

FUNDING COMMISSION

Effectiveness- Collaboration and Merger – Case studies and comment- NCVO Collaboration Team (July 2010)

The Premise for collaborating

Collaboration potentially presents the opportunity to improve the means of delivering services.

The underpinning question is *“what are the best ways for organising to deliver the civil society agenda”* and *“what are the best structures for doing this within the operating environment and within the environmental constraints of the time?”*

The primary criteria for assessing what way of structuring delivery are twofold:

- Does it enable better responsiveness to needs of beneficiaries. – This can be asked at different levels; Does it enable more responsiveness to the existing beneficiaries, whether it results in delivering to more beneficiaries and whether provision of more joined up, holistic services.-
- Does it enable better use of resources
 - E.g. Does it enable us to work smarter with existing resources?
A key sub question is “how does it effect our attractiveness to volunteers?”

Within the current environment there is an additional factor that determines our ability to ‘play’:

- How does our way of structuring delivery effect our access to resources. e.g funding. – With the move to large, multi-faceted contracts and dramatic reduction in grants, this is a key driver in current times.

The current landscape

There is currently anxiety around the future and about collaboration. In workshops this anxiety is coming from:

- Pressures on resources with reduced funding from all sources
- The switch from grants of all sizes to large contracts for broad ranging services – which many organisations cannot bid for alone
- The challenge and cost of tendering and delivering in public sector delivery environment with concern that this will destroy the value the VCS currently delivers

At recent workshops on collaboration, feelings have been high about what some see as the unnecessary costs and structural changes required to respond to the change in public sector operating. Others appear to be completely unengaged in any need to consider structural responses to the challenges of the time. It is hard to know if this really is because it is all in hand, or if there is denial or lack of awareness of the challenges ahead.

There is a strong imperative to look at ways of delivering with less and to adapt to the contracting environment. Given this, we need to pay attention to what is happening on the ground. So what have we found?

Case Studies

The Collaboration Team are currently building up case studies to inform our thinking, inform best practice and support learning for the sector.

Of the 13 case studies collated recently, the driver for the collaboration in 11 out of 13 cases was to access funding. In 6 of these cases the collaboration was initiated at the request of a public sector funder.

Of the remaining two; one was reliant on there being smaller charities who were willing to be taken over by an actively acquiring large charity (Barnardos) and the other was intrinsically reliant on collaboration as its remit was to provide office buildings and services to other non-profits.

We have had no offerings of studies of organisations starting out to collaborate purely to increase responsiveness to need or make better use of resources, without another external driver. What can we surmise from this?

Comments and Conclusions

- The majority of people who are going into collaborative working arrangements are doing it because they have to; to respond to funders requirements, to meet the requirements of funding available and for survival given the loss of previous sources and levels of funding.
- Collaboration, particularly more formalised and structural partnerships, are more common in parts of the sector reliant on public sector funding – either as a response to anticipation of a move away from grants to contracts, an anticipated move towards larger contracts, or anticipated reduction in grant or contract funding
- There is less evidence of how organisations who are funded by donors and other income streams are addressing collaboration, or if they see collaboration as important.
- Where support has been available to facilitate collaboration a lot has been achieved
- The pattern of mergers still show that they are driven by crisis or survival, rather than a consideration of improvement for beneficiaries or reduction in duplication
- Collaboration on the other hand, has offered a route to considering duplication and creating efficiencies, possibly creating a forum to discuss future mergers
- People aren't doing enough thinking about how we can work collaboratively to make better use of resources and better respond to need.

There is little evidence of people considering how to do this at a high level through formal structural collaborations between organisations. There is also a potential benefit from proactive approaches to low level cooperation, such as sharing of halls and minibuses, (as advocated by the outgoing CE of the Charity Commission).

Question: What inhibits people from this? – Daily pressures and busy-ness, fear of the risks; lack of knowledge of where to start; lack of solidarity with others in thinking it through and making a start.

- The evidence from research on organisational change is that people learn best from peer to peer dialogue and when supported in taking head space to learn and engage together. If we are to address this, we need to support people in finding opportunities to learn together.
- Few small organisations are engaging in formal or informal collaborations except where being taken over. This may be because the drive for efficiency and reducing cost means that collaboration support is focused on the parts of the sector which are dependent on public funding.

Small organisations are immersed in service delivery and struggle to find space to engage in strategic considerations. The challenge is to help them find space to engage in the issue of survival and, beyond that, 'health'.

