.
- Avoided costs and freed up hospital demand better outcomes translate to
  fewer hospital or rehabilitation re-admissions and less time spent in care,
  which reduces the demand on health care leading to cost savings. This could
  be reflected in cashable savings if direct costs are able to be spared, or non-cash
  releasing efficiencies. Cost savings in terms of more stable housing provision
  are also relevant.
- Lower comparative costs efficiency savings may follow from integrating
  mental health care, resulting in lower costs compared to non-integrated care,
  particularly comparing community-based and in-hospital care. These are
  likely to be reflected as cashable savings.

In this chapter we discuss the key findings from the literature on the benefits of integrated mental health care.

#### 2.2 Evidence from the NHS

The NHS has long recognised the benefits of integrated mental health care and sought to implement corresponding changes in its operational structure. This has been demonstrated by the Long-Term Plan (LTP) for the period 2019-2029, 16 and its precursor the 2016 Five Year Forward View for Mental Health. These initiatives have recognised that stable accommodation and appropriate step-down services are important for maintaining good mental health outcomes. They recommend that individuals with severe mental health challenges and significant risk of safety issues should be provided with step-down support in the least restrictive settings as close to home as possible. 17

<sup>&</sup>lt;sup>16</sup> NHS (2019) "NHS Long Term Plan Implementation Framework" [online]

<sup>&</sup>lt;sup>17</sup> NHS (2016) "NHS Five year forward view for mental health" [online]

Within the LTP, the coordination of services is a key part of the rationale for integrated care, since coordinated services operating at different levels can more easily complement each other and systematically improve patient outcomes. Individuals who access multiple services are likely to be more comfortable if they feel they are dealing with just one cohesive team. Integrated care systems (ICS's) were proposed to replace sustainability and transformation partnerships (STPs) and further achieve coordination at a local level, including pooling health and social care budgets and enabling the commissioning of new services. The first ICSs were confirmed in 2018 and the number has grown to 18 in 2020. The LTP set the ambition that every part of England should have an integrated care system by 2021.

The Mental Health Implementation Plan (MHIP) provides a framework for delivering the transition towards integrated health systems proposed by the LTP (among other commitments), specifically building on the work of the Five Year Forward View and delivering the Mental Health Investment Standard (or the 'Parity of Esteem' agenda).<sup>20</sup> By 2021/22, the MHIP aims to have implemented an integrated primary and community model through strengthening local relationships with primary care networks, secondary mental health care, local authorities and the voluntary, community and social enterprise sectors. This involves services provided to adults with severe mental illnesses being treated by integrated primary and community mental health teams, as well as a holistic approach to services for homeless people that ensures long-term support.<sup>21</sup> In addition to this, the Community Mental Health Framework for Adults and Older Adults (2019) describes how the LTP's vision for a place-based, community mental health model can be realised, and how community services should modernise to offer whole-person, whole-population health approaches.<sup>22</sup>



<sup>&</sup>lt;sup>18</sup> NHS (2019) "Designing integrated care systems (ICSs) in England" [online]

<sup>&</sup>lt;sup>19</sup> The King's Fund (2020) "Integrated care systems explained" [online]

<sup>&</sup>lt;sup>20</sup> NHS (2019) "NHS Mental Health Implementation Plan 2019/20 – 2023/24" [online]

<sup>&</sup>lt;sup>21</sup> HFMA (2019) "Summary of NHS mental health implementation plan 2019/20 – 2023/24" [online]

<sup>&</sup>lt;sup>22</sup> NHS (2019) "Community Mental Health Framework for Adults and Older Adults" [online]



#### 2.3 Evidence from the literature

There is a wealth of evidence in the literature of the benefits of integrated models of care, in particular combinations of clinical and social care in community settings where housing support is also provided. Whilst these benefits are widely recognised and indeed contribute to the NHS' initiatives in integrated care, we nevertheless provide a brief overview of the evidence for such benefits.

Experimental evidence suggests that integrating health care leads to improved outcomes for individuals with mental health conditions. A recent study in 2020 from Sweden investigated the impact of integrating mental health care with job-related support to increase participants' ability to live independently through employment. It found that this model improved the quality of life and engagement in everyday activities of young adults with mental health conditions after 12 months. Woltmann et al. (2012) conducted a review of randomised controlled trials comparing the outcomes for people with mental health conditions treated by the integrated chronic care model (CCM) and other care types in the US. The CCM model consists of integrating six main support services: community support, health system services, self-management support, delivery system design, decision support and clinical information systems. The study reported significant small to medium benefits of the CCM model in trials for depression and mental and physical quality of life. S

There is also evidence that integrated mental and physical health care can lead to cost savings because of improved health outcomes and a reduction in the use of other services. In New Zealand, an early model of integrated health and social care implemented by the Canterbury District Health Board was associated with lower demand for residential care as more individuals were supported in the community.<sup>26</sup> East Sussex County Council considered the Canterbury example as an inspiration for designing their own integrated model in 2015.<sup>27</sup>

<sup>&</sup>lt;sup>23</sup> The Kings Fund (2012) "Long-term conditions and mental health" [online]

Lilijholm U, Argentzell E and Bejerholm U (2020) "An integrated mental health and vocational intervention: A longitudinal study on mental health changes among young adults", Nursing Open pp.1-11 [online]

Woltmann E, Grogan-Kaylo A, Perron B, Georges H, Kilbourne A and Bauer M (2012) "Comparative Effectiveness of Collaborative Chronic Care Models for Mental Health Conditions Across Primary, Specialty, and Behavioral Health Care Settings: Systematic Review and Meta-Analysis", American Journal of Psychiatry, 169(8), pp.790-804 [online]

Timmins and Ham for The King's Fund (2013) "The quest for integrated health and social care: A case study in Canterbury, New Zealand" [online]

<sup>&</sup>lt;sup>27</sup> East Sussex County Council (2015) "Moving to Accountable Care in East Sussex", Annex E [online]

Another example, from the USA, shows how integration can improve the quality of care and reduce costs.<sup>28</sup> A Mental Health Integration (MHI) programme supports collaboration between mental health specialists, primary care physicians, community resources and the patient and his or her family through dedicated clinics. An evaluation comparing outcomes and costs for patients in the MHI clinic with those in usual care found that patient and staff satisfaction improved, costs were 48 per cent lower and patients had better outcomes. The analysis also showed that patients treated with depression in the MHI clinic visited the emergency department 54 per cent less than patients treated in traditional care settings.<sup>29</sup>

To evaluate the benefits and savings of integrated mental health care within the USA, Wells et al (2018) compared the health outcomes for mental health patients in their first year of integrated care with their outcomes in the year before receiving integrated care, controlling for other factors such as patient severity.<sup>30</sup> The analysis shows that the probability of hospitalisation in the first year of integrated care decreased by 19 per cent and the average length of stay after receiving integrated care was 32 per cent shorter. The study also calculated the savings made from fewer hospital visits, which averaged at \$1,000 per patient. This study provides further support of the benefits generated through integrated mental health care, improving health outcomes and bringing large cost savings.

