Local Government Association

Business Case for Health and Wellbeing Pilot Programme
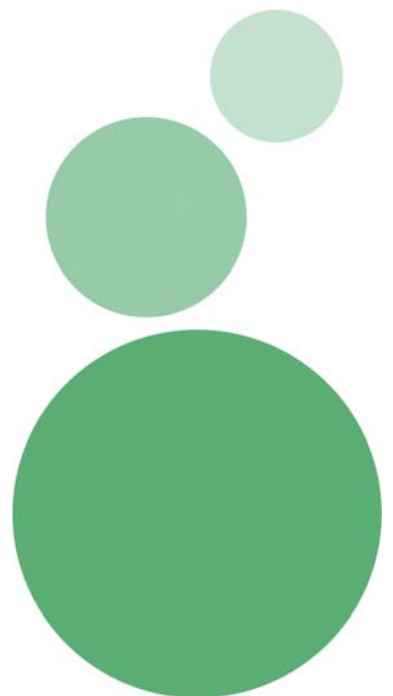
Final report

Date: 15th December 2011

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Acknowledgements

Matrix would like to thank the local authorities that took part in this pilot programme, in particular the project leads, senior sponsors, and the many Council officers who were involved in developing each business case. Their commitment to this work and willingness to share their experiences has provided important learning which we hope will be valuable for the wider local authority community.

We would also like to thank the Local Government Association (LGA)[1] for commissioning this project, and the members of the business case reference group for the direction they provided to the project. Finally, we would like to thank those colleagues who gave up their time to attend the two learning events in Coventry and London – their contributions were instrumental in shaping the findings from this project.

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[1] This project was commissioned by Local Government Improvement and Development (LGID) in 2010. LGID has since become known as the Healthy Communities Team within LGA and therefore LGA is used throughout this report to refer to the commissioning organisation.

Key implications for the wider local authority community

This project has identified a number of important learning points based on the experiences of four local authorities in developing a business case for improvement in health and wellbeing. The following 'top tips' reflect these learning points and are designed to support the wider local authority community as it continues to tackle this important investment priority.

Ten 'top tips' for developing a successful business case for improvement in health and wellbeing:

1. Make use of a range of business case tools and techniques to build the case for change. Health and wellbeing topics are often complex and involve multiple potential benefits – there is no single business case technique or approach that will be right for every situation

2. Engage delivery partners early, across the public, private and third sectors, to secure buy-in and joint approaches

3. Identify the ideal data and evidence needed to support the business case, gaps in that data, and therefore what needs to be collected and shared with partners early - this should be done in a pragmatic way, for example, using national and/or proxy data where local information is not readily available

4. Recognise that programmes / interventions may need to target multiple needs and therefore demonstrating actual benefits is likely to be complex – use evidence that is the best at the time (for example, from NICE, NHS evidence, Association of Public Health Observatories, the Social Care Institute of Excellence, and Local Government Association)

5. Strive to ensure consistency of leadership throughout the development of the business case in order to generate and sustain momentum

6. Ensure the project is well communicated, both within and external to the Council, therefore avoiding duplication and making best use of the available expertise and resources

7. Given the different capabilities and stages of development across local authorities, identify any skills gaps in terms of developing the business case (for example, undertaking economic analysis) and draw on all the available skills, tools and information sources (e.g. public health teams, public health observatories, specialist external support, Public Health England, and online / generic business case resources)

8. Use case studies, user stories and visual representations to tell a clear and accessible story about the intended benefits and impact on the local population

9. Build monitoring and evaluation into the business case, in order to ensure that the right data is collected to drive implementation and demonstrate / realise benefits over time

10. Learn from others and share your own learning about approaches and techniques that have worked, barriers, and how these have been overcome, including those interventions that can have short term impact on health and wellbeing, at relatively low cost.

Executive summary

This report presents the findings from the Business Case for Health and Wellbeing Pilot Programme. It represents the final stage in a series of projects undertaken as part of the Healthy Communities Programme within the Local Government Association (LGA), designed to help build the capability and capacity of the local authority sector to develop sound business cases in relation to their health improvement activities.[2]

The pilot programme was undertaken in recognition of the important role Councils play in relation to the health of their communities, and in tackling many of the wider determinants of health. Within the context of the Government's proposed reforms to health and social care in England, Councils will be required to take a stronger lead on public health initiatives in conjunction with their local partners, and look for new and innovative ways in which to address a complex set of health and wellbeing priorities in an increasingly difficult economic environment.

Five local authorities were chosen to participate in the programme, due to their existing interest in the application of business case principles, their ability to demonstrate a high level of enthusiasm to embrace this approach, to build on work already underway, and evidence of senior leadership commitment. The participating Councils were:

1. Coventry City Council
2. Leicestershire County Council
3. Bristol City Council
4. Lincolnshire County Council
5. The London Borough of Hackney

Four of these were able to develop a business case during the time of their involvement in the programme.

Each Council chose a specific business case topic that reflected their current strategic and investment priorities. It was hoped that the different topic areas chosen by each Council would also provide sufficient breadth of learning to inform application in a wide range of different contexts and local circumstances. Matrix was commissioned to provide external support on business case methods and approaches to each of the pilot sites, assist more generally with the development of each business case, and capture learning throughout the duration of the programme. Each Council was allocated a set number of days for advice and support. Two learning events were also held, involving the participating Councils and other key stakeholders.

