FLIPPING THE NARRATIVE

Essays on transformation from the sector's boldest voices

Featuring Alex Fox OBE, Anni Rowland-Campbell, Charles Leadbeater, Clare Thomas, Danny Kruger, Darren Murinas, Debbie Pippard, Javed Khan, Jill Halford & Neil Sherlock, Kevin Carey, Maff Potts & Charlie Howard, Mark Atkinson, Neil McInroy, Pat McArdle, Peter Kellner, Sue Bent.

NPC's State of the Sector programme

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FOREWORD

When we started our State of the Sector programme[1] we knew that charitable organisations were struggling in the midst sweeping social, political, and economic changes. But we also knew from our 15 years working with charities and funders in the sector that there is great passion, innovation and ideas to be harnessed. In *Charities taking charge*[2], we held a mirror up to the sector, drawing on research involving around 400 charity leaders to show how far along the sector is on a journey of transformation.

We found that many charities are bogged down in issues that are mostly out of their hands. But we also found examples of organisations who are leading the way. They are flipping the narrative of poor funding and rising need to find transformative solutions. We wanted to give more space to these approaches and ideas.

So here we publish 16 essays from innovative leaders thinking about, and putting into action, new ways of achieving social change for the causes and beneficiaries their organisations exist to serve. These leaders are showing how the principles and ideas highlighted by leaders in *Charities taking charge* are being taken forward. We hope that others in the sector can take heart and lessons for the journeys their own organisations are on, and ultimately deliver greater impact in a changing world.

The collection spans the biggest charities to smaller initiatives rooted in communities in different parts of the country. Alongside those who lead charities themselves, our authors include those with experience of government, from the funder community, and those who have received services from charities.

To begin, Charles Leadbeater sets out the challenges facing wider society, the context in which the social sector is operating in, the real need for transformative ideas and approaches. Then the essays fall into the four key themes that emerged from the research: strategy and governance, the sector's relationship with the public, the sector's relationship with the state, and new networks and resources.

In a sector so diverse there is, of course, no one single answer to the problems we face. In fact, some of these authors disagree with one another on various points. But, as this collection shows, with boldness and imagination it is possible to transform the work that the social sector does, and deliver the long lasting social change Britain so desperately needs today. Charities can flip the current narrative, can take charge, and be bold in these times of change.

Each essay represents the author's point of view, rather than the view of NPC or any of our supporters in this programme.

[1] See: www.thinknpc.org/our-work/projects/state-of-the-sector

[2] Hoare, G., Murray, P. and Shea, J. (2017) *Charities taking charge: Transforming to face a changing world.* New Philanthropy Capital.

SETTING THE SCENE: WHY WE NEED BOLDNESS AND BRAVERY IN THESE TIMES OF CHANGE

Charles Leadbeater, independent writer, advisor and speaker

These are times of upheaval

Everything seems to be breaking down.

'Our society seems turned inside out … Out of this vortex comes a huge variety of unpredictable currents.'

The economy is not working for most people. Incomes are stagnant, jobs are insecure and the future is uncertain. The political systems of many countries are in disarray, their legitimacy draining away as established parties cling to power at the mercy of insurgent populist movements emerging from the margins and extremes. As if that were not enough, the international order is also unravelling, with increased belligerence between states and a deep-crisis in the EU. This is compounded by the threat of Islamic terrorism, with its disregard for modern, liberal values of equal rights, democracy and free speech and growing signs of tension and conflict in Africa and Asia. And this all takes place against a backdrop of mounting environmental crisis, as the climate warms and competition mounts over critical resources such as water and fossil fuel.

These breakdowns are a product of the way that a complex, interconnected and densely technological society changes, in ways that create a kind of vortex into which we find ourselves sucked. Our society seems turned inside out by turbulent flows of migrants and money. Old, established and ostensibly powerful institutions find themselves clinging onto power they once took for granted, while new insurgent, full of energy that can be both destructive and creative emerge to challenge them without being able to put anything solid in their place. Out of this vortex comes a huge variety of unpredictable currents.

The antidote being touted is greater control

'The control response represses human potential, denies social agency and undermines democracy.'

That is the world the social and philanthropic sector finds itself in, along with everyone else: desperately trying to find shelter from the storm while trying to make sense of what to do. The challenge for the sector is what it can offer to the people it serves as a way to respond to these breakdowns.

If the problem is that the world feels out of control to many people then lots of people are going to offer enhanced control—systems, walls, checks, barriers, rules—as a solution, and this is one competing offer we have already seen proposed to keep the alien and unsettling forces at bay. That offer of control is the calling card of authoritarian populism and the democratic recession that we're living through. Control sells, and not just politically.

Beyond control through authoritarian politics are a bunch of other people who are offering control through technology. That's basically Facebook, Amazon, Apple and Google. Their message is that the world will become much more manageable, predictable and controllable if we just give them all of our data and allow their algorithms and systems to make decisions on our behalf. We are being schooled to just follow what Siri or Alexa tells us to

do, where to go and what to eat, what to buy, who to mate with, where to go on holiday. 'Just follow me' the technology says. And in the situation that we find ourselves in many people will opt for technology as a guide rather than a politician.