Feedback from small organisations suggests that information on who to collaborate with, the potential benefits of collaboration, a clearer picture of the environment and a managed process to support collaboration are all needed.

There is currently little targeted support for this part of the sector.

Beyond the fact that they are busy and occupied with delivery, there is a lack of information on what executives in smaller organisations are thinking and how they could be helped to consider creative ways of serving beneficiaries, utilising resources and particularly to securing a future if

grants and other forms of income that support their current structure and ways of working threaten their viability.

- There are lots of good examples of where medium to large organisations have gained benefits from working together. This includes examples where the collaboration has increased sustainability.
- Little work has been done to collect 'hard' evidence of the benefits of collaborations to date, however, there are many examples of broad-ranging benefits and impact from case studies.
- All our work has highlighted the cost and effort of orchestrating a structural collaboration between two or more organisations.

People are clear that the time and effort to set up and maintain a collaboration are high. Structural arrangements require legal and other professional knowledge. This is expensive and not an option for smaller organisations and off-putting for large organisations.

Recommendations

- The importance of collaboration needs to be clearly recognised.
- People need support to get collaboration going; stimulate opening out of strategic thinking and planning to consider how best to respond to the challenges and how to work with others and beyond current organisational structures.
- People also need support to collaborate effectively; to minimise the costs, manage the risks and maximise realisation of benefits.
- It would be valuable to provide support and to develop capacity of the sector in these skills.

Esther Ridsdale, July 2010

Case studies; main drivers

MAPS and Women's Aid – Drivers were to diversify funding (90% was previously from a single source) and also to reach new beneficiaries.

Worcestershire Community Transport Partnership - Came together to bid for local authority contract to deliver services that they had delivered separately with local authority grant funding.

CAN Mezzanine and CAN Online – Saving money through co-location is the primary aim, but as the space is open plan many other collaborations have happened as a result of people learning about synergies in each others projects.

Young Lancashire – 37 delivery partners and 6 non-delivery make this a very large collaboration. The main driver was to bid for a local authority funding programme called “Commissioned Outcomes Programme” which sought impact on range of issues which the members of the partnership thought they could deliver by working together.

Action Acton - Has a very wide range of projects to create regeneration, jobs and training opportunities. They are a charity but use a social enterprise approach to create sustainability.

Farm Animal Welfare Forum – This is a collaboration between different sectors; private, voluntary and academic. The organisations have been brought together by the funder of the project which is a charitable trust, who wished to see a coordinated strategy for farm animal welfare in the UK.

Community First and Youth Action Wiltshire – A merger. These two organisations had previously worked together on a funded programme of work. YAW was a much smaller organisation than Community First. YAW approached them with the suggestion of merger when they were in financial crisis. This enabled Community First to expand it's youth work; which they had already identified as a strategic priority.

Federation of Irish Societies – Merger between two members of the federation. A small member approached a larger, as a result of financial uncertainty and because of the departure of their CEO.

Women's Health and Equality Consortium – A partnership of women's organisation which came together to bid for funding from the Department of Health.

The Twilight Project – Partnership between Public and voluntary sector organisations. The service was commissioned by the local health board in response to a clearly identified need. The service saves money for the NHS by reducing non-essential admissions to hospital among the elderly.

JET Derby – A large local organisation merged with a small local organisation which had lost it's main local authority contract to deliver services and would otherwise have been wound up. Although JET has not been able to regain the contract since taking over the organisation's area or work, it has been able to continue and expand their work (with young people) since the merger.

Coventry and Warwickshire Infrastructure Consortium - Regional infrastructure organisations working together to improve efficiency both of function and in terms of cost. Examples are shared ICT and a joint framework for measuring and evaluating impact.

Barnardos and small local childcare charity – Merger Barnardos has a social enterprise development unit that assesses and implements new growth projects. Among other things it has looked at the role Merger/Acquisition might play in Barnardo's future growth. They look out for opportunities to grow by merging.

The Communications Trust – A partnership of 37 VCS organisations which came together to raise awareness of the importance of speech, language and communication amongst people that work with children. This collective “voice” has enabled them to lobby more effectively. They are now beginning to look at joint fundraising and bidding for local authority contracts.

Gloucestershire Arts Framework - Approximately 30 arts organisations came together because of pressure from the Arts council and Local Authority to save costs. The partners are now discovering other ways in which they can work together.

Sitra – Cutting costs by joint working and bidding for local authority contracts to deliver supported housing services and care.

