Whatever plans we make, changes in the external environment constantly influence our organisations: reducing or expanding funding streams, changing government and regulatory priorities or policies, shifting social attitudes, new technologies, and so on.

This booklet introduces some of the most important drivers for change that are likely to affect advice organisations in the future. Key risks and opportunities are also identified, along with some possible scenarios for the future.

A good analysis of the future does take time, but it's not impossible and shouldn't be seen as a luxury. All organisations can become more successful by spending some time improving their understanding of the likely future shape of external changes and using this to make a stronger organisational strategy. This introduction will help you get started.

Advice in the future

Scenarios and issues for the future of the advice sector

Published by the Performance Hub

The Performance Hub works to help third sector organisations* achieve more.
*charities, voluntary organisations, community groups and social enterprises.

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Why think about the external environment?

Whatever plans we make, changes in the external environment constantly influence our organisations: reducing or expanding funding streams, changing government and regulatory priorities or policies, shifting social attitudes, new technologies, and so on.

Third sector organisations can become more successful by spending some time improving their understanding of the likely future shape of external changes and using this to make a stronger organisational strategy.

Some view this as a luxury: "It's only for rich charities", or as impossible: "It's stargazing! You can't predict the future!" or think that it is just an intellectual exercise that won't change what their organisation does. Others appreciate that it is one of the critical tasks of the Chair, the Board, the Chief Executive and managers.

We have put together this booklet to provide a quick overview of some of the most important drivers for change that we think are likely to affect advice organisations in the future. We have then identified some of the key risks and opportunities that these changes could present for your organisation. The booklet also introduces some scenarios for the future.

What are drivers for change?
Drivers are major forces or trends that could positively or negatively shape the future of your organisation.

What are scenarios?
Scenarios are visions of alternative futures. They can help organisations to think creatively about future opportunities and challenges.

Inside the booklet

This booklet sets out a selection of drivers for you to consider in four key areas:

1. **The need for advice services**
   Demand for advice services changes over time. It is important to look forward and take these changes into account.
2. **Funding of advice services**
   Securing funding is essential to your organisation's survival and success. Successful fundraising begins with a good understanding of how the funding environment is changing and what funders might choose to prioritise in the future.
3. **How advice will be delivered**
   The changing expectations of users – as well as new ways to deliver advice – will require your organisation to respond and adapt in order to continue providing effective and innovative services.
4. **The advice sector workforce**
   It is important to be aware of and understand challenges to effective management of your workforce if your organisation is to be successful.

Want to know more?

This booklet summarises the key learning from a larger research project. For more detailed analysis of these drivers and many more that will affect your organisation, you can download and read our full **free** report from **www.adviceuk.org.uk/adviceinthefuture**.

The full publication also contains signposts to further information, questions to think through and a tool that will help you take some practical action.

Traditional family support structures are changing and religious affiliation is falling

- The family has weakened as a source of informal advice. The decline of the extended family (with exceptions amongst some ethnic minority communities), increased personal mobility and a rise in the number of single person households have all contributed to this.
- This is likely to significantly affect lone parents and young people who already seek a higher proportion of advice, and experience more problems linked to family relationships, housing, welfare, work, debt and mental health.
- Religious groups have traditionally provided a source of support to large sections of the population but recent decades have seen a marked decline in religious membership and practices (with exceptions amongst some ethnic minority communities).

Legislation is constantly changing and the public are becoming more assertive and knowledgeable about their rights

- The Blair government has created more new legislation, particularly in relation to anti-social behaviour, than any other. This is increasing demand and need for advice and support on new entitlements, legal rights and responsibilities.
- The Commission for Equalities and Human Rights is raising the profile of discrimination, which is likely to lead to more awareness amongst the public of individual rights and more people seeking advice to address these.
- The public is also becoming increasingly empowered and assertive in relation to their needs and rights.

Opportunity

Understanding changing needs allows organisations to provide appropriate and effective services, access funding, and influence how services are designed and prioritised at a national and local level.

Risk

Additional resources are required to purchase up-to-date information, as well as access to training and specialist support. Advisors must keep up to date to provide accurate advice.

Want to learn more about key issues affecting demand for advice?