The social sector offers alternative responses

If we in the social sector do not instinctively like these kinds of solutions because they repress human potential, deny social agency and undermine democracy, then what is our alternative offer?

'The challenge for the sector is what it can offer people as a way to respond to these breakdowns.'

Here are some things that I am absolutely sure we're going to see more of. What should be the social sector's position on these tendencies?

We are going to see a lot more **escapism**. If you face a sense of existential crisis a natural response is to want to escape from it. There will be more offers of escape, distraction, relief, respite, fantasy, immersing ourselves in computer games, football on television, recreational and other drugs. Escapism, I think, comes in good and bad forms. What we have to offer is a good, uplifting utopian escapism that shows people there is a way out of the mess we find ourselves in. The social sector should be society's escape party, imagining a different future. The capitalists cannot re-imagine capitalism. It's going to have to come from somewhere else. That creates a huge opportunity for social business and social investment.

'We have to show people there is a way out of the mess we find ourselves in.'

Another thing we're going to see a lot more of is **resistance** and not just resistance to Donald Trump. It will not just be people with banners on marches, important though all of that will be. It will be people's resistance to living unacceptable lives; people who rightly think they deserve better, to live more significant lives that matter. Following the Grenfell Tower fire we will see more acts of resistance against not being treated with the kind of dignity and respect people have a right to expect. One of the really good things about the world is the universalisation of the aspirations for dignity and respect. This is a really powerful idea which the social sector needs to stand for. And in a post-truth world that means living in truth. So says Václav Havel in *The Power of the Powerless*, written in Soviet controlled Czechoslovakia in 1978. Because when you have to submit to a system of lies, an act of resistance is to live in truth. We will see more of that: more people bearing witness to truth.

Mainly what there is going to be is a lot more **coping**, because that is what people do in a crisis. Complete control is illusory; escapism has a tendency toward fantasy; resistance is exhausting. When all those options are exhausted you end up coping. Angela Merkel and the Queen are between them, the world's copers in chief. There's no ideology, and no vision to speak of just a determination, resilience, to get by together. Keep calm and carry on. Why do we have such a public cult of resilience and grit? Because we are consciously creating our own coping capabilities. This is the social sector's strong suit: we are excellent copers, managing to do a lot with a little, rolling with the punches.

It is social organisations that can preserve humanity in these fragile times

Oddly, perhaps, I think that all of this means the social sector will be increasingly conservative, at least in the sense that it is concerned with conserving people, places and cultures that are in danger of being written off and written out of the script. The social sector is about conserving a space in which it is possible to be fully human, to be treated with dignity, regardless of who you are. What we should be against is authoritarianism, sectarianism, technological systems, inequality, anything that creates a culture of indifference to humanity.

Call it, if you like, a radical conservationism. It does involve, importantly, going back as well as going forward.

'The social sector is about conserving a space in which it is possible to be fully human.'

There are lots of ways in which I think we are creating this possibility of being human, and keeping open that space. That is a really powerful idea when there are so many things that are dehumanising—whether it's immigration control, or technology, or inequality. The most powerful voice for this kind of critical conservative stance on modern capitalism is of course Pope Francis. Here he is in a tweet from March 2017: '*As Christians and all people of good will it is for us to live and act at this moment. It's a grave responsibility since certain present realities are less effectively dealt with are capable of setting off a process of dehumanisation which would be hard to reverse.*' This is a call not just to action but to ask challenging questions.

To do so we must think anew and act anew

Jeremy Corbyn mobilised the youth vote in part because he came from an era of politics before spin. He stood for an old fashioned kind of authenticity. None of this will and should really satisfy people who feel they have a duty to be ambitious, to want to bring about significant change in society. So the final thing the social sector needs to offer is **transformation**. The most significant social innovations—I would count the contraceptive pill as one of those—are transformative not ameliorative. These innovations generate waves of social change over a long period of time.

'This has to be a time for the social sector not just to tick the boxes but to think big.'

The good news is that there are lots of big transformative ideas out there. We don't quite realise how big they could become. There's a big idea, basic income, which is about the future of work and income in the era of artificial intelligence. There's a big idea about the future of companies, of which BCorps are the start. There's a big idea in the social applications of big data and blockchain technologies so you could map an entire society and reorganise production to meet the social needs set out in the SDGs. Society is hungry for big ideas for new ways to house people, new ways to generate and distribute energy, new forms of tax and public contribution. Breakdowns are a time also for breakthrough ideas and technologies. The best way to give people more control over their lives is to transform the systems that belittle them. The pill transformed women's lives and society by offering them a form of control, but a creative form of control not a repressive one. That should be the hallmark of the social sector's offer.

That is why this has to be a time for the social sector not just to tick the box and deliver the services commissioned by the state but to think big: to offer society some challenging, exciting ideas about what a more humane, sustainable capitalism could be. More people want the kind of ideas the social sector has been promoting. As Abraham Lincoln put it: *'The dogmas of the quiet past are inadequate to the stormy present, the occasion is piled high with difficulty and we must rise with the occasion as our case is new, so we must think anew and act anew'*. That should be the rallying cry for the social sector in this time of peril but also of huge possibility.