An early investigation of the benefits of integrating mental health care with housing support identified a number of potential beneficial outcomes. These included the sustainability of positive outcomes after the service contact had ceased, the links between housing support services and quality of life, and the potential to offset any additional housing expenditure with corresponding savings in NHS expenditure. For example, the Care Support Plus model, a supported housing service launched in 2012 for people with severe mental health support needs who might otherwise be in expensive hospital or residential care, was estimated to have generated a saving per individual of around £450,000. Furthermore, tenancy support can be an effective solution to help those with an established mental health problem and experience of homelessness maintain that tenancy and avoid a downward cycle to homelessness or crisis care.

saving around **£450,000** per individual

 $<sup>^{28}\,\,</sup>$  The Kings Fund. (2012) "Long-term conditions and mental health" [online]

Reiss-Brennan B, Briot PC, Savitz LA, Cannon W, Staheli R (2010). "Cost and quality impact of Intermountain's mental health integration program". Journal of Healthcare Management, vol 5, no 2, pp 97–113.

 $<sup>^{30}\,</sup>$  R. Wells et al. (2018) "Community Mental Health Center Integrated Care Outcomes" [online]

<sup>&</sup>lt;sup>31</sup> Pleace, N and Wallace, A (2011) "Demonstrating the Effectiveness of Housing Support Services for People with Mental Health Problems: A Review", The Centre for Housing Policy (York) policy paper [online]

 $<sup>^{\</sup>rm 32}~$  Mental Health Foundation (2016) "Mental Health and Housing", Policy Paper 2016 [online]

<sup>33</sup> St Mungo's (2009) "Down and Out? The final report of St Mungo's Call 4 Evidence: mental health and street homelessness" [online]

In addition to experimental evidence, there are a number of systematic literature reviews that corroborate the benefits of integrated mental health care. A study from 2016 estimates the economic impact of integrated care for patients with chronic diseases, namely type two diabetes mellitus and schizophrenia. Over half of the included studies provide evidence showing that integrated care models reduce the expenditure on health care.

An NIHR-funded literature review assessed the benefits of integrating care more generally. The review found evidence to support improved quality of care within an integrated care setting, through higher levels of patient satisfaction and shorter waiting times. All the UK studies assessing waiting times, for example, for admission or appointments, found that they were shorter in integrated care. There was also evidence to support a positive effect on resources, with 15 of 21 UK studies finding that integrated care reduced the length of hospital stay. Further, all six studies assessing the number of outpatient appointments reported a reduction in the number.

#### 2.4 Summary

The above review of evidence shows that integrated care within a mental health setting can generate many economic, health and social benefits. Care that combines clinical, social and housing support within a community setting (as opposed to a hospital) can increase the quality of care, improve patient outcomes and satisfaction, and also create cost efficiencies.

Look Ahead has successfully delivered an integrated mental health care model for a number of years, providing personalised support at multiple levels of care covering clinical care, social services and housing provision. Look Ahead's services take a holistic approach to individuals' care needs, with clinicians and social care and housing support providers working together for people whose primary need is mental health and who would often otherwise be supported by inpatient services.



<sup>34</sup> Melissa Demedth et al. (2016) "Economic Impact of Integrated Care Models for Patients with Chronic Diseases: A Systematic Review" [online]

Baxter S, Johnson M, Chambers D, Sutton A, Goyder E & Booth A. Understanding new models of integrated care in developed countries: a systematic review. Health Serv Deliv Res 2018;6(29)



Look Ahead has successfully delivered an integrated mental health care model for a number of years, providing personalised support at multiple levels of care covering clinical care, social services and housing provision.

# 3. Value of Look Ahead's services

#### 3.1 Introduction

In this chapter we turn to Look Ahead's services and demonstrate how they realise the range of benefits identified in the literature, namely improved patient outcomes, avoided costs and cost efficiencies. Look Ahead is registered with the Care Quality Commission (CQC) and its services cover five main housing models, namely:

- Crisis and recovery houses
- Rehabilitation services
- Forensic step-down
- Supporting inpatient discharge
- Community-based support

For each of these categories we describe the nature of the service and specific examples, discuss the benefits of the service and present an illustration or discussion of the avoided costs and cost efficiencies. We have only estimated resource savings for the first three service categories, based on hospital avoidance and cost efficiencies.

We note that reported Look Ahead costs include the support costs and housing costs, and do not necessarily reflect the contract value of the services which is often lower if it covers only support costs. However, including the housing costs is legitimate as this portrays the actual costs to Look Ahead of each service, which can then be compared to the total equivalent hospital cost of supporting and accommodating an individual.

We then describe our approach to generating a measure of total potential savings resulting from the application of integrated mental health and social care across England. The chapter finishes with descriptions of the final two service categories for which data were insufficient to quantify cost savings but nonetheless exemplify the advantages of integrated mental health, social and housing care.

## 3.2 Hospital avoidance through crisis and recovery houses

Working in collaboration with NHS trusts in Tower Hamlets, Islington, Barnet, Enfield and Haringey, Look Ahead runs crisis and recovery houses to provide short-term specialist accommodation and care for individuals facing mental health crises. The integrated care provides an alternative to hospital admission and aims to prevent readmissions in the future by supporting recovery. This includes providing training to enable patients to support their own recovery; helping patients to manage their own medication and identify coping mechanisms; as well as connecting patients to community-based services.

#### **Tower Hamlets Crisis House**

Look Ahead works in partnership with the East London NHS Foundation Trust (ELFT) to operate a Crisis House in Tower Hamlets. The Crisis House provides support for individuals who cannot be supported at home, or for individuals in acute hospital wards who no longer require intensive care. Patients are supported through their recovery and given emotional and general living support. For example, patients are given advice and support to find work, training or access to education, support to reduce addictive behaviour, and support to enable independent recovery in the future.

The Tower Hamlets Crisis House has the capacity to support 10 individuals who are experiencing a mental health crisis. Seven of the rooms are allocated to individuals who may otherwise be admitted to hospital, these patients are supported in their recovery for up to 28 days. The other three rooms are allocated to individuals who have additional needs, meaning they may need a longer stay; these individuals stay up to three months.

During their stay, individuals benefit from a range of services designed to help them reconnect with their community. They are helped to manage their medication and identify coping mechanisms. Residents are empowered to lead their own recovery through training in peer support, and to support the recovery of others. Furthermore, attention is paid to the self-identification of any dependency or addiction issues so that individuals can be signposted to services to address these.

Look Ahead's Crisis and Recovery Houses also offer a community-based clozapine titration service, clinically governed by ELFT. This service provides training and education on the administration of the drug clozapine, to ensure residents get the specialised services they need at the times when they are most receptive. Before the service was introduced, individuals needed to be admitted to restrictive acute inpatient units for medication titration and associated monitoring of medication titration. Look Ahead's staff are trained by the ELFT Pharmacy and Clozapine clinic, and its clozapine titration policy is congruent with that of ELFT.<sup>37</sup>

All of these support services are provided outside the setting of an acute psychiatric ward, which can be an unfamiliar and potentially disruptive environment that is not always conducive to an individual's recovery. This reflects one of the key principles and sources of benefit of Look Ahead services – the integration of appropriate housing with clinical and social care needs to provide the most effective holistic support to individuals with mental health needs.

Residents are empowered to lead their own recovery through training in peer support, and to support the recovery of others

<sup>&</sup>lt;sup>36</sup> Look Ahead (n.d.) "Crisis and Recovery Specialist Mental Health Services"

Bhattacharya (2015) "Is the Crisis House offering the Right Care for the Right People?" [online]

#### 3.2.1 Benefits of this service

The crisis and recovery houses provide high quality clinical and social care, which allows individuals to avoid or spend less time in hospital, consequently reducing pressure on NHS wards and freeing up supply. For example, on average individuals stay 22 days in the Tower Hamlets Crisis House compared to 41 days in acute hospital wards.<sup>38 39</sup> Further, the crisis houses on average have 5.5 per cent lower readmission rates compared to hospital wards.<sup>40</sup> The shorter stays and lower readmission rates translate to savings for the NHS due to reduced patient demand and pressure on NHS resources.