HACT - Cutting costs by joint working and bidding for local authority contracts to deliver supported housing services and care. Delivers a project in collaboration with Sitra.

The Communications Trust.

The Communication Trust is a consortium of 38 non-profit organisations that bring together their experience and expertise in developing children's communication skills. The Trust was set up in 2007 to raise awareness of the importance of speech, language and communication amongst people that work with children. Their vision is for every child to have the speech, language and communication skills to learn and achieve to their fullest potential.

I CAN, the children's communication charity and subsequent legal host for the Trust, recognised that the profile of the speech, language and communication cause was low and that the task of increasing understanding amongst the children's workforce was more than one organisation could do alone. There were existing tensions between organisations in the children's communication sector but a £30,000 grant from VCS Engage enabled I CAN and other founding partners Afasic, the Council for Disabled Children and BT to explore what working together more closely might look like. This work led to the formation of The Communication Trust and the creation of a document explaining speech, language and communication needs (SLCN). This document resolved one of the existing tensions around the use of common language and the understanding of the issue.

The Trust was set up to ensure that professionals can access the training and advice that they need to support the children they serve; to act as a conduit between professionals and providers and to generate greater efficiencies in the sector. In a short space of time, The Trust has grown to become the 'hub' of communication expertise, giving voice to all organisations with an interest in this area. Presenting as an effective coalition has enabled the Trust to successfully engage government in the importance of children's communication skills and play a pivotal role in developing government policy in this area.

The Trust's main funder the Department of Education, was keen to see more collaborative working, in particular in the speech, language and communication sector. Moreover many organisations had competing, or at least complementary, services. Several were also running events, marketing and activities targeted at the same audience. Working together has reduced costs, increased reach and supported the end user to get a more 'joined up' service.

The Trust is testing approaches to joint fund raising and joint bids to public contracts with some early wins in both areas.

Members of the Communication Trust consortium:

1 Voice, Ace Centre North, Ace Centre, Action for Children, Afasic, Association for the Rehabilitation of Communication and Oral Skills (ARCOS), Auditory Verbal UK, Barnardo's, British Stammering Association, Candle, CENMAC, Chailey Heritage Clinical Services, Communication Matters, Communications Forum, Contact a Family, Council for Disabled Children, DialogueLab, Elklan, I CAN, Language for Learning, Makesense, Mencap, National Association of Professionals concerned with Language Impairment in Children (NAPLIC), National Autistic Society (NAS), National Deaf Children's Society (NDCS), National Literacy Trust, St Catherine's, Scope, Selective Mutism Information and Research Association (SMIRA), Social Emotional Behavioural Difficulties Association (SEBDA), Symbol UK, The Children's Society, The Children's Trust Tadworth, The Learning Partnership.com, The Makaton Charity, The Michael Palin Centre for Stammering Children, The Signalong Group, TreeHouse.

The Twilight Service – A Case Study

A collaboration between VCS and public sector organisations to deliver services.

This is a new approach that has created a holistic and responsive service for older people to reduce unnecessary hospital admissions. There is good evidence, including a recently completed study by Bangor University, to show that this approach has been successful in delivering effective, joined up services and has created efficiencies for the health sector. The project was funded for three years and the service is now waiting to hear if funding will continue in 2011.

The Twilight Service promotes and develops support networks for older people within their communities to ensure maintenance of independence within their own homes and prevent unnecessary hospital admission. Older people who are admitted to hospital are at risk of extended stay; malnutrition; exposure to hospital acquired infection; reduced independence; functional decline and increased mortality. (Age Concern 2007).

Accident and Emergency is an accessible interface between the community and acute hospital care particularly outside GP surgery hours. Older people are frequent attendees to these departments. Hywel Dda NHS Trust indicated that a number of older people are admitted unnecessarily to hospital via A and E and the Clinical Decision Units. These admissions are largely due to lack of social support ensuring safe discharge home. In 2007 the Carmarthenshire Health Social Care and Well-being Partnership identified a shortfall in service provision for older people, to accompany them home from Accident and Emergency and provide a home visiting service the following day. The 'Twilight Service' was established in October 2007 to meet this need through funding provided by Hidden Dragon and the Carmarthenshire Local Health Board. The service costs around £105,000 pa for 2008/09.