About the author

Charles Leadbeater is a leading authority on innovation and creativity. He has advised companies, cities and governments around the world on innovation strategy, and has authored a string of acclaimed books. The latest of these books is *We-think: The power of mass creativity*, which charts the rise of mass, participatory approaches to innovation from computer games to political campaigning.

STRATEGY AND GOVERNANCE

Strategy and governance are core challenges for the sector. In *Charities taking charge* we found that some organisations in the sector are responding to change strategically. They are focusing much more clearly on where they are best placed to make an impact, and then working with others to achieve a greater impact overall. We also found governance that is bold and supports transformation is crucial to organisations delivering greater impact.

The essays in this section take the twin concepts of strategy and governance as their starting point, demonstrating that radical organisational or governance change can be strategy-driven and successful.

- **Mark Atkinson** draws on his experience as chief executive of Scope to argue that organisational transformation is possible through a strategic focus on where you are best placed to make an impact.
- **Pat McArdle** explains how she led the Mayday Trust as CEO through a different sort of organisational transformation. This started from listening to the people the charity worked with, moved through taking bold decisions, and arrived at a position of working closely with other organisations to deliver impact at scale.
- **Kevin Carey**, Chair of RNIB, foregrounds the essential role of governance in the sector and, in a searing polemic, argues that we urgently need a more professional governance model.

HOW WE'RE BUILDING A GREATER SCOPE FOR GREATER IMPACT

Mark Atkinson, CEO, Scope

The story so far

Like many other organisations, Scope was created just a few years after the end of the Second World War. It was a time of great austerity and yet great optimism. Three pioneering, ambitious and determined parents and an equally courageous social worker came together because they shared a dissatisfaction with the education available to their own children, and others with cerebral palsy. Their expectations were high but their demands were far from unreasonable—in essence, they wanted an opportunity for people with cerebral palsy to access education and employment and to have an equal place within society.

The founders of Scope were unquestionably entrepreneurial and together they built an organisation that grew exponentially. The National Spastics Society (as it was known originally) quickly achieved many of the hallmarks that we often recognise in today's large charities—a compelling vision, proposition and reason to support; a strong voluntary income stream; a large individual membership base; celebrity endorsement; and a growing base of services used and valued by its 'beneficiaries'.

'The founders of Scope were unquestionably entrepreneurial. They built an organisation that grew exponentially.'

Over the decades that followed, there were, of course, bumps along the road. Struggles for control of the organisation between parents and disabled adults; the all-too-familiar tensions that arise when an organisation straddles campaigning and the delivery of statutory services; and the battle to hold onto the initial entrepreneurial spirit when the realities of large scale delivery kick in. And large scale it was. At its peak the Football Pools of the Spastics Society sold six million tickets a week, providing 42% of its income. As a result, it was opening new services—schools, colleges, residential care homes, sheltered employment services—at an incredible pace.

In 1994, the organisation changed its name to 'Scope'—thankfully rejecting the alternatives on the shortlist including 'Cerebral Palsy Society', 'Action Cerebral Palsy' and 'Capability and Action Disability'. The change of name was symbolic for two reasons. First, 'spastic' had become a term of abuse often bandied around the school playground. There was therefore a risk that the brand may be a negative rather than positive force for change. Second, that this was the start of a fundamental repositioning—a tentative move towards being an organisation focused on tackling the common barriers faced by *all* disabled people and not solely or exclusively those with cerebral palsy.

'This question of 'relevance' was at the front of our mind as we embarked on developing a new strategy.'

Why we're doubling down on mission

Fast forward to more recent times and the key question facing Scope is: what is its relevance to disabled people in 2017? The truth is that the world has moved on. Disabled people's aspirations have changed. The notion of 'charity' is seen by many to undermine disabled people's rights. Yet Scope was left with a patchwork of different

services that had been established over seven decades, geographically scattered across the country and which collectively reached just a few thousand disabled people. While its award-winning campaigns and advocacy work—including powerful attitudinal campaigns—largely lived in a different universe.

'We found the answer to our question of relevance by redoubling our focus on our core purpose.'

It was with this question of relevance at the front of our mind that we embarked on a soul-searching process of developing a new strategy. We knew that the conclusion had to be radical if we were to become relevant to a far larger proportion of the 13 million disabled people in the UK. There had been modernisation within the organisation in recent years but it was arguably driven by a dislike of what we had become rather than in pursuit of a positive vision of what we might be. Our most recent strategy to move away from delivering residential care in eleven of our largest and most outdated homes—which were established in the boom days of the National Spastics Society—was unquestionably a positive move. The issue was there was no specific or defined sense of 'what next'.

This question of 'relevance' is pertinent to many charities and not-for-profit organisations. It is certainly a question facing parts of our sector. For Scope, we found the answer by redoubling our focus on our core purpose. Scope