Look Ahead's crisis and recovery houses also provide direct cost savings since the cost per person per bed day is lower that hospital wards. For example, for Tower Hamlets Crisis House the cost per person is £312 less per bed day (including accommodation and support costs) compared to an average hospital stay per night of £429. $^{41.42}$  A community-based clozapine titration service may also offer cost savings over performing it in acute hospital wards where more resources are used in the process. And individuals have previously expressed a preference for clozapine titration over hospital admission. $^{43}$ 

Look Ahead's Tower
Hamlets Crisis House
has been recognised for
its services, winning
Support and Care
Team of the Year at the
Chartered Institute
of Housing's Housing
Heroes Awards 2019.44



- <sup>38</sup> Look Ahead Data (2018-2019)
- Mean length of stay in adult acute bed under Mental Health Act section. Source: South London Mental Health and Community Partnership (April 2018) "Benchmarking Conference", p28 www.swlstg.nhs.uk/documents/related-documents/health-professionals/ 579-slp-benchmarking-slides/file
- 40 Calculated using data from Look Ahead (2018-2019) and public data on the national average unplanned readmission rate to mental health services within 30 days of discharge from "NHS Digital Data set, CCG Outcomes Indicator Set (March 2016): 3.16 Unplanned readmissions to mental health services within 30 days of a mental health inpatient discharge in people aged 17 and over". Calculation: Subtract Look Ahead's Tower Hamlets Readmission rate from the National average unplanned readmission rate (11% 5.495% = 5.505%)
- We note that Look Ahead's costs reported in our study reflect the total cost of providing the service including housing and support costs, and are not necessarily comparable to contract values.
- <sup>42</sup> Calculated using the cost of Look Ahead's Tower Hamlets Crisis House (£117.24) from "Look Ahead Cost Data Spreadsheet" and the cost of hospital stay (£429 the Price per day for inpatients on adult acute wards in South West London and St George's Mental Health NHS Trust) from CCHR UK (February 2017) "How much does it cost to be detained on a psychiatric ward and 'treated'?" (429 117.24 = £312)
- <sup>43</sup> Bhattacharya (2015) "Is the Crisis House offering the Right Care for the Right People?" [online]
- 44 Look Ahead News and Blogs (June 2019) "Look Ahead awarded support and care team of the year" [online]

There are also clinical benefits and improvements among individuals. A team of psychiatrists with ELFT found that 85 per cent of individuals admitted to Tower Hamlets Crisis House had successfully planned discharges back to the community between the location's establishment and 2015. <sup>45</sup> Moreover, based on NHS Health of the Nation Outcome Scales (HONOS), 94 per cent of residents showed an overall improvement in their mental health, <sup>46</sup> and individuals themselves report improvements in their self-ratings between admission and discharge. Further research by Mohsin Faysal Butt, David Walls and Rahul Bhattacharya, published in the British Journal of Psychiatry in 2019, found that the residents' sense of wellbeing improved throughout their stay. <sup>47</sup>

#### 3.2.2 Illustrating the cost savings

We illustrate the cost savings generated by Look Ahead's crisis houses by focusing on short-term stay individuals at Tower Hamlets Crisis House. These cover three areas:

#### Avoided costs through avoided hospital stays

We compare the average length of time spent in the Tower Hamlets Crisis House with an acute (mental health) hospital ward. On average an individual's stay at the Tower Hamlets Crisis House is 19 days shorter than on an acute hospital ward. Thus, for all the residents at Tower Hamlets Crisis House in a year, this translates to a saving for the NHS of around £742,000 per year. This also represents a reduction in demand for hospital resources.

#### Avoided costs through reduced readmission rates

We compare the readmission rates of individuals previously admitted to Look Ahead's Tower Hamlets Crisis House with readmission rates for individuals first admitted to hospital. The 5.5 per cent lower readmission rate among the former generates a net cost saving to the NHS of approximately £88,100 per year from avoided hospital readmission.

#### Cost efficiencies compared to NHS hospital wards

We compare the cost of staying in Tower Hamlets Crisis House with staying in an acute mental health hospital ward. The cost per individual per day in Tower Hamlets Crisis House is roughly a third of the cost of staying in hospital, generating a saving of around £250 per person per bed day. This feeds through to a net saving of £5,500 per person per year, and to a total saving to the NHS of around £505,000 per year across the individuals treated by Look Ahead.

**£742,000** per year

saving around **£88,100** per year

saving around **£505,000** per year

<sup>&</sup>lt;sup>45</sup> Vasudevan V and Bhattacharya R (2015) "Can crisis house manage the patients as an inpatient services?"

<sup>&</sup>lt;sup>46</sup> NHS ELFT (2019) "Tower Hamlets Crisis House Wins National Award" [online]

<sup>&</sup>lt;sup>47</sup> Butt et al. (2019) "Do patients get better? A review of outcomes from a crisis house and home treatment team partnership", BJPsych Bulletin [online]

#### 3.3 Rehabilitation services

Look Ahead provides rehabilitation services for individuals with longer-term mental health needs moving from hospital, care or other residential settings. Look Ahead works with NHS CCG's to support individuals, giving them the required guidance to step-down safely. Look Ahead provides support with medication as well as sub-contracting clinical input when needed. The rehabilitation services also help residents build important life skills and develop independence to enable them to move on positively.

A unique element of Look Ahead's rehabilitation services is the provision of accommodation appropriate to the needs of service users in which they can feel safe, supported and empowered. This ensures that service users remain safe and "at home" in a stable environment, whilst also having access to designated social and therapeutic spaces. The layouts of these spaces uphold privacy and dignity, and residents are supported to maintain their environments during periods of crisis. This accommodation therefore offers a positive alternative to a hospital for those too unwell to be treated at home, in turn displacing some of the pressure put on local NHS wards.

#### **Tower Hamlets Rehab**



Look Ahead runs a rehabilitation service in Tower Hamlets, working in partnership with ELFT. The service provides specialist clinical input and both long- and short-term specialist accommodation for 11 adults within self-contained flats.

Tower Hamlets Rehab House provides a combination of accommodation and rehabilitative care specifically designed for people with a mental health condition who require more flexible treatment schedules, a wider range of social services, and more tranquil environments compared to those available in a hospital setting. Look Ahead works with a number of agencies and community services, including Compass, a psychology and counselling service, and CGL, the statutory drug and alcohol service for the borough. Typically, residents stay between 18 and 30 months depending on their needs, during which they are given support to build life skills and develop coping strategies to enable them to move onto independent living following their stay.

Tower Hamlets Rehab Service supported the discharge of eight individuals in 2018.<sup>48</sup> In quarter one of 2019, 82 per cent of residents were engaging in community services and 91 per cent were engaging in informal training.<sup>49</sup>

<sup>&</sup>lt;sup>48</sup> Look Ahead "Service Descriptions"

<sup>49</sup> Look Ahead "Service Descriptions"

#### **Hope House**

Hope House is another Look Ahead service providing support based on a recovery, rehabilitation and reablement model with a key focus on creating opportunities to engage with education, training and employment. Working in partnership with commissioners, Slough Community Mental Health Recovery Team and Hope College, Look Ahead assists individuals to engage in activities, courses and rehabilitation goals, which enhance their wellbeing and ability to live independently. Hope House accommodates up to 16 residents in self-contained flats, 10 for individuals requiring a high needs service, and six for individuals who need a step-down service.