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[2] The Healthy Communities Programme is funded by the Department of Health and has a number of specific objectives in relation to the local authority sector, one of which is to support Councils to gather evidence of the impact of their health work and to develop robust business cases for continued investment in health initiatives.

The aim of these was to gather learning from the experiences of each site and to discuss the implications for the wider local authority sector.

The topics chosen all represent ambitious and complex areas of work, and covered the following areas:

- The cost of alcohol to public services and the potential benefits from a place-based approach aimed at reducing alcohol misuse
- The benefits of a greater emphasis on health prevention for adults with support needs in the community
- The impact and possible future funding / investment options for healthy schools initiatives and other health improvement projects
- The development of more integrated employability support to tackle worklessness and its ill-health implications, in those for whom the job market is difficult to access

A review was undertaken early after the inception of the programme with the aim of drawing out some of the initial findings and learning points, and to help shape the remainder of the programme. This identified four common challenges which each local authority faced in developing their business case:

- Availability of data
- Evidence of cause and effect
- Capacity and capability
- Securing engagement

A number of possible solutions were identified at that stage, including identifying and getting key players engaged in the process early, adapting national research and data to local circumstances, using qualitative techniques to tell the 'story' of the business case, and sharing best practice and learning with the wider local authority community.

The overall findings from this project have demonstrated that there is no 'magic bullet' when it comes to preparing a business case for health improvement. A range of approaches and techniques is needed. The experiences of the pilot Councils also revealed that it is equally important to focus resources on creating the right environment for decision making, as it is to developing the content of the business case. This isn't to say that sound evidence and analysis is not important, but is a recognition of the human dimension of democratic decision making that takes place in the context of limited information and multiple competing priorities. Implicit within this is the differing perspectives across different stakeholders about what constitutes good evidence in the local authority context. The findings from this project indicate that information brought together from a number of different sources, and which combines both qualitative and quantitative elements, is most likely to facilitate an effective decision making process.

The work identified four common success factors in this regard:

- Willingness amongst senior leaders, Council members and officers to drive forward the decision making process
- Enough time to engage with others and prepare the business case, whilst not losing momentum
- Securing partner buy-in
- Adopting a pragmatic attitude to evidence and information

The experiences of the pilots also demonstrated a number of challenges, the most significant one associated with getting hold of good quality local data on which to base meaningful analysis and interpretation. The following were put forward as possible solutions to the information challenge which local authorities face:

- Use a mix of national and local data to formulate the business case
- Be clear about what should be measured to demonstrate impact
- Use qualitative data (case studies, personal experiences, etc) to tell the 'story' where there are gaps in knowledge
- Build prospective evaluation and monitoring / data collection into the business case

Whilst some work is underway nationally by the National Institute of Health and Clinical Excellence (NICE) to develop an approach that could help Councils make better investment decisions in the public health realm, the experience from the business case work suggests that rather than aiming for a single model that could be applied in different situations, a more valuable tool could be one that would enable local authorities and their partners to create different scenarios, and identify the potential outcomes for different courses of actions. It would also be useful for decision makers to be able to compare the impact of different initiatives with one another. In the future Public Health England is also likely to be a source of advice and evidence as to what works best for a range of public health issues, and to provide examples of good practice that Councils could draw on when faced with difficult health and wellbeing investment decisions.

The learning from this pilot programme has a number of implications for the wider local authority community, both in terms of the topic areas they have chosen to address, and the challenges they have faced in developing successful business cases. As they take on greater public health and health improvement responsibilities, Councils need to find ways to generate strong and sustained leadership to tackle the health improvement agenda and to engage effectively with a multitude of partners. This includes taking a whole population view and recognising that multiple needs and priorities exist and therefore holistic solutions are needed.

The implications of these findings have been translated into a number of 'top tips' for developing a business case, which are presented at the beginning of this report. We hope that these provide useful pointers for other local authorities as they develop business cases to tackle their increasing responsibilities in this important area.

1.0 Introduction and context

1.1 The role of local authorities in health and wellbeing

Local authorities play an important role in improving the health and wellbeing of the population. Across the full breadth of services they commission and provide within their local communities, Councils are able to influence many of the key determinants of health and wellbeing. In addition to adult and children's care, these include: the natural and built environments, engagement in meaningful activity (including education and employment), transport, housing, and building strong communities and more prosperous local economies.

This role is set to increase in light of the Government's proposed reforms to health and social care in England. These aim, amongst other things, to strengthen public health and create greater alignment with the role local authorities play in tackling the wider determinants of health and wellbeing. These policy intentions, set out in the Government's white papers for health and social care, also include the establishment of Health and Wellbeing Boards (HWBs) which will help to bring NHS and local authority leaders closer together when making investment decisions across the full spectrum of prevention, healthy lives, treatment, and care.[3]

Improving the nation's health has been a Government priority for many years. Publications such as the *'Choosing Health'* White Paper[4] and more recently '*Healthy lives, healthy people'*[5] emphasise the need for local government to take a leadership role in improving the health of their local communities and to reduce health inequalities. This will require Councils to develop even further their knowledge, expertise and capacity in this area. This is a particular challenge in light of the current public sector financial environment. However, there is, for example, real potential for small-scale and low cost health improvement interventions to make a big difference to people's health, and to release cashable savings from local budgets when delivered effectively and in partnership with other local organisations[6].