After safe medical discharge, 2 support workers provide transport via a lease car. They settle the patients into their home and complete a risk assessment to establish the need for further community support. They can refer to Canllaw, Telecare, British Red Cross, Home from Hospital scheme, Care and repair, Bobby van, Fire Service re alarms, Crossroads and others that are community based.

The Twilight Service works Thursday-Monday 2pm-10pm and each month transports over 40 people and refers an average six people on to other services.

When the support workers are not transporting patients they provide a task oriented service in their departments i.e. take blood samples to the Pathology Dept, talk to waiting patients, escort patients to X-Ray, provide refreshment to patients as directed by nursing staff, collect medications from Pharmacy etc.

The Organisations that make up the Twilight Service are:

Menter Cwm Gwendraeth (lead Organisation) employs staff, delivers service and links with all relevant partners particularly the British Red Cross.

Carmarthenshire Local Health Board initially commissioned the service and has established a Steering Group, which monitors progress and outputs.

Hywel Dda NHS Trust maintains profile of service with respective departments; assists with induction of staff and orientation training; communication links with Twilight Services Manager.

British Red Cross provides home from hospital discharge scheme, which the Twilight Service liaises with. A Multi Agency Forum has been developed to further extend the quality of support provided to sustain the clients in their home.

The scheme has won the Welsh Health Care Award 2009 in the Voluntary Sector and has received commendations from Mrs. Edwina Hart, Minister for Health and Social Services.

Case Study – CAN Mezzanine

CAN is a registered charity working as a social enterprise, formerly known as Community Action Network. CAN Mezzanine is an award-winning, self sustaining social enterprise providing space, services and products to the Third Sector.

CAN believes that social enterprises create greater community cohesion building a sense of local pride and ownership. Encouraging a belief in positive action in the communities they serve, reaching the most vulnerable people in society in imaginative, entrepreneurial ways.

In addition to shared office space CAN provides a range of property services to the third sector:

CAN Advise, advises on all stages of property negotiation; leasing or buying a property.

CAN Manage, uses the expertise from CAN Mezzanine, to provide bespoke facilities management packages, improving building efficiencies and providing practical solutions.

CAN Develop, helps third sector organisations plan, build and develop their own property.

CAN Mezzanine, provides high quality affordable office space to charities and social enterprises. They currently house over 100 organisations. Most of the space is intentionally open plan, encouraging collaboration and networking. CAN Mezzanine saves the Third Sector more than £2.2 million a year at its London Bridge location alone, according to independent social impact research, with average savings of more than £5,000 for every desk space rented. Organisations at the three sites are promoted through a secure intranet system where they can advertise their work, ask for ideas or find partners on projects.

Examples of collaborations within CAN Mezzanine:

The Brightside Trust and the UNIAID Foundation, both education charities, have merged. “The merger has allowed us to extend our work to tackle social barriers to education and training,” says Dr Tessa Stone, Chief Executive. “Both organisations had a similar approach. Together we can reach bigger audiences and provide a more comprehensive service.”

Kids in Museums, the Institute of Conservation and the Collections Trust are organisations involved in museums, archives and collections – have collaborated on various projects and promote each other on their websites. “Being in the same space means we hear about opportunities to support each other”. Eleanor Lovegrove Marketing and Membership Officer, Collections Trust

Three domestic violence charities – Greater London Domestic Violence Project (soon to change its name), Respect and Women’s Aid – deliberately chose space in CAN Mezzanine because of the opportunities for shared working and synergy. Collaborations include working on joint responses to consultations, representing each other at meetings and responding to media calls. “There is something about the physical co-location that makes a real difference. Although we worked together before, being in the same building saves us both money and time,” Director Davina James-Hanman.

Almost 70 per cent of charities renting space in CAN Mezzanine’s three London sites are collaborating on projects or sharing resources, according to the latest customer survey (March 2010). Around 90 per cent are interacting with each other in other ways. Andrew Croft, Chief Executive of CAN, says:

“This is a prime example of how the right working environment can help charities and social enterprises to develop productive alliances. When we developed the concept of CAN Mezzanine we saw the main benefits as cost savings, shared back office facilities and a congenial working environment with like-minded organisations. But this survey shows that it also can generate collaboration and innovation around social change. What we have created in effect are ‘communities of social interest’.”

Case study; Money Advice Plus (MAPS) and Women's Aid

A collaboration between a small local voluntary organisation (MAPS) providing money advice in East Sussex and a large national charity Women's Aid, working to end domestic violence against women and children, with a network of over 500 domestic and sexual violence services across the UK.