Hope House delivers an integrated and coordinated service for the residents. For example, Hope House has incorporated occupational therapy, which supports individuals to help them participate in everyday life activities and develop or re-engage with skills to support their independence.

At Hope House, Look Ahead also works closely with Early Intervention, Recovery and Community Mental Health. They offer educational courses, activities, peer mentoring, and core support before individuals move on to supported accommodation. 50

The success of Hope House's occupational therapy has led to the development of another service aimed at people with higher needs. Fi Hope Place, which opened its doors in June 2020 and supports ten individuals with medium to high mental health needs to develop independence. The service is collaborating with Hope College, Slough, to provide a range of on-site courses, such as cooking and budgeting, as well as specialist mental health courses for managing stress, anxiety and depression.





<sup>50</sup> Look Ahead (2016) "Annual review" [online]

Look Ahead (2020) "Look Ahead opens Hope Place – a new mental health service in Slough" [online]

#### 3.3.1 Benefits of this service

Look Ahead's community-based rehabilitation services cost less than long-term mental health rehabilitation inpatient services. This is, in part, driven by Look Ahead's business model, which has access to housing benefits compared to the NHS, which needs to meet directly any accommodation costs. Mental health rehabilitation inpatient services provide specialist support and treatment to individuals with complex mental health needs in a residential setting. The service supports residents to gain the skills and confidence to step down into the community. Typically, individuals come from acute inpatient services or secure services as they are currently unable to live independently.<sup>52</sup> Mental health rehabilitation inpatient services offer similar services to Look Ahead's rehabilitation service and therefore can be used as a direct comparator.

The Tower Hamlets Rehab Service offers specialist accommodation at a lower per-unit cost than the average long-term mental health rehabilitation service, saving around £130 per person per day.<sup>53</sup> Hope House in Slough also offers such savings, with a cost per person per day of 10 per cent of the cost of a long-term mental health rehabilitation ward, saving around £280 per person per day.<sup>54</sup>

'no individuals discharged from Hope House in Slough have been readmitted to hospital'

Besides cost savings, Look Ahead's rehabilitation services provide an important combination of appropriate housing and clinical/social services, to help people with combinations of mental health and other issues bridge the gap from inpatient, secure or care settings to living independently in their own homes. They often support people who have been living in institutions or out of borough, sometimes for several years. For example, no individuals discharged from Hope House in Slough have been readmitted to hospital, indicating the integrated services provide strong support for such recovery. In the integrated services provide strong support for such recovery.

Look Ahead's rehabilitation services also have the added benefit of supporting those who have the capacity to sign licence or tenancy agreements which greatly assists in the process of developing or regaining independence, through the rights the individuals then have over their own space and front door.

Look Ahead's partnership with ELFT provides support for individuals with long-term mental health needs before they relocate to move-on accommodation. Among their customers, 85 per cent positively moved on, with 61 per cent onto independent accommodation and 24 per cent onto appropriate supported accommodation.<sup>57</sup>

26

<sup>&</sup>lt;sup>52</sup> Care Quality Commission (March 2018) "Mental health rehabilitation inpatient services" [online]

<sup>&</sup>lt;sup>53</sup> Calculated using cost data from Look Ahead "Look Ahead Cost Data Spreadsheet", showing that Tower Hamlets Rehab Service is £184 per patient per day for support and housing services, and using cost data from "Care Quality Commission. Mental health rehabilitation inpatient services (March 2018)", showing that the average cost per day per patient in a long-term mental health rehabilitation ward is £316.

Calculated using cost data from Look Ahead "Look Ahead Cost Data Spreadsheet", showing that Hope House costs £32.51 per patient per day and using cost data from "Care Quality Commission. Mental health rehabilitation inpatient services (March 2018)", showing that the average cost per day per patient in a long-term mental health rehabilitation ward is £316 (316 – 32.51 = £283)

<sup>55</sup> Look Ahead "Our services - Mental health" [online]

<sup>&</sup>lt;sup>56</sup> Look Ahead (n.d.) "Delivering leading edge mental health pathways" [online]

<sup>57</sup> Look Ahead (n.d.) "Mental health" [online]

#### 3.3.2 Illustrating the cost savings

We showcase the cost savings generated by Look Ahead's rehabilitation services by focusing on its Tower Hamlets Rehab Service.

#### Cost efficiencies compared to mental health rehabilitation wards.

We compare the cost of staying in Tower Hamlets Rehab house with the cost of staying in a mental health rehabilitation ward. This generates a £132 saving per person per day, which translates into a total saving for the NHS and Local Authorities of around £530,000 per year across the individuals using Look Ahead's services.

#### 3.4 Forensic step-down

Look Ahead provides care and accommodation for individuals leaving secure or forensic care settings who have enduring mental health issues to prepare them for independence. The service allows individuals to have a safe and secure transition back into the community, and aims to increase their quality of life.

#### 3.4.1 Tabard Forensic Service

Tabard Forensic Service provides intensive care and secure accommodation for 19 males with severe mental health needs who have a significant offending history. The accommodation consists of both high support self-contained flats and low support flats. The service is provided as an integral part of the forensic mental health pathway, enabling residents to step-down safely from low secure inpatient services and support them through recovery to help them move on to independent living.

The service has been operating since 2014 and is delivered in partnership with ELFT and the London Borough of Tower Hamlets, as well as working closely with the Metropolitan Police and wider community partners. This integrated approach ensures that residents receive high-quality support in all areas of recovery and risk management. An independent report by HACT in 2017 found that 63 per cent of residents were engaged with structured activity in the community and 10 per cent were involved in paid or volunteer work. It was also reported that there had been no incidents of physical aggression towards staff, and only two incidents of physical aggression between residents.<sup>58</sup>

<sup>&</sup>lt;sup>58</sup> HACT (2017) "Tabard Court. An independent report of an integrated model of community forensic mental health provision."

The service works with clinical and medical professionals and community organisations focused on activities to support wellbeing to ensure residents get the support they need to improve their physical health.

The service supports individuals to independent living using a coordinated and flexible approach, providing both one-to-one and group interventions. The team provides a variety of services to support residents in their recovery. For example, helping residents build important life skills, building confidence, providing support with medication to support self-administration, and linking them to community-based activities. Many residents at Tabard Forensic Service have comorbid conditions and support is tailored to improve physical as well as mental and emotional health outcomes. The service works with clinical and medical professionals and community organisations focused on activities to support wellbeing to ensure residents get the support they need to improve their physical health. This provides benefits to residents as well as to the NHS, since improved health outcomes feed through to reduced demand for NHS services.

Tabard Forensic Service also provides support to help individuals deal with substance misuse issues. In 2017 HACT reported that 58 per cent of residents were receiving support for this issue, and of these individuals, 45 per cent were actively involved in substance use reduction programs in the community. Tabard Forensic Service also incorporates alcohol and drug testing to ensure individuals are not misusing substances as this helps to prevent future crises and therefore reduces hospital recall and reoffending.<sup>59</sup>

Look Ahead's housing model can also allow individuals to maintain their tenancies even if they are recalled to hospital.