Whilst in many cases these savings may be diffuse, complex, and largely only achievable over the very long term (as a result of reduced social care spending from improved health and reducing disability), the *Valuing Health* review found that savings for local authorities are possible, particularly in relation to improving older people's health and independence, employment, and the environment.

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[3] *Equity and excellence: Liberating the NHS*, July 2010 (the Government's long-term vision for the future of the NHS); *Healthy lives, healthy people* White Paper*: Our strategy for public health in England*, November 2010 (the Government's long-term vision for the future of public health in England); *The Social Care* White Paper, forthcoming, expected to set out the Government's proposed changes to funding, legislation and delivery of social care services in England.

[4] *Choosing Health* White Paper 2004. http://webarchive.nationalarchives.gov.uk/+/www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicy AndGuidance/Browsable/DH_4097491 Retrieved 14/02/11 1400 hrs

[5] *Healthy lives, healthy people*: Our strategy for public health in England, Department of Health, November 2010.

[6] *Valuing Health: developing a business case for health improvement*, Matrix Evidence, 2009

1.2 About the Healthy Communities Programme

Led by LGA, in partnership with local Councils, the Healthy Communities Programme was established through funding from the Department of Health. The programme aims to support local Councils put in place measures to improve health, reduce health inequalities, and achieve health outcome improvements across communities. Within this, the Healthy Communities Programme has a number of specific objectives, one of which is to support Councils to gather evidence of the impact of their health work and to develop robust business cases for continued investment in health initiatives. This is particularly important given the expanding health and wellbeing responsibilities local authorities are likely to have in the future.

With this is mind, LGA embarked on this business case pilot programme to support the development of learning for the wider local authority community on how to prepare convincing business cases for health and wellbeing projects. The programme involved piloting the application of a range of business case approaches, methods and tools. The wider objective, through the learning gathered in the pilot phase, being to improve the capacity of Councils to reach well founded decisions about investing in health improvement interventions based upon a clear understanding of the costs and benefits, both short and long term. In particular, the pilot programme aimed to assist local authorities in identifying short to medium term efficiencies that can accrue from health and wellbeing interventions either for Councils themselves or for their partners in the public sector.

It is important to understand that this pilot programme was not intended to incorporate any form of critique of the competencies and capabilities of the participating Councils. The intention, particularly in light of the growing emphasis on public health and health improvement, was to constructively explore the practical application of business case methods, including environmental and contextual factors, and any barriers and difficulties that may apply to successful application in the local authority context.

1.3 How this project came about

This project came about as a result of previous work undertaken and commissioned by the Healthy Communities Programme, which highlighted the opportunity associated with building the capability and capacity of the local authority sector to develop sound business cases in relation to their health improvement activities. This included a literature review undertaken by Matrix in association with the Improvement and Development Agency (IDeA) to look at the extent to which local authorities should engage in health improvement work in their communities, working in partnership with other local agencies.[7] Alongside this, Matrix was working with the National Institute of Health and Clinical Excellence (NICE) to develop methods for valuing health interventions. However, these methods had not been tested in a practical way

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[7] *Valuing Health: developing a business case for health improvement*, Matrix Evidence, 2009

with local authorities, and the measures being developed were not necessarily those things that would be of most relevance to Councils.

There is good evidence to support the effectiveness of many different health improvement interventions that lie within the remit of Councils and their partners. However, there is also a need to invest more in the evaluation of these interventions, as a means to improve health outcomes and provide valuable data on which to base future investment decisions. The impact of certain interventions may not be seen for a number of years, and therefore long term follow-up is also crucial for benefits to be realised and sustained.

In addition, it is clear that when attempting to justify new or ongoing investment in a time of significant financial constraints, Councils require a business case approach which is robust, yet pragmatic given the challenges of gathering meaningful data to attribute potential benefits to different organisations.

With this in mind, the Healthy Communities Team set out to test these findings and to explore in greater depth the practical experiences of local authorities in developing a business case for health improvement.

2.0   The business case pilot programme

2.1   Overview of the programme

The Business Case for Health and Wellbeing Pilot Programme was established with the aim of working with a small number of local authorities to explore and develop the application of business case principles to a variety of health and wellbeing projects. The intention was to build on earlier work undertaken in this area, such as *Valuing Health: developing a business case for health improvement*[8] and the *Business Case for Health Improvement – Resources Guide*[9] developed by the Healthy Communities Team. The aim of this current project was to gather practical and real-life experiences from which others could learn. Matrix was commissioned to provide expert support to the programme given the previous work they had undertaken in this area and the existing working relationship with LGA.