Read the full report for other drivers that will affect the need for advice such as the increase in **individual debt**, increased **immigration**, an **ageing population** and more…
www.adviceuk.org.uk/adviceinthefuture

Increasing local control of services and funding is 'in fashion' yet drivers for centralisation remain

- Recent legislation sets out a clear expectation that councils must work in partnership with the third sector in order to recognise its 'expertise and enterprise' in shaping local communities. This offers opportunities to promote the need for advice.
- However, there is a tension between this shift towards setting funding priorities locally and central government's desire to improve efficiency and value for money which has driven the Legal Services Commission's (LSC) proposals to centralise funding and suggest new models of delivery.
- Setting funding priorities locally can cause particular challenges for those representing marginalised or niche groups, as majority views are more likely to win out.

Opportunity

A strengthened role for advice organisations in designing services and setting funding priorities in addition to delivering services.

Risk

LSC proposals may limit the freedom of local authorities to fund a diversity of organisations to deliver advice according to local priorities.

Want to learn more about key issues affecting the funding of advice?

Read the full report for other drivers that will affect the way advice organisations are funded such as **pressures on public spending**, increasing emphasis on **value for money and efficiency**, the shift from **grants to contracts**, growing pressure from funders to demonstrate **added value and/or value for money** and more…
www.adviceuk.org.uk/adviceinthefuture

Collaboration and partnership working is increasing

- There is growing recognition both within the advice sector and from government funders that some form of collaboration is best practice, benefiting both organisations and their users.
- An increase in more formal collaborative working is an inevitable consequence of the increasing government focus on achieving value for money and efficiency, though this could play out in a range of ways – from mergers to collaborative networks – and different areas are likely to find different solutions.
- Formal collaboration is challenging, particularly for a sector comprised of small organisations. It can often fail due to a lack of capacity, resources, skills and time invested by both the organisations involved and the local authorities supervising the process.

Opportunity

Collaborative working can result in better and more holistic services for users.

Risk

It is important for the current diversity of services to be protected. A 'one-size-fits-all' model, or rationalisation, with fewer but larger organisations may have serious implications for the future well-being of vulnerable groups.

The internet is increasing access to information, though remote advice provision has limitations

- There is a new generation of websites which allow individuals to easily create online content and to network with each other, increasing the prominence of peer-to-peer information sharing and advice.
- As internet access and use continues to rise, this may result in an increase in online advice by email, file sharing, online forums or communities of interest for certain groups of advice seekers. It is likely the internet will increasingly provide a first point of access to advice, supplying initial information, diagnosis or referral.
- Low-quality online information and advice could have potentially serious consequences for vulnerable people, particularly when used as a diagnostic tool.

Opportunity

New methods of delivery (e.g. webcams and live video links) could improve access to advice for those in remote locations or with access difficulties.

Risk

A shift to advice provision offered through the internet may mean that those lacking in the skills, confidence or will to engage with ICT, become marginalised.

Want to learn more about key issues affecting the delivery of advice services?

Read the full report for more drivers that will affect how advice services are delivered such as **changing expectations of public services**.
www.adviceuk.org.uk/adviceinthefuture

Interest in volunteering is growing but volunteers' motivations are changing

- Volunteers are increasingly motivated by experiences and personal fulfilment and their expectations will continue to rise in terms of quality and choice, reflecting common trends associated with consumerism. There is a risk that this may make volunteer commitment to a particular organisation increasingly difficult to harness.
- Third sector organisations are reporting falling volunteer levels as a result of risk aversion and perceptions of a 'litigation' society. With the workforce of the advice sector made up predominantly of volunteers, such trends could have a significant effect, particularly as bad advice could be increasingly seen as a reason to sue an organisation or individual.
- The government's recent interest in civil renewal and active citizenship have raised the profile of formal volunteering although tensions between volunteering as a way of delivering services, and encouraging volunteering as a participative activity, remain.

Opportunity

There will be opportunities to present volunteering as a career path into the advice sector as volunteering becomes increasingly embedded in career progression, both during education and working life.

Risk

Competition to recruit volunteers and trustees both in terms of numbers and diversity will grow as 'experiential' volunteering increases and volunteers become more risk averse.

Want to learn more about key issues affecting the advice sector workforce?

Read the full report for other drivers that affect the advice sector workforce such as **competition for skilled staff** and an **ageing population**.
www.adviceuk.org.uk/adviceinthefuture

Scenarios for the advice sector in 2015

What are scenarios and why use them?