#### 3.4.2 Benefits of this service

The recovery support and integrated care has been successful in supporting residents move on. By 2020, 44 per cent of residents in Tabard Forensic Service had moved on either to independent tenancies or low-support step-down flats.<sup>60</sup>

The support to help individuals deal with substance misuse issues has led to 100 percent of residents self-reporting lower substance misuse since moving into the community. 61

The high quality of care and support in Tabard Forensic Service has allowed for very low recall rates <sup>62</sup> - over the last two years, there have only been four recalls which amounts to a recall rate of 20 per cent, compared to 45 per cent from a secure forensic hospital. <sup>63</sup>

63 Look Ahead data.

28

<sup>&</sup>lt;sup>59</sup> HACT (2017) "Tabard Court. An independent report of an integrated model of community forensic mental health provision."

<sup>&</sup>lt;sup>60</sup> Based on 21 individuals who have moved to independence or to a low support flat out of a total of individuals who have been supported by Tabard Forensic Services.

<sup>61</sup> HACT (2017) "Tabard Court. An independent report of an integrated model of community forensic mental health provision."

<sup>&</sup>lt;sup>62</sup> A 'recall' is a specific order under Section 31:41 of the mental health act, where a judge requires a person to go back into the mental health facility.

As well as providing benefits through providing high quality support, Tabard Forensic Service generates large cost savings. It is around £350 less per person per day than an NHS low-level secure inpatient unit.  $^{64}$  With capacity for 19 individuals, Tabard Forensic Service therefore generates significant savings for the NHS throughout the year.

#### 3.4.3 Illustrating the cost savings

We illustrate the cost savings of Look Ahead's forensic services by focusing on Tabard Forensic Service.

#### Cost efficiencies compared to NHS low-level secure units

We compare the cost of staying in Tabard Forensic Service with the cost of staying in an NHS low-level secure unit. This generates a saving of around £350 per person per day which feeds through to a total saving for the NHS of around £2.4 million per year.

#### Avoided costs from reduced recall rates

We compare recall rates from individuals treated in Tabard Forensic Service with people treated in NHS forensic units. The 25 per cent lower rate translates into a net saving for the NHS of around £734,000 per year. This also represents a reduction in hospital demand.

## 3.5 Quantified savings summary: scaling-up the benefits

We illustrate the cost savings of Look Ahead's forensic services by focusing on Tabard Forensic Service.

We have been able to produce quantified estimates of the savings generated by the Look Ahead service areas of crisis and recovery, rehabilitation and forensic step-down. These provide alternatives to hospital care, relieving pressure on the NHS and saving valuable resources (i.e. beds and staff time). This is important for the use of public resources generally, and it is one of the many contributions made by non-NHS care providers to relieve pressure on the NHS during especially strained periods. Our analysis of the benefits of the remaining service areas, supporting inpatient discharge and community-based support, is continued in the next sub-sections.

The cost savings estimated in the preceding sub-sections – just over £5 million in total – demonstrate the scale of economic benefit that could be realised by integrated services in a typical year, even though these only cover a subset of Look Ahead's services. The table below summarises the savings estimated for each of these services and presents the total annual savings.

Saving around **£2.4 million** per year

Saving around **£734,000** per year

<sup>&</sup>lt;sup>64</sup> Calculated using data on cost of Tabard Court from "Look Ahead Cost Data Spreadsheet" and using data from "(2018) PSSR - Unit Costs of Health and Social Care 2018" on the mean daily cost of low-level secure mental health services.

### Table 1: Estimated cost savings generated by Look Ahead services compared to in-hospital alternatives

Crisis and Recovery	Avoided costs through avoided hospital stays	£741,741.00
Houses - Tower Hamlets	Avoided costs through reduced readmission rates	£88,121
Crisis House	Lower costs compared to NHS hospital wards	£504,504
Rehabilitation Services - Tower Hamlets Rehab House	Lower costs compared to NHS rehabilitation units	£529,980
Forensic Step Down -	Lower costs compared to NHS low-secure units	£2,420,315
Tabard Forensic Service	Avoided costs from reduced recall rates	£734,000
	Total	£5,018,661

#### Potential wider cost savings

The cost savings presented above represent those made possible by Look Ahead's services, which are currently provided in parts of London and the South East of England. If these or similar services were implemented at scale, the benefits to the NHS are likely to be significant. By way of an illustration, we calculate that if the per-person cost savings generated by this subset of Look Ahead services (weighted by the number of individuals in each service) were scaled up to England as a whole, savings of around £0.95 billion could be made per year. This is a conservative figure, based on an assumption that only one third of the approximately 104,000 people admitted to hospital in England for mental health issues would benefit from the subset of services offered by Look Ahead or similar supported housing provider models that we have costed in this report. 65

The scaled-up savings figure is significant, but we recognise the limitations to this kind of exercise. The cost savings per person are based on a subset of Look Ahead's services, which will not be directly comparable to all the mental health care services currently received by the wider population we are extrapolating to (although weighting the average savings by the number of individuals in each of Look Ahead's services does recognise that some services are likely to be more widely used than others). The cost savings generated by Look Ahead may also be due to particular efficiencies it realises, which are specific to that organisation and which other integrated mental health care providers may not be able to replicate. The scope for such efficiencies is also likely to be different in rural compared to urban areas as Look Ahead's services are largely in London. Finally, scaling up the provision of any model of care would be subject to numerous policy-related considerations and practicalities, which makes it uncertain whether the cost savings of a set of case studies will be retained at a much larger scale. Nevertheless, the exercise illustrates the potential scale of savings that could be generated from expanding services like those provided by Look Ahead.

Saving around **£0.95 billion** per year

<sup>30</sup> 

It is estimated that 103,840 mental health service users spent time in hospital in 2015/15 (NHS Digital "Mental Health Bulletin 2015-16" https://files.digital.nhs.uk/publicationimport/pub22xxx/pub22561/mhb-1516-ann-rep.pdf).

The next sub-sections continue with describing the features and investigating the benefits of a further two categories of service offered by Look Ahead, for which there are not suitable data to include in our cost savings estimates but which are nevertheless important:

- Supporting inpatient discharge
- Community-based support

#### 3.6 Supporting inpatient discharge

#### 3.6.1 Housing and Advice Workers (HAWKs)

Commissioned by the South London and Maudsley (SLaM) NHS Foundation Trust, Look Ahead's Housing and Advice Workers (HAWKs) support mental health patients in acute wards to ensure they have suitable housing options following discharge. HAWKs work across Croydon and Southwark, receiving referrals from Ward Teams and Home Treatment Teams. The service was set up after SLaM identified that 16 per cent of patients on acute wards faced delayed transfer of care (DTOCs), of which 49 per cent were delayed because of a lack of suitable housing. HAWKs provide a significant number of weekly support hours (around 80) and carry out condensed housing, resettlement and tenancy sustainment needs and risk assessments to develop/review plans to ensure housing options are made available to individuals on the ward. For the support hours (around 80) are made available to individuals on the ward.

HAWKs provide support to 104 patients per year to ensure they have suitable housing options so that they can be discharged without a delay. For example, they will liaise with landlords, family, local authority and other housing associations to ensure patients sustain existing housing, or, when appropriate, they will ensure benefit claims are made and help patients register as homeless. HAWKs also offer a follow-up service two weeks after discharge to make sure that patients are settled, have sustained their housing and have access to the support services they need.



#### 3.6.2 Benefits of this service

Look Ahead's HAWK service on average supports 104 patients per year following hospital discharge, reducing potential delays. This helps to eliminate the negative impacts and consequences that patients can suffer as a result of having a delayed discharge, as well as saving the NHS the costs of supporting these individuals beyond the date at which they ought to have been discharged.