Councils across England were invited by LGA to express interest in the business case programme. Many authorities responded and were invited by LGA to be involved in the pilot project:

1. Coventry City Council
2. Leicestershire County Council
3. Bristol City Council

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[8] *Valuing Health: developing a business case for health improvement*, Matrix Evidence, 2009
[9] *Business Case for Health Improvement – Resources Guide*, Improvement & Development Agency, 2010

4. Lincolnshire County Council
5. The London Borough of Hackney

These Councils were selected because of their existing interest in the application of business case principles and their ability to demonstrate a high level of enthusiasm to embrace this approach. This included senior leadership commitment to take the approach forward. The selected Councils had also undertaken some work already on which to build during the pilot project. Prior to confirming their involvement, a meeting was held with each local authority to discuss the objectives of the pilot, roles and responsibilities, and to agree the resources available to support a successful outcome from the project, both from within each pilot site and through external support. Notwithstanding its initial interest, Bristol City Council was in the event not able to participate in the project due to a number of competing priorities and other local pressures.

It is important to note that the last 12 months has been a particularly challenging and unsettling time for local authorities. The financial environment in particular has placed considerable pressure on individuals and teams, and made it increasingly difficult to ensure continuity of effort and focus, particularly in relation to new and innovative proposals such as those which were the subject of this project.

2.2 Selection of topic areas

Matrix and LGA undertook a facilitated decision making process with senior representatives from each pilot site, in order to agree a topic area for their business case. These were chosen from proposals that the Councils were looking to bring forward, or already had underway, or completed projects that could be assessed retrospectively.

Each local authority was asked to choose a specific business case topic that reflected its current strategic and investment priorities. It was hoped that the different topic areas chosen by each council would also provide sufficient breadth of learning to inform application in a wide range of different contexts and local circumstances. The approach was focused on enabling the identification of learning outcomes for the following areas:

- how to work in partnership to maximise efficiencies and productivity – how to share investment and benefits across multiple stakeholders;
- how to articulate the argument and how to put together persuasive arguments for different decision makers;
- which tools work best in which contexts / situations;
- what skills / experience are required to use the tools / approaches effectively;
- how to evidence / predict short-term as well as long term benefits and how to best balance these in a business case argument;
- the role of elected members and other key partners; and

- challenges, barriers, and enablers of use.

The topic areas chosen are described below in section 3, along with each site's main achievements and a discussion of the learning points from participation in the project.

2.3 External support

Matrix Insight was commissioned to provide external support on business case methods and approaches to each of the pilot sites, assist more generally with the development of each business case, and capture learning throughout the duration of the programme. Each council was allocated a set number of days for advice and support, this included:

- Supporting the process of agreeing locally relevant business case topics for each pilot site
- Providing advice and guidance to support the development of each business case
- Assisting in identifying short to medium term impacts from health and wellbeing interventions
- Gathering learning about real-life experiences of writing a business case for health improvement
- Bringing together key learning points and sharing outcomes with the wider local authority community

This involved two main strands of work:

- The delivery of an agreed package of dedicated consultancy support and technical advice to each pilot site.
- Providing a structured process to identify and capture learning throughout the duration of the project, including two half-day seminars involving representatives from the pilot projects and a wider stakeholder reference group.

The consultancy support and technical advice available to the teams was chosen from the following potential areas of work:

- Stakeholder engagement and management support
- Identification and application of relevant business case tools / methods
- Preparation and facilitation of meetings / workshops
- Identification of relevant data sources and data collection support
- Guidance on appropriate analytical techniques and interpretation of data
- Guidance on cost benefit analysis
- Structured evidence reviews
- Project management support

Learning from the project was gathered throughout the project by the Matrix team on an ad-hoc basis, and also more formally through two learning events attended by representatives of the project teams.

The first learning event was held in January 2011, about four months into the programme. The aim of this session was to take stock of progress to date and to share some of the early learning from each business case topic and work to date. Representatives from all the pilot sites were invited to attend. The event provided an opportunity for each site to present the topic chosen, their approach and progress to date, and for the participants to jointly identify and share success stories, challenges, and the ways they had tackled any barriers. Matrix and LGA facilitated this event.

The second event was held in July 2011 to coincide with the final stages of the project. This event was chaired by Professor David Hunter and attended by representatives from the local authorities involved, members of the business case reference group, the LGA Healthy Communities Team, Councillors, and the Matrix project team. The aim of this session was to draw together the experiences of the pilots throughout the project in a way that would inform general advice to the local authority sector on how to approach the task of evaluating and prioritising health and wellbeing interventions. This included both the negative and positive experiences in developing each business case, and an account of what went well and what was less successful from the perspective of each local authority team. Each pilot site gave a short presentation followed by questions and answers. An open plenary discussion was then held to draw out the lessons that would be relevant to any Council undertaking such work in the current (and future) environment.

3.0   Discussion and findings

This section sets out the experiences of the four Councils involved in this project and the key learning outcomes. The material is drawn from feedback and discussion with each of the pilot sites throughout the course of the project, and the discussion at each of the two learning events.

3.1   Experiences of the pilot sites

The following tables provide an overview of the business case topics for each of the four local authorities that participated in the programme. They are intended to provide a brief summary of the key achievements and work undertaken, and the main learning points from each site. It is important to recognise that each Council chose ambitious and complex topics on which to focus its effort, and the summary presented here doesn't do justice to the amount of work undertaken by the project teams, the challenges they faced and the dedication required to overcome some quite significant barriers. However, this project was not about comparing or evaluating how much progress each site made during the project, but about extracting their experiences of tackling these difficult areas of work.