Scenarios are descriptions of alternative plausible futures. Using scenarios can be incredibly powerful. They can be particularly useful for organisations who find that their environment is changing rapidly and in unpredictable ways. However, it is important to note that this is a process of **anticipating** possible futures, not **predicting** what the future will actually look like.

Scenarios offer a way of making the potential effects of the drivers we have discussed feel real. We hope that they will stimulate your thinking about what they might mean for the future of your organisation.

We do not envisage any one of them materialising as they are described here. The point of these scenarios is to promote discussion within your organisation about how the drivers will create practical opportunities and threats, so that you consider what actions you can take now to help your organisation survive, flourish and meet the needs of your users in the future.

Four scenarios for the future of the advice sector

The following scenarios draw out the possible implications of the drivers discussed into four extreme, but plausible, visions of the future of the sector. The four scenarios are based on two drivers around the funding, delivery and accessing of advice services. These drivers have been selected because they are both **important** and **unpredictable** (they could go one way or the other):

The configuration of the advice sector: Will funding drive the sector towards more rationalised generic services? Or will the sector adopt more collaborative approaches and form effective networks to meet specialised needs?

Modes of delivery: Will the focus be on using the internet and the telephone to deliver remote advice? Or will face-to-face advice still be the primary mode of delivery?

Remote advice

'Advice Direct'
Government recognises the need for advice and invests in a national, branded advice service largely delivered remotely over the web and telephone

The virtual advice grid
Well-being and preventative services are both high on the policy agenda, which have prompted a large capital investment in an IT-based infrastructure for a networked advice sector

Rationalisation ⟷ **Networks**

Advice super centres
Government seeks to improve access to advice whilst slashing the budget for advice services. The result is branded advice centres in areas of high deprivation

Local advice networks
The case for advice has been made and a highly effective model of personalised service and multi-agency delivery has developed

Face-to-face advice

For each of the four scenarios above, we have developed a narrative. It is important to note that each scenario is an extreme vision of how the advice sector might develop in the future. We are not saying that we think any of the four visions will be what happens, nor are we saying we support any one of them. The reality will most likely lie somewhere in between these four scenarios, and there will be variation across the country and different parts of the advice sector. The point of using these scenarios is that, through an extreme vision of the future, they give practical examples of how the drivers we have talked about might affect how the sector works, what it will do and, what it could look like in the future.

'Advice Direct': Rationalised remote advice services

By 2015 a two-tier advice sector has emerged. The main source of advice is a government branded service known as 'Advice Direct' which offers advice on a wide range of issues. The service provides a wealth of online information and the public are happy to look for solutions online and self-diagnose up to a certain point. When one-to-one advice is required, there is a secure online messaging system and a telephone help line. Some face-to-face advice is still available; however government money for this is limited, so many advice organisations charge varying fees for face-to-face consultations. This is dependent on other funding and whether they can secure deals with third parties (e.g. insurance companies) to cover costs.

Although a single brand, Advice Direct is delivered by a number of organisations on three-year contracts awarded through competitive tendering. These include private sector and larger voluntary advice organisations that formed through mergers when Advice Direct emerged in around 2010. Far fewer organisations receive public funding to deliver advice than in 2007. Due to large government investment in marketing, the public is reasonably happy with the Advice Direct service but there is some mistrust of it as a big faceless government provider, and cases of individuals suing when they have received 'bad' advice are on the rise.

A two-tier workforce has emerged. A large low paid workforce answers web-based and telephone queries with a smaller specialist workforce providing face-to-face advice for more complex cases. Emphasis on customer care, risk management and processing cases quickly and efficiently has put off potential volunteers; as a result, volunteer numbers have declined rapidly.

The virtual advice grid: Networked remote advice services

In 2015, advice is provided by a large number of organisations and individuals, connected by a virtual advice grid. There is a plethora of providers: some small and some big, some private sector and some third sector. There is little central co-ordination but all providers try to serve the holistic needs of individuals and referrals to other providers are commonplace. All organisations and individuals on the grid are quality assured. A central feature of the grid is an advice record spine, which stores an individual's records securely online so that a range of advice providers can access them easily.