<sup>66</sup> Look Ahead "Delivering leading edge mental health pathways"

 $<sup>^{67}</sup>$  Look Ahead (2017) "HAWK Service for SLaM Monitoring Report"

<sup>68</sup> Average number of patients over 2017-2018. (2017: 119, 2018: 89). Look Ahead data.

HAWKs' help with housing issues provides two key streams of benefits, firstly the benefits from reducing delays in discharge and secondly the benefits from preventing readmissions since better housing can support a better recovery.

#### Reduced delay in discharges

The number of delayed transfers of care in the UK has been increasing, reaching the highest level since 2008, having increased by 33 per cent since 2014. Housing difficulties are a key contributing factor for delayed discharge for mental health patients, and therefore the provision of housing support can play a significant role in reducing delays. <sup>69</sup>

Reducing the delay in hospital discharge can provide benefits to the patient, the hospital and future patients. It helps to alleviate hospital bed pressures, reduce the stress on overstretched staff and reduce waiting times – all of which are critical for the ability of the NHS to cope with unforeseen health shocks, as shown by the experience of the COVID-19 crisis. From a clinical perspective, HAWKs help keep patient flow going and reduce overspill into the private sector. Overall there is less strain on hospital resources because staff can better engage with and provide better services for a smaller number of inpatients.<sup>70</sup>



<sup>&</sup>lt;sup>69</sup> Skills for care (March 2017) "The role of housing in effective hospital discharge"

NHS Confederation (October 2018) "Helping to address delayed discharges in South London: the HAWK/SLaM service" [online]

#### **Preventing readmissions**

Providing housing support helps to prevent relapses, which consequently reduces readmissions. Stable, supportive housing can, along with wider determinants of health, facilitate a better recovery as individuals recover in a suitable environment. During their stay at hospital, patients may have been unable to meet rent payments or otherwise be put in a more precarious housing position. Without suitable accommodation upon discharge, individuals may become overwhelmed by the processes of navigating the system to access housing – which can be challenging for them, let alone for people who are physically and mentally fit – potentially making them more prone to relapse. The HAWKs aim to ensure that such housing awaits individuals upon their discharge from acute wards.

Look Ahead offers additional support for individuals in their own homes. They ensure that these individuals are able to stay active and meaningfully involved in their communities while sustaining their tenancies.

#### 3.7 Community-based support

Look Ahead delivers flexible floating services to people within their own homes and in the community to support individuals facing long-term mental health issues. The community-based services are aimed to help individuals cope with independent living and support those with severe mental health issues to prevent a mental health crisis.

The Look Ahead team works with community services, housing providers and local CCG's to ensure individuals get the support they need, and also identify when greater support is required. This integrated support can prevent severe mental health episodes and therefore reduce hospital admissions.

#### 3.7.1 Independent Living Community Support (ILCS)

Look Ahead provides a floating support service in Tower Hamlets for individuals who have long-term mental health needs, currently supporting 186 individuals with varying needs. The team supports individuals living independently, giving support to: help them develop daily living skills; access benefits and help with budgeting; identify and access appropriate skills training; manage medication; maintain tenancies; and engage with the local community.

Look Ahead works with several local groups to deliver their services and receives referrals from Community Mental Health Teams, the Assertive Outreach Service, the Tower Hamlets Early Intervention Service, and the Community Recovery & Rehabilitation Service.

ILCS also works closely with ELFT and the CCG, providing re-settlement support where needed. The service provides support for individuals moving from supported accommodation to independent living as well as support for individuals previously admitted to hospital. This aims to reduce the number of people entering care or hospital in the future.

Of the 128 people supported by ILCS to step-down from accommodation, 94 per cent have sustained their tenancies

The ILCS service helps to reduce homelessness as the team supports individuals with independent living and helps them maintain tenancies. For example, by supporting them to make their rent payments or supporting individuals who are admitted to hospital and otherwise would have lost their housing or accommodation. Of the 128 people supported by ILCS to step-down from accommodation, 94 per cent have sustained their tenancies. This generates savings to other parts of the social care system which are not included in this document.

#### 3.7.2 Benefits of this service and potential cost savings

As a floating support service, the ILCS plays a key role in supporting individuals with mental health needs to maintain their housing and tenancies. It therefore supplements the range of support offered by Look Ahead to those making the transition from points of care to the community in its rehabilitation and forensic step-down services. Its commitment to improve physical and mental health help break the cycle of homelessness, which can also be one of the main difficulties of successful discharge from hospital for people with mental health problems. Health problems.

Mental health and homelessness are often correlated. Homeless people are likely to develop mental health issues from the stress of the living environment and substance misuse, with up to 80 per cent of homeless people reporting a mental health problem in the UK. To Similarly, a person's mental health instability may lend itself to an increased risk of becoming homeless. Many homeless people in the UK cite mental health as a reason for being homeless. Look Ahead's own research reveals that homelessness was the reason given for nearly two thirds of referrals to their HAWKs service between 2017 and the beginning of 2019.

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<sup>&</sup>lt;sup>72</sup> Look Ahead "Delivering leading edge mental health pathways"

<sup>&</sup>lt;sup>73</sup> Look Ahead (2019) "Homelessness and complex needs" www.lookahead.org.uk/our-services/ services-we-provide/homelessness-and-complex-needs/.

<sup>&</sup>lt;sup>74</sup> Skills for care (March 2017) "The role of housing in effective hospital discharge"

Mental Health Foundation (n.d.) "Mental health statistics: homelessness", www.mentalhealth.org.uk/statistics/mental-health-statistics-homelessness

<sup>&</sup>lt;sup>76</sup> Beaumont, J. (2011), "Housing". ONS.

<sup>&</sup>lt;sup>77</sup> Look Ahead (2019), HAWK Croydon data 2017-2019.

It is not feasible to estimate the direct impacts of Look Ahead's services on homelessness generally, given the complex links between community support, mental health and homelessness. However, there is substantial evidence of the costs of homelessness. The benefits of services such as Look Ahead's community support, which improves the resilience of individuals to remain in the community, are likely to contribute to a reduction in the general costs of homelessness.

Organisations such as Look Ahead contribute to stemming the flow of individuals entering the state of homelessness. Services such as these prevent people from returning to homelessness by providing mental health support or accommodation through community-based support. Through service and housing integration, individuals are more likely to focus on stability and less likely to return to their previous conditions.

These kinds of services play a role in fostering the positive economic benefits of preventing homelessness amongst people with mental health needs. Research from Crisis shows that the annual social cost of a rough sleeper with mental health problems is about £20,128 (covering visits to A&E departments, stays in hospital, and the costs of arrest and accommodation-based services), while the cost of successful intervention is about £1,426.79 The services offered by Look Ahead help to reduce the annual social cost by ensuring that individuals receive appropriate accommodation and transition services.



For example, the Department for Communities and Local Government estimated in 2012 that the cost of homelessness in England could be as much as £1bn a year. Department for Communities and Local Government (2012) "Evidence review of the costs of homelessness" <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/7596/2200485.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/7596/2200485.pdf</a>.

<sup>79</sup> Crisis (2015) "At what cost?" www.crisis.org.uk/ending-homelessness/homelessness/knowledge-hub/cost-of-homelessness/at-what-cost-2015/.

# 4. Conclusions

The benefits of integrating mental health care with social care and accommodation support have been demonstrated in many contexts. Our review of the literature highlights numerous studies that have shown that integrated mental health, social and housing care can increase the quality of care, improve the outcomes and satisfaction of individuals, and also create cost efficiencies.