Coventry City Council	
The problem Time-limited funding available for the Coventry health improvement programme A need to identify future funding opportunities and delivery models in order to decide investment priorities and options beyond this	**Objective(s) of the business case** To scope and identify options for the future funding of healthy schools initiatives throughout Coventry City, developing this as a model that can be applied to other aspects of the health improvement programme To put forward a sustainable service delivery model which will help to tackle inequalities and continue to improve the health and wellbeing of children in Coventry
Achievements during the pilot programme • Successfully secured wide partnership agreement on the approach • Piloting commenced with one workstream (healthy schools) • Outline framework and information requirements developed and aligned with programme evaluation • Local and national information capture / evidence gathering underway	
Key learning outcomes • The process was time intensive – much more time and effort was needed than originally anticipated • A structured approach was crucial for securing partnership agreement	

- There were limits to the available skills and information to inform the business case. For example the team would have valued more insight from their delivery partners about the specific benefits experienced by their customers. More national data would have been useful to correlate with local knowledge
- The range of stakeholder engagement required was diverse and extensive

Support received
- Design and facilitation of a stakeholder event to develop the framework and define information requirements
- Review of published evidence on the impact of health improvement initiatives in schools, in order to supplement local data collection

Leicestershire County	
The problem Alcohol misuse is placing an avoidable and growing burden on many public services, including health, children services, social care and policing There is limited evidence available about the impact and benefits that can be derived from implementing different interventions that could support requests for additional investment	**Objective(s) of the business case** To secure additional investment in interventions aimed at reducing the overall cost of alcohol misuse to public services in Leicestershire, which can be used to further inform the evidence base To demonstrate how a place-based approach could deliver improved outcomes for Leicestershire's public services To secure partner commitment to ensuring the most effective use of resources in relation to tackling the effects of alcohol misuse

Achievements during the pilot programme
- Total cost of alcohol misuse across the place quantified, and validated with key stakeholders
- Additional investment secured to support a more comprehensive partnership-wide delivery plan
- Prioritisation approach developed to ensure investment is focused on generating the best combination of social and economic benefit
- Development of performance monitoring arrangements underway to track impact

Key learning outcomes
- Data collection – limited availability for some services, variable quality, and limited future modelling already undertaken
- Realisation of benefits and savings – difficulties quantifying benefits and attributing cashable savings to partners as a result of reduced demand for services

- Capability and capacity – the right skills to cost activities, the time available to bring data together, and the time to engage effectively with the right partners in developing the business case
- The challenge of comparing the costs and benefits of this particular issue against other priorities to determine commissioning decisions

Support received
- External review and critique of the costing model
- Review of published evidence of the impact of alcohol interventions
- Comment and review to strengthen 'the story' of the business case

The problem	**Objective(s) of the business case**
There is an unsustainable growth in the demand for social care and associated financial cost to the local authority	To make the case for introducing a personalised community support model in Lincolnshire, with a greater focus on services that reduce the need for high cost and long term maintenance support, and will release cashable savings within the next two years
Given the features of the local population, services need to become more personalised and tailored to individuals needs, with a greater focus on prevention if this growth is to be reduced	To establish a procurement and contracting framework that facilitates market development, reduces the cost of support packages, and increases the breadth, quality and diversity of support services available

Achievements during the pilot programme
- Community support model developed and agreed by Divisional Management Team – to secure Executive approval later in the year
- Monitoring actual spend and benefits against projections underway to inform baseline position
- Programme management arrangements adopted and governance structures in place
- Individual workstreams agreed to progress the work – including prevention and financial modelling

Key learning outcomes
- Gaining consensus, particularly in the current financial climate, is a significant challenge
- There is a risk of double-counting savings across different service areas – the financial modelling will need to take account of this as it develops further
- Defining prevention – particularly given the different interpretations between the health and social care workforce
- Ensuring that cost savings are real – and not just delayed, specifically with regard to

social care services	

Support received
- Comment and review to strengthen the story of the outline business case, and to bring together relevant evidence
- Data collection framework developed to inform aspects of the financial modelling
- Modelling of Lincolnshire Supporting People data using national research assumptions in order to inform the overall evidence base

London Borough of	
The problem Existing interventions to tackle worklessness have a low success rate with those people furthest from the job market The evidence shows that there can be a strong connection between worklessness and ill-health Being able to quantify the value generated from improved health and wellbeing as a result of returning someone to work, would help build the case for a more integrated approach	**Objective(s) of the business case** To set out and propose additional options for tackling worklessness in Hackney, in order to achieve improved health outcomes and higher success rates for return to work To quantify the costs of these different options and the potential value generated from improved health and wellbeing for public services in Hackney

Achievements during the pilot programme
- Business case developed setting out potential local options to complement changes to employment services as a result of the national single work programme
- Consideration of how the wider local authority offer, including through cultural services, housing, sport and leisure, and community engagement / participation, can address many of the barriers to employment
- Conceptual model developed, to test the feasibility of quantifying the value from improved health and wellbeing which can result from returning someone into sustainable employment

Key learning outcomes
- Shifting priorities make it difficult to build and sustain momentum within the wider business context
- The area of worklessness is complex and there is limited data available to demonstrate the effectiveness of less mainstream, but potentially valuable, interventions
- Quantifying the value of health improvement in this way, and in this context, has not

been done before – how do you make the most of existing data and methodologies to help develop this new approach?	

