A change in thinking: redefining services

Services for Later Life 2012, AGE UK conference

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What do we learn from what is happening in the wider third sector?
About NPC: helping transform the sector

- We help charities and funders achieve greater impact through research, consultancy, and communications
- Part think tank, part consultancy we focus on:

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<td>- Improving your organisation</td>
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- Think tank work on issues that affect effectiveness in the sector like
  - Commissioning
  - Social investment
  - Local civil society
A tricky background: cuts hitting – including to the voluntary sector

- **Cuts to central support for council budgets** of over 25% – very much front loaded
- From 2010/11 to 2015/16 a cumulative amount of **£3.3bn will have been lost from the voluntary sector in grants and contracts** (NCVO)
- This will be **£1.2bn in 2015/16**, with over one third from central government cuts. (NCVO Almanac 2012, p 43)
- **Councils struggling** - with the worst still to come?
- **Services for older people not excused** – although health holding up and less tax rises etc
Demand up: some examples

• The number of **people sleeping rough** in England has grown by more than a fifth in the past year as widespread local authority cuts to support services and housing benefits took effect
• **Youth unemployment** (16 to 24) highest since 1980s (ONS)
• More than a quarter of organisations saw more people **coming to work ill** in the past year, and almost two-fifths experienced an increase in **mental health** problems (CIPD)
• On an average day last year 230 women were turned away by **Women’s Aid**, around 9% of those seeking refuge, because of a lack of space
• We know **population** continues to **age**
All doom and gloom?

- Cuts in numbers employed in voluntary sector (c70,000 is a recent estimate)
- Giving is flat (?)
- Reserves being eaten into
- Recent LGA estimate that spending on adult social care will exceed 45% of council budgets by 2019-20
Some recent examples of charities in trouble

- **Up to 30 staff could go at Mencap** – CEO says charity's plans to save £1.5m have come about because of the loss of local authority funding. (8 March 2012)

- **Stroke Association to axe 28 jobs** - CEO Jon Barrick says it faced a budget deficit of £1.5m following a decline in voluntary income (17 January 2012)

- **59 per cent of charities expect the financial situation of their own organisations to get worse**, with only 13 per cent expecting an improvement. (NCVO Charity Forecast June 2012)

- **Children’s charities** will lose £405m in government funding over the next five years, a quarter "likely" or "very likely" to shut down in the next year or so. [NCB](#)
What are charities doing well and where do they need to improve?
Overall: Resilience and efficiency

• Recent NPC survey of commissioning from third sector perspective (*When the going gets tough*)
• Starts to dig in to how charities are coping with cuts
• Plus new types of contract PBR; personal budgets
• Shows big effort to “work differently and try new ways of doing things”
• But worries re closures and lots of use of reserves
Creative responses too

- NPC survey showed 97% working differently or trying new things
- Nearly 80% plan to work more collaboratively with other organisations
- 75% aiming to harness the power of volunteers - very relevant to older volunteers
- Need to be more clear in their aim and influence funders/commissioners not just be at ‘mercy’ of them.
With opportunities and risks

- Community Links – transferred management of playground (previously supervised by play workers) to community parents rather than shut it
- Possible risks – health and safety when first child breaks a leg?
- Library and arts centre transfers to volunteers
- But will service offerings change?
How do third sector organisations increase outcomes for their users
Doing better

- Clearer on outcome being achieved
- Having a theory of change
- Measuring what you can so you understand your impact
- Feeding back into decision making and resource allocation
Need: children are falling behind at school because of problems at home

1. Literacy or numeracy tutoring
2. 150 children are given one term of literacy tutoring
3. Previous evaluations suggest this alone will improve literacy for c.70% of children
4. Children’s literacy and numeracy improves
5. Parents are able to support child to learn
6. Children give more attention to education
7. Children’s overall grades and school work improve

School identifies children who could benefit from intervention

Support for parents

Issues preventing children from learning are identified

Issues preventing children from learning are rectified

Children’s behaviour and attendance improves

Evidence suggests improving attendance will only improve grades for those children whose attendance was a serious problem (below 95%)