MAPS was providing debt advice to housing association tenants, and 90% of their funding came from housing associations who paid for this service. They wanted to widen the scope of their work, both to reach other beneficiaries and to make their funding more sustainable.

Debt is a significant issue for survivors of domestic abuse, no specialist services existed but 10 and 20% of clients using debt counselling services may suffer domestic abuse. The CEO of MAPS approached Women's Aid with the suggestion of a joint project, DAME (Domestic Abuse, Money and Education). They then approached the Nationwide Foundation who have funded the project for three years with a grant of £300,000, to provide tailored money and debt telephone advice to survivors of domestic abuse. Funding began in April 2010.

MAPS is the lead partner in the project and reports to the funder. The larger partner is happy with this as they have a range of projects and so this represents a saving in staff time. There is a steering group of senior people from both organisations who meet quarterly. They have a clear, formal partnership document with agreed responsibilities.

The DAME project employs two dedicated money advisers who support clients with free and confidential advice by telephone. Women's Aid promote the service through domestic abuse support services which identify and refer people who would benefit from help with money and debt issues. The funding also provides a part time research post to gain active learning throughout the project. The final year of the project will focus on sharing the learning through developing a training package for money advice workers and also probably a resource pack.

Nationwide have been a very supportive funder, providing materials and advice as well as funding. They have set up regular meetings between the DAME project and two other projects they are currently funding who work on related issues, to build relationships and share learning.

The project is still at an early stage but the CEO of MAPS is keen to use the learning from this project in future collaborations (she is in discussions with Macmillan Cancer Support, as cancer survivors are another group who need money advice) but she is aware that all collaborations are unique, so the process won't necessarily be quicker second time around.

Coventry and Warwickshire Infrastructure Consortium – a partnership between regional infrastructure organisations.

The members of the consortium were already meeting regularly but came together in a formal partnership after funding from the Home Office and DEFRA enabled the forum to develop protocols, identify potential collaborative services and facilitate information exchange. The partners work together on service delivery, lobbying, funding and purchasing in order to strengthen the capacity and the voice of infrastructure services for the benefit of frontline voluntary and community groups.

CWIC aims to: increase and sustain opportunities for volunteering; support organisations access to and use of quality standards and to enable the sector to have a more effective voice through the framework of an Assembly. CWIC has a strategy and a business plan. There are also annual consortium development work plans. Any collaborative activity must aid the delivery of these plans and the strategy if it is to be supported by the Consortium.

Current members are:

1. Council of Disabled People Warwickshire and Coventry (CDP)
2. Voluntary Action Coventry (VAC)
3. Coventry Diocese
4. Coventry Ethnic Minority Action Partnership (CEMAP)
5. Coventry and Warwickshire Co-operative Development Agency (CDA)
6. Coventry, Solihull & Warwickshire Sport (CSW Sport)
7. Heart of England Community Foundation
8. VC Nuneaton and Bedworth
9. Voluntary Action Stratford-on-Avon (VASA)
10. Warwickshire Association of Youth Clubs (WAYC)
11. Warwickshire Community and Voluntary Action (WCAVA)
12. Warwickshire Clubs for Young People (WCYP)
13. Warwickshire Children Voluntary Youth Organisations (WCVYS)
14. Warwickshire Race Equality Partnership (WREP)
15. Warwickshire Rural Community Council (WRCC)

Current projects:

The CWIC Commissioning Framework 2009 - a transparent process through which CWIC can strategically plan, and undertake commissioning and procurement activities. Includes accountable body and lead body functions.

The CWIC Performance Management Framework 2010 - a measurement framework to gauge its impact sub regionally, as well as help ascertain the value of partnership for its members.

The CWIC ICT project -reducing costs for CWIC members through collaborative ICT implementation. Following a feasibility study CWIC has established a task group to develop an implementation plan.

Inter - Faith Development Project - to support inter-faith engagement, and to help faith communities strengthen their voice within the wider community.

The CWIC Quality and Governance Project - supports groups to implement Quality Assurance Systems and Governance Standards.

CWIC Equality Framework - ensure that generalist and specialist infrastructure organisations within Coventry and Warwickshire have a common approach to Equality and Diversity.

Voluntary and Community Sector Assembly - to provide and develop effective two way communication between the voluntary and community sectors and the public and statutory sectors and to support representatives of the VCS to influence the public and statutory sectors.

CWIC projects receive funding from a wide range of sources including charitable trusts and local and national government.