Although competitive tendering remains, local authorities are required to consider funding voluntary advice organisations (particularly small ones), where they demonstrate that they can achieve better outcomes for clients than other providers. As much advice is delivered remotely, many organisations win funding in a number of geographical areas that are often quite dispersed. Collaborative working, and in particular the effective referral of individuals to other organisations, is required in the terms of all contracts.

The use of the web is embedded in every area of life, putting a strain on organisations to respond quickly to requests for advice. The need for less complex advice in some areas is now met through informal networks and online communities.

Advice super centre: Rationalised face-to-face advice services

By 2012 a combination of competitive tendering, government efforts to save money and frustration with poor collaboration between advice providers resulted in most local authorities granting one large contract for the provision of advice services in their area. In 2014, due to further pressures on public finances, the government indicated that only local authorities serving areas of high deprivation have to fund advice services, and provided some additional funding to these authorities for this purpose. In an effort to be seen to improve advice provision, without large expenditure, the government launched a rebranding exercise of these advice centres.

The centres have extended opening hours and are under pressure to process clients quickly and efficiently. There is no funding for the more complex assessment of outcomes. Core funding is limited and most centres survive through a mixture of project funding that changes depending on the latest policy priorities. The vision of a holistic service is hard for most to achieve. Services are largely means tested and individuals with an annual income over a particular threshold are expected to pay towards the advice they receive. The middle classes avoid the advice centres preferring to pay for more personalised services provided by private sector organisations.

As public satisfaction with advice services declines, there is a backlash against the big branded advice centres. Local volunteer-led services begin to come up from the grass roots. Although not 'quality marked' or adequately funded, they begin to develop innovative delivery models and attract the interest of independent funders.

Local advice networks: Networked face-to-face advice services

The focus is on face-to-face advice, with a remote (telephone and email) service confined to providing a simple triage and referral service. This was prompted by a decline in public confidence in the remote advice provided by outsourced privately run call centres in the latter part of the previous decade, and also by an increasing evidence base about the better outcomes of face-to-face advice.

By 2015, all local authorities do an assessment of advice needs in their area and increasing numbers are involving voluntary advice organisations in this process. Learning from previous reforms in health care and criminal justice, a tiered service has emerged with funding prioritised for people with more complex needs. This has enabled government to continue to reduce funding for advice whilst still meeting the needs of the most at-risk groups. A new type of advice professional has emerged – the caseworker, who plays an important role in passporting clients across a range of small specialist advice providers, managing individual cases from initial contact to their conclusion.

Advice services are provided by a wide range of providers within local networks. Collaborative working arrangements are commonplace and diverse, though mergers are now rare. Most providers are still relatively small and specialised, providing a niche area of advice. Organisations are very flexible, often co-located with another advice organisation or another public service delivery organisation. With the more widespread use of 3G phones, video conferencing is a common way to communicate with advice workers.

What do these scenarios reveal about your organisation's strategy?

When reading the scenarios above, you may like to consider the following questions:

What risks and opportunities would these scenarios present for your organisation?

- Are there common issues for your organisation across all four scenarios? If so, can you start planning and taking action on them now?
- What are the issues or trends your organisation will have to keep an eye on in the future?
- Are there important stakeholders in your organisation's future who you don't engage with? Who should you involve in your strategic thinking?
- Where are your opportunities to shape the future? What issues and areas can you influence now to affect what happens?

Want to learn more?

Read the full report for the full scenarios, how different types of advice organisations may fare in each scenario and for more questions to help you think through the implications.
www.adviceuk.org.uk/adviceinthefuture

To learn more about using scenarios, read *Picture This: a guide to scenario planning for voluntary organisations*
www.ncvo-vol.org.uk/picturethis

Further information and support

Performance Hub

The Performance Hub works to help voluntary, community and social enterprise organisations achieve more in a number of ways, including helping organisations to think ahead.
www.performancehub.org.uk/thinkahead

NCVO Third Sector Foresight

Third Sector Foresight helps voluntary organisations to plan effectively for the future, with a particular emphasis on providing information about trends affecting the voluntary and community sector.
www.ncvo-vol.org.uk/3s4

adviceUK

adviceUK is the UK's largest support network for free, independent advice centres. adviceUK was formed in 1979 as the Federation of Independent Advice Centres (FIAC).
www.adviceuk.org.uk