Look Ahead, like other providers, delivers a range of housing models addressing the varied needs of individuals with mental health problems. In this report we have examined five key service categories: crisis and recovery houses, rehabilitation services, forensic step-down, housing and support workers and community-based support.

Look Ahead's partnership with ELFT and other NHS Trusts means that these service models all have a clear integrated approach, combining housing, clinical, therapeutic and social care together to provide holistic support for individuals with a range of mental health and other forensic and clinical needs. A key feature of Look Ahead's services is the provision of purpose-built accommodation and housing. For example, the Tower Hamlets Rehabilitation House is specifically designed to create a calm, psychologically informed environment for individuals, for whom the busyness and set schedules of a hospital environment are not conducive to recovery or the provision of the many clinical and social services they need. Similarly, Tabard Forensic Service combines the security of a forensic step-down facility for individuals with offending histories with the familiarity and safety of a residential home, to support their move to independent living.

Look Ahead's services provide further housing support along with social care through its HAWKs programme. ILCS service, helps individuals to retain their accommodation and tenancies, for example, when experiencing mental health crises or when admitted to hospital, ensuring that they have safe places to return to upon discharge.

The services such as crisis and recovery, rehabilitation and forensic step-down provide alternatives to hospital care, relieving pressure on the NHS and saving valuable resources (i.e. beds and staff time) for treatment that cannot be delivered outside of a hospital setting. Look Ahead's business model also enables additional cost efficiencies over and above reducing demand on hospital services for example lower readmission rates and supporting people back into work or training. We have estimated that these services together save around £5 million a year and that, if scaled up to the rest of England, could generate savings of around £0.95 billion. Whilst this nation-wide savings estimate is subject to a number of limitations, it nevertheless serves to illustrate the magnitude of the potential cost savings of having a wider provision of integrated mental, social and housing care for individuals receiving mental health services. It highlights the merit of further policy support for existing integrated care initiatives working in partnership with the NHS, both in terms of buildings and human resources. Such savings could be redirected to other public health needs, representing benefits to the NHS and wider society. Further, the potential to release valuable NHS inpatient services to meet the extreme demands precipitated by the COVID-19 pandemic is vital, especially considering any continued waves of the pandemic.

We have estimated that these services together save around £5 million a year and that, if scaled up to the rest of England, could generate savings of around £0.95 billion.



# **Appendix**

We set out the basis for our calculations of the cost savings generated by Look Ahead's services.

#### **Tower Hamlets Crisis House**

#### Avoided costs through avoided hospital stays

To calculate the net savings from avoided inpatients days in hospital we calculate the difference between the average length of an individual's stay in Look Ahead's Tower Hamlets Crisis House and the average length of stay for patients admitted as inpatients under the Mental Health Act in NHS hospitals. We then multiply this by the cost per patient per day in an acute hospital ward to obtain the saving per person. We then multiply the net saving per individual by the number of individuals in Tower Hamlets Crisis House per year. This gives us the net savings from avoided hospital inpatient days per year of Tower Hamlets Crisis House when compared to NHS hospitals.

### Table 2 – Calculation of avoided costs through avoided hospital stays at Tower Hamlets Crisis House

Average length of stay in NHS hospital (days) [1]	41
Average length of stay in Tower Hamlets Crisis House (days) [2]	22
Difference in length of stay	19
Average cost of hospital stay per person per day [3]	£429
Net saving per person	£8,151
Number of individuals in Tower Hamlets Crisis House per year [4]	91
Net saving per year	£ 741,741.00

#### Sources:

- [1] Proxy: Mean length of stay in adult acute beds excluding leave of patients admitted under Mental Health. Source: South London Mental Health and Community Partnership (April 2018) Benchmarking Conference [online]
- [2] Look Ahead Data (2018-2019)
- [3] Proxy: Price per day for inpatients on adult mental health acute wards in South West London and St George's Mental Health NHS Trust. Source: CCHR UK (February 2017) "How much does it cost to be detained on a psychiatric ward and 'treated'?" [online]
- [4] Look Ahead Data (2018-2019)

#### Avoided costs through reduced readmission rates

Individuals admitted to Look Ahead's crisis houses have lower readmission rates than patients who are admitted to hospital. To calculate the net savings from this reduction in hospital admissions, we first calculate the difference between readmission rates for individuals first admitted to hospital (for mental health reasons) and first admitted to Look Ahead's crisis houses. We then multiply this difference by the number of individuals in the Tower Hamlets Crisis House, which gives the additional number of readmissions if these individuals were treated in hospitals. We then multiply the additional number of readmissions by the average length of stay of readmissions and the cost per patient per day in an acute mental health NHS ward. The final result gives the net savings per year from fewer readmissions.

Table 3 – Calculation for avoided costs through reduced readmission rates at Tower Hamlets Crisis House

Readmission rate from hospital [5]	11%
Readmission rate from Tower Hamlets Crisis House [6]	5.495%
Difference in readmission rate	5.505%
Number of individuals in Tower Hamlets Crisis House per year [4]	91
Additional number of patients readmitted	5.01
Average length of hospital stay after readmission (days) [7]	41
Average cost of hospital stay per patient per day [3]	£429
Net saving per year	£88,120.89

#### Sources:

- [5] Proxy: National average unplanned readmission rate to mental health services within 30 days of discharge. Source: NHS Digital Data set, CCG Outcomes Indicator Set - (March 2016): 3.16 Unplanned readmissions to mental health services within 30 days of a mental health inpatient discharge in people aged 17 and over.
- [6] Look Ahead Data (2018-2019).
- [7] Assumed equal to [1].

#### Cost efficiencies compared to NHS hospital wards

The cost of a day in Tower Hamlets Crisis House is lower than an acute mental health NHS ward. We calculate the saving generated by taking the difference between the cost per patient per day of staying in a hospital ward and of staying in Tower Hamlets Crisis House. We then multiply this by the average length of stay in Tower Hamlets Crisis House to estimate the net saving per individual. We then multiply the net saving per individual by the number of individuals in Tower Hamlets Crisis House to obtain the net savings per year generated by these people staying in the Crisis House rather than hospital.

We note that Look Ahead costs include the support costs and housing costs, and do not necessarily reflect the contract value of the services which is often lower if it covers only support costs. However, including the housing costs is legitimate as this portrays the actual costs to Look Ahead of each service, which can then be compared to the total equivalent hospital cost of supporting and accommodating an individual.

Table 4 - Calculation of lower costs of Tower Hamlets Crisis House compared to NHS hospital wards

Average cost of hospital stay per patient per day [3]	£429
Average cost of Tower Hamlets Crisis House per person per day [8]	£177
Difference in cost per person per day	£252
Average length of stay in Tower Hamlets Crisis House (days) [2]	22
Gross saving per person	£5,544
Number of individuals in Tower Hamlets Crisis House per year [4]	91
Gross saving per year	£504,504.00

#### Sources:

[8] Look Ahead Data (received 2019). Consists of approximately 76% support cost and 24% housing cost.



#### **Tower Hamlets Rehab House**

#### Cost efficiencies compared to mental health rehabilitation wards

The cost of staying in Look Ahead's rehabilitation services is lower than the average daily cost of a bed in long-stay NHS mental health rehabilitation wards. We calculate this saving by taking the difference in the cost per person per day in a long-term rehabilitation ward and in Tower Hamlets Rehab House (including housing and support costs). We then multiply this by the average length of stay in Tower Hamlets Rehab (typically individuals stay for two years, but since we are looking at the yearly savings we use one year). This gives us the net saving per person, which we then multiply by the number of individuals in Look Ahead's Tower Hamlets Rehab per year.