Support received
- Stakeholder engagement support
- Scoping the business case
- Development of conceptual model to value health and wellbeing

3.2 Early findings

The chosen topic areas described above all represent ambitious and complex areas of work. They were also considered to be particularly relevant for other local authorities throughout the country. In light of this, we undertook a review early after the inception of the programme with the aim of drawing out some of the initial findings and learning points.

It is important to note that each site began the pilot programme at a different starting point, depending on the amount of work completed prior to October 2010. For some, the topic area had already been the focus of a considerable amount of work, with at least an outline business case already partly developed. Whereas for others, the pilot provided an opportunity to embark more formally on developing new proposals which had, up to that point, been largely the subject of research and discussion.

This was reflected in the stage each business case had reached by the time some early findings were identified. This was a useful learning point in itself, in that it demonstrated the challenges associated with starting out, gaining momentum, and creating the right environment for business case development. Notwithstanding this, four common challenges had been experienced by each of the projects up to this point. These are summarised in table 1 below, along with some possible solutions identified jointly with representatives from the project teams.

Learning point(s)	Issues	Possible solutions
• **Availability of data**		

		population / prevalence data
• **Evidence of cause and effect** **Identifying a relevant and useful evidence base** **Attributing benefits to different partners**	- No or limited evidence about specific interventions - Difficulty attributing change - Resources / time required to 'model' new ways of commissioning and delivering health improvement services - Quantifying the impact of greater emphasis on prevention	- Use national research, policy documents, best practice guidance, and case studies - Supplement with qualitative evidence to 'tell the story' of the business case - Retrospective and prospective evaluation of existing programmes / interventions
• **Capacity and capability**		
• **Securing engagement** **Similar goals across partners, but different priorities for investment**	- Difficulty getting partner organisations to the table - Operational plans don't always align - Limited evidence base on what will deliver success	- Engage early at a senior level; build relationships and forge an element of trust - Demonstrate short term impact / quick wins - Apply project management principles to partnership working - Invest time in open and

| | transparent communication |
| | - Be clear about measures of success and understand the risks |

Table 1: Early challenges from the four pilot sites and possible solutions

The work completed up to this point also identified a number of other challenges and success factors in relation to developing business cases, including:

- Knowing your audience and what their objectives are
- Investing time in planning the development of the business case from the outset
- Being clear about expectations and timescales, particularly across partners
- Maintaining senior officer and member buy-in
- Bringing different sources of data together coherently in order to answer the right questions
- Generating sufficient focus on outcomes and how benefits will accrue to different partners and over different timescales
- Demonstrating long term behaviour change in local communities

Whilst the work each local authority then went on to do provided further practical experience of successfully dealing with some of these challenges, it is safe to say that some of them remain unanswered and require further exploration in order to provide useful guidance to the wider local authority community.

3.3   Overall experiences and learning outcomes

3.3.1   Success factors

The experiences of the four local authorities that took part in this project provide some important insights into the challenges associated with preparing a business case in relation to health improvement activities. Whilst much of the effort was focused on gathering, analysing and interpreting the data needed to inform the business case, it is clear that there are equally significant challenges in terms of creating the right environment to facilitate business case preparation. The work identified four common success factors in this regard:

- Willingness amongst senior leaders, Council members and officers to drive forward the decision making process
- Enough time to engage with others and prepare the business case, whilst not losing momentum
- Securing partner buy-in
- Adopting a pragmatic attitude to evidence and information

Specific business case and analytical approaches such as return on investment (RoI), cost benefit analysis, cost impact tools, and modelling techniques are almost secondary to the

environmental issues that make for a successful business case. In addition to this, the experiences of the pilots demonstrated that there are often significant challenges associated with getting hold of good quality local data on which to base meaningful analysis and interpretation.

Box 1

There is no single tool for developing a business case for health and wellbeing

An important finding from this project is that the specific tools and techniques used to construct a business case in relation to health and wellbeing, whilst important, are almost secondary to the considerations that need to be given to the wider decision making context. However, the work did demonstrate that the following tools were of most value to the pilot sites:

- Cost benefit analysis
- Monitoring and evaluation techniques / resources
- Return on investment
- Forecasting and trend analysis
- Simple options appraisal

The work undertaken by each of the four sites over the past 12 months has also shown that developing a convincing business case is a complex and difficult task. There are many, sometimes conflicting, priorities for Councils to consider and limited resources with which to tackle these. There is also no established way for Councils to draw comparisons in outcomes across different investment areas in order to decide which one(s) to adopt. However, if momentum can be built and sustained within the Council and with key partners, then these challenges can, at least, be partly overcome.

Continuity of personnel, particularly at a senior leadership level, is important for building and sustaining such momentum, along with making use of the available analytical methods and techniques, and adapting these where possible to local circumstances.

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Box 2

Leicestershire County Council – Securing successful partner buy-in

Leicestershire County Council (LCC) has agreed to prioritise additional investment in tackling alcohol misuse, alongside its main public sector partners. This includes: Leicestershire Constabulary, NHS Leicestershire and Rutland, local healthcare Trusts, Leicestershire Probation Service and Job Centre plus. The decision followed a period of successful partnership work as a national Total Place pilot on the topic of substance misuse, providing some of the necessary momentum for a whole community approach.

The business case for this investment came about following detailed analysis of the costs of alcohol misuse to public services across Leicestershire, and an acknowledgement that more focused initiatives to tackle the causes and impact of alcohol misuse could avoid substantial future costs. In particular, costs to the NHS, children and adult services, and the criminal justice system.

The key partners were engaged early in the development of the business case, at both a senior level and with those responsible for collecting and reporting local data about service delivery. Whilst quantifying the benefits which might be attributed to different interventions remains a challenge for LCC, having the partnership engaged throughout the process in order to validate the information and assumptions used in the business case meant that all parties were signed-up to the scale of the challenge in front of them and the need to focus greater resources in this priority area.

For further information about the business case, contact Mags Walsh, Programme Director Community Budgets Programme at: **Mags.walsh@leics.gov.uk**

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Whilst it is important that decision makers seek the best available evidence to support their decisions and the trade-offs they need to make, a lack of information itself should not be a reason for putting off decisions where intelligent assumptions can be made. Senior leaders need as much confidence in the people presenting information to them as well as the information itself. The 'human' dimension of decision making is particularly important here. Much democratic decision making is based not on hard data, but on perceptions amongst leaders and stakeholders of the impact of certain actions. This doesn't mean that credible evidence is not important. Members and Council leaders do need to understand what the likely benefits of different interventions will be, as well as the potential risks. However, a pragmatic approach should be adopted.

Being able to tell 'the story' of the business case, using a mix of qualitative and quantitative data, for example case studies, is just as important as the depth of evidence and analysis that supports the business case. 'The story' should be credible, but also easily understood by a wide range of stakeholders so that the benefits of doing something differently can be effectively grasped by the community.

3.3.2 Challenges and opportunities

Perhaps the biggest challenge faced by all sites was in relation to the availability of local information and data to support their business case, and the methods available to translate this into a set of meaningful outcomes. Whilst a considerable amount of evidence and information does exist, in many cases this was not collected or available in a way which could be readily used at the local level. The experiences of the pilots therefore suggest the need to:

- Use a mix of national and local data to formulate the business case
- Be clear about what should be measured to demonstrate impact
- Use qualitative data (case studies, personal experiences, etc) to tell 'the story' where there are gaps in knowledge
- Build prospective evaluation and monitoring / data collection into the business case

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Box 3

Lincolnshire County Council – Tackling the information challenge

In the early stages of developing its business case, Lincolnshire County Council recognised that very little local data and information was available which would help to describe the benefits of the proposed community support model. With support from Matrix, the team developed a data collection framework designed to help identify existing local and national datasets which could be used as part of the cost benefit analysis being undertaken to inform the outline business case. Whilst this proved to be a useful first step, the Council needed to go further in terms of developing a more robust evidence base for the proposed model.

Part of the solution involved looking at national research, including for example, work which had been done to quantify the benefits of the Supporting People (SP) programme. By developing a model which applied the assumptions used in that research to local SP data, the Council was able to make some more informed estimates about the scale of financial benefits possible from the new community support model.

For further information about the business case contact David Stacey, Programme Manager for Health and Wellbeing, at: David.Stacey@lincolnshire.gov.uk and Mick Skipworth, Service Commissioning Officer (Adults) at: mick.skipworth@lincolnshire.gov.uk

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Some work is underway nationally by NICE to develop an approach that could help Councils make better investment decisions in the public health realm. **This will show the potential return on investment (ROI) for health improvement interventions, with an initial focus on tobacco contro**l.

The experience from the business case work suggests that rather than aiming for a single model which could be applied in different situations, a more valuable tool could be one that would enable local authorities and their partners to create different scenarios, and identify the

potential outcomes for different courses of actions. It would also be useful for decision makers to be able to compare with one another the impact of the initiatives.

An approach that enabled local population data to be brought together in a way to help prioritise different interventions, recognising that individual programmes may need to target multiple needs in the local community, would also be of particular value. For example, some public health interventions may provide short term gains, across a number of different priority areas, and at relatively low cost. This could offer a useful shift in focus as local authorities take on greater public health responsibilities and likely make for a more compelling business case in the current economic environment.

In the future, Public Health England is also likely to be a source of advice and evidence as to what works best for a range of public health issues, and provide examples of good practice that Councils could draw on when faced with investment decisions.

Box 4

Hackney Council – Valuing the health improvement implications of employment

Like many local authorities, Hackney faces an important challenge: to find more effective ways of supporting people into sustainable employment. Whilst there are fairly short-term and immediate benefits of this as a result of reduced employment support allowance, job seekers allowance and incapacity benefit payments, there are also wider economic benefits to individuals and the local community. There are also important health and wellbeing benefits – the connection between unemployment and ill health has been well documented over recent years. However, quantifying or 'valuing' the benefits that might accrue to the Council as a result of improved health is a real challenge. This needs to be set alongside the costs of investing in more effective interventions.

In order to help make the case for how worklessness might be tackled in the future, the Council embarked upon an exercise to test the feasibility of putting a monetary value on the health benefits of successfully moving someone closer to employment and ultimately into sustainable jobs. The exercise showed that whilst such a model has the potential to work in theoretical terms, and would provide an important ingredient to the business case, the availability of data relating to both the likely effect of different interventions and the probabilities of developing an illness whilst unemployed, presented considerable challenges.

For further information about the business case contact David Woodhead, Assistant Director Health and Wellbeing, at: David.Woodhead@Hackney.gov.uk

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3.4   Implications for the wider local authority sector

The learning from this pilot programme has a number of implications for the wider local authority community, both in terms of the topic areas they have chosen to address, and the challenges they have faced in developing successful business cases. The experiences of the pilot sites

and the findings described above show that creating the right environment for decision making is equally as important as the content of the business case itself. Councils need to recognise the 'human' dimension of decision making and adopt an approach that applies existing evidence to an understanding of the local context, tells a story which is convincing but accessible to key stakeholders, and uses evidence and information in a pragmatic way.

As they take on greater public health and health improvement responsibilities, Councils also need to find ways to generate strong and sustained leadership to tackle the health improvement agenda and to engage effectively with a multitude of partners. This includes taking a whole population view and recognising that multiple needs and priorities exist and therefore holistic solutions are needed.

The implications of these findings have been translated into a number of 'top tips' for developing a business case, which are presented at the beginning of this report. We hope that these provide useful pointers for other local authorities as they tackle this important area.

Box 5

Coventry County Council – Making health improvement a priority

In 2009, Coventry City Council, in partnership with NHS Coventry, embarked on a wide ranging programme to improve the health of the local population. This included initiatives aimed at tackling smoking, alcohol, obesity, sexual health, and employability. The investment set aside for many of these initiatives was time-limited, and the Council wanted to develop an approach for prioritising those programmes that should continue to be funded beyond this, and to identify where that funding might come from. This was set within a context of a number of competing organisational priorities and a need to reduce future spend, meaning that the business case is crucial in terms of informing both investment and disinvestment decisions.

The approach adopted by the Council involved focusing on one of its more successful programmes to date – the Healthy Schools Initiative – and going about setting out a commercial delivery model for the future and developing a framework which would help identify future funding opportunities for the Council to pursue. This enabled the team to generate a sufficient focus at the senior level on the importance of the health improvement programme.

For further information about the business case contact Mark Simon, Transformational Programme Lead, at: Mark.Simon@coventrypct.nhs.uk

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4.0   Conclusions

The business case pilot programme has demonstrated that there is no 'magic bullet' when it comes to preparing a business case for health improvement. A range of approaches as well as techniques is needed and Councils would benefit from having access to a toolkit of available resources from which they could choose the most useful in their context.

It is also clear that there are huge benefits in the ability to share practical experience and approaches in areas such as engaging partners, tackling barriers, and the use of tools and techniques in particular local contexts. To this end, an online community of practice could be established to facilitate Councils learning from each other in tackling the wider determinants of health, through their health improvement programmes, as well as to develop further the toolkit of available resources.

This work also highlighted areas that could be further explored as they were beyond the scope of this project such as: how best to deal with concerns about the reliability of assumptions, the power of story telling and who is best placed to tell or 'sell' the story to key stakeholders, and how to deal with issues around gaps in information and whether a proxy can be used.

The 'top tips' presented at the beginning of this report represent a summary of what we have learnt over the course of this project, based on the real-life experiences of four local authorities in developing a business case for health improvement. As Councils continue to carry out their work in this important area, these 'top tips' are designed to support the wider local authority sector make more confident and robust investment decisions. They are to:

1. Make use of a range of business case tools and techniques to build the case for change. Health and wellbeing topics are often complex and involve multiple potential benefits – there is no single business case technique or approach that will be right for every situation

2. Engage delivery partners early, across the public, private and third sectors, to secure buy-in and joint approaches

3. Identify the ideal data and evidence needed to support the business case, gaps in that data, and therefore what needs to be collected and shared with partners early - this should be done in a pragmatic way, for example, using national and/or proxy data where local information is not readily available

4. Recognise that programmes / interventions may need to target multiple needs and therefore demonstrating actual benefits is likely to be complex – use evidence that is the best at the time (for example, from NICE, NHS evidence, Association of Public Health Observatories, the Social Care Institute of Excellence, and Local Government Association)

5. Strive to ensure consistency of leadership throughout the development of the business case in order to generate and sustain momentum

6. Ensure the project is well communicated, both within and external to the Council, therefore avoiding duplication and making best use of the available expertise and resources

7. Given the different capabilities and stages of development across local authorities, identify any skills gaps in terms of developing the business case (for example, undertaking economic analysis) and draw on all the available skills, tools and information sources (e.g. public health teams, public health observatories, specialist external support, Public Health England, and online / generic business case resources)

8. Use case studies, user stories and visual representations to tell a clear and accessible story about the intended benefits and impact on the local population

9. Build monitoring and evaluation into the business case, in order to ensure that the right data is collected to drive implementation and demonstrate / realise benefits over time

10. Learn from others and share your own learning about approaches and techniques that have worked, barriers, and how these have been overcome, including those interventions that can have short term impact on health and wellbeing, at relatively low cost.