Support for teachers

Issues at home are understood by the school

Children are supported by their school to overcome the issues at home

Key

Enabling factors: things that have to exist for the theory of change to happen

Activities: what the charities’ services are

Outputs: what the service provides

Outcomes: changes that the charity wants to happen

Evidence or assumptions: why you think one outcome will lead to another and cases where it will not

Ultimate goal: what the charity is trying to achieve
Measuring what you do

- If you don’t, how can you know what you achieve?
- How can you improve? How can you learn?
- Many problematic issues
  - Data
  - Attribution
  - Additionality
  - Measuring what is measurable
  - What tools to use
- But need some handle on what you do and problems are no excuse
Assessing impact comes at different levels:

- **Individual**
- **Community & family**
- **Professionals & policy makers**
- **Society**

The diagram illustrates the different levels of impact assessment, from individual to society, with the certainty of outcome increasing as we move up the pyramid.
What do charities learn from this?

- Do they change? (some don’t)
- Can improve services
- Become more efficient and effective
- Even uncover their true value

‘Before the evaluation, our hospital cafés were seen as revenue raisers. Now they are seen as fundamental to the service we deliver—an opportunity to engage with millions of older people at a time of difficulty and stress.’ WRVS
Doing different

- Focused more on outcomes citizens value?
- And what is innovation?
- Engaging staff
- Using your volunteers in new ways
- Co-production
- New technology harnessed

Balance between replicating (scaling up) and innovation
New ways of working with others

- Collaboration
- Group structures
- Consortiums
- Working with the private sector
- In older people services, larger national organisations developing ways of working with smaller local services
- Issue of how devolved national organisations work too
What about funders?
Commissioners need to think hard about how to go about their work

• When to fund replication and expansion
• When to fund innovation
• Use commissioning to drive effective collaboration
• Even ‘cross-silo’ commissioning (cf Total Place and Community Budgets)
• Think hard about smaller (and local) charities being squeezed out by bigger contracts and pbr
• Try and avoid over-emphasis on short term cashable savings
Charitable funders – foundations and philanthropists

• Many of the same questions
• More room to innovate?
• And evaluate?
• But how to move on to mainstreaming?
• Issues for BIG Lottery as well as charitable foundations (Silver Dreams etc)
• And how do we get corporate foundations interested?

Are there enough interesting projects to fund in the older people space?
Does social investment help?

- Three types of SI (at least!)
  - Basic loans and bonds
  - Social impact bonds
  - Risk capital for social entrepreneurs and social enterprises
- Very useful in areas like bed blocking etc
- Worcestershire CC considering a social impact bond to fund telecare, rapid response units, virtual wards (MJ 28.06.12)
- But…
  - Need revenue streams
  - Who is going to pay it back?
  - Is it most cost effective?
  - Attitudes to risk
Things that will have to happen

• More innovation
• More co-production (real or euphemism for cost cutting?)
• More working in collaboration
• More mergers
• More working with the private sector
• More early intervention
• More joined up commissioning

‘Tweaking’ and incremental change will simply not be enough given the task ahead
How will the sector look in five to ten years time?

- Miserable?
- Very varied—with more problems in more deprived areas?
- Big, national and small, local charities surviving while middle tier is wiped out?
- Social enterprises growing and social investment thriving?
- Big Society really working?
Any of this different for older people services?

- Don't think so!
- Needs and desires of older people are changing fast
- They are much less homogenous
- Society is changing
- And the roles the state, civil society and the market play
- Technology too
- Interventions must be financially sustainable
- And policy all over the place!
Managing demand has to be crucial – innovation needed here from funders and funded

• ‘self service’ eg Essex CC - signposting information and contacts to other groups so people can stay active
• divert demand to others (eg 3rd sector);
• intervene early.
• change expectations of what state should provide;
Role for ageing related sector in advocacy on attitudes?

- Is there a case for charities working with older people to try to change the prevailing paradigm about ageing?
- Away from idea that rapid ageing spells doom and gloom?
- Recent British Academy Policy Centre paper “Demographic Futures”, by Pat Thane argues we are very caught in the wrong narrative
- May be leading to wrong policies and resource allocation
Need to get on with it

• Sector is very resilient
• Older people with multiple needs
• Need to act
• ..and campaign.
• Good luck!
• (and NPC can help!)
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