Table 5 - Calculation for the cost efficiency of Tower Hamlets Rehab compared to mental health rehabilitation wards

Average cost of mental health rehabilitation ward per patient per day [9]	£316
Average cost of Look Ahead's Tower Hamlets Rehab per person per day [10]	£184
Difference in cost per person per day	£132
Average length of stay in Look Ahead's Tower Hamlets Rehab (per year) (days) [11]	365
Gross saving per person	£48,180
Number of individuals in Look Ahead's Tower Hamlets Rehab per year [12]	11
Gross saving per year	£529,980

Sources:

- [9] Proxy: Median daily cost of a bed in a long-term rehabilitation ward. Source: Care Quality Commission. Mental health rehabilitation inpatient services (March 2018) [online]
- [10] Look Ahead Data (received 2019). Consists of approximately 75% support cost and 25% housing cost.
- [11] Look Ahead Data (2018-2019) NB. Individuals stay for two years but as we are looking at the yearly rate we use 365 days
- [12] Look Ahead Data (2018-2019)

#### **Tabard Forensic Service**

#### Cost efficiencies compared to NHS low-level secure units

We calculate the difference in cost per day per person of staying in an NHS low-level secure unit compared to staying in Tabard Forensic Service (including housing and support costs). We then multiply this cost saving by the length of stay in Tabard Forensic Service to give the gross saving per person (individuals can stay up to four years, but since we are looking at the yearly savings we use one year). We then multiply the gross saving per person by the number of individuals in Tabard Forensic Service per year. This gives us the gross savings per year from lower unit costs.

Table 6 - Calculation for cost efficiency of Tabard Forensic Service compared to NHS low-level secure units

Average cost of NHS low-secure unit per patient per day [13]	£432
Average cost of Tabard Forensic Service per person per day [14]	£83
Difference in cost per person per day	£349
Average length of stay in Tabard Forensic Service (per year) (days) [15]	365
Gross saving per person	£127,385
Number of individuals in Tabard Forensic Service per year [16]	19
Gross saving per year	£2,420,315

#### Sources:

- [13] Proxy: Mean daily cost of low-level secure mental health services. Source: (2018) PSSR Unit Costs of Health and Social Care 2018. [online]
- [14] Look Ahead Data (received 2019). Consists of approximately 66% support costs and 34% housing costs
- [15] Look Ahead Data NB. Individuals stay for four years but as we are looking at the yearly rate we use 365
- [16] Look Ahead Data (2018-2019)

#### Avoided costs from reduced recall rates

The recall rates for residents in Look Ahead's forensic units are lower than the recall rates in secure hospital units. We calculate the resulting net savings by taking the difference in recall rates for individuals in secure hospital units and the rate in Tabard Forensic Service. We then multiply this by the number of residents in Tabard Forensic Service, the average length of stay after recall and the average cost per day per patient of hospital readmission.

Table 7 - Calculation for avoided costs from reduced recall rates at Tabard Forensic Service

Average recall rate from a secure forensic hospital [17]	45%
Average recall rate from Tabard Forensic Service [18]	20%
Difference in recall rate	25%
Number of individuals in Tabard Forensic Service per year [16]	19
Average length of stay after recall (per year) (days) [19]	365
Average cost of readmission to low-secure unit per patient per day [13]	£432
Net saving per year	£734,000.40

#### Sources:

- [13] Proxy: Mean daily cost of low-level secure mental health services. Source: (2018) PSSR Unit Costs of Health and Social Care 2018. [online]
- [17] Proxy: Average recall rate from a secure forensic hospital. Source: Predicting time to recall in patients conditionally released from a secure forensic hospital: A survival analysis. (January 2018) (Eur Psychiatry. 2018 Mar;49:1-8. doi: 10.1016/j.eurpsy.2017.11.005. Epub 2018 Jan 30) [online]
- [18] Europe Economics analysis of Look Ahead data: Average rate over past four years, calculated using Look Ahead data (in past four years 20 people discharged and 4 recalls = 4/20 =20%)
- [19] Proxy: Average length of stay in secure care (per year) NB Individuals stay for two years but as we are looking at the yearly rate we use 365 days. Source: Centre for Mental Health (2018) Secure care services. [online]

The recall rates for residents in Look Ahead's forensic units are lower than the recall rates in secure hospital units.

#### Scaling up the cost savings

For the illustrative exercise of estimating the cost savings, which might be achieved if integrated mental health care services were available across the country, we calculate the weighted average of the cost savings generated by Look Ahead, across the number of individuals in each service. We then multiply this by one third of the number of individuals who were admitted to hospital for mental health reasons in England (one third representing our conservative assumption that not all these individuals would necessarily benefit from the subset of Look Ahead's services costed in this report). This figure is additionally conservative as it relates to 2014-15 data, whereas the number of people accessing mental health services are higher.

Table 8 - Calculation of illustrative cost savings across England

Weighted average saving per individual in Look Ahead services in a year [1]	£27,308
Number of mental health patients in <b>England</b> spending time in hospital in a year [2]	103,840
Proportion of mental health patients for whom LA-style services are likely to be suitable [3]	0.3
Note: values subject to rounding Potential total saving per year (£bn)	

#### Sources:

- [1] Europe Economics' calculations
- [2] NHS Digital "Mental Health Bulletin 2015-16" https://files.digital.nhs.uk/publicationimport/pub22xxx/pub22561/mhb-1516-ann-rep.pdf
- [3] Look Ahead assumption



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**Deborah Drury** is the author of the report and is a managing consultant at Europe Economics. She joined the company in 2008 after completing her MSc in Economics at Warwick University.



Deborah is an expert in the field of impact assessment, economic regulation and the regulation of professional standards. She has provided analysis and advice for public and private organisations across a range of sectors, such as healthcare and social care, bereavement and funeral care, financial services (both retail and wholesale markets), water and energy, the digital economy and the environment. Her skills include cost-benefit analysis, incentive design, benchmarking, multi-criteria analysis, behavioural analysis, and data analysis and fieldwork.

Deborah regularly provides training courses in economics.

## **About Look Ahead**

Look Ahead is a specialist housing association and provider of tailor-made care, support and accommodation services. We support thousands of people across London and the South East with a diverse range of needs, helping them to make individual choices, achieve goals and take control of their own lives.

With the right support, we know that our customers can realise their dreams and aspirations. Our customers are experts by experience - by encouraging individuals to identify and develop their own unique skills and abilities, we can support them to bring about positive change in both their lives and the people around them.

#### Who do we work with?

With over 40 years in social care under our belt, we are experts through both practice and understanding. Today, we are proud to be the trusted partner of over 30 local authorities and health trusts, providing specialist support and care services for over 6,400 people every year with a wide range of needs, including:

- Mental health
- Learning disabilities
- Homelessness and complex needs
- Young people and care leavers

Whether it's working with someone to achieve a positive change or providing specialist care, Look Ahead's experienced and passionate teams are committed to delivering high quality services across social care, health and housing that support independence and help transform lives.

#### www.lookahead.org.uk







In line with our core values – **excellence**, **aspiration**, **partnership** and **trust** – we align ourselves with other organisations that help us to achieve our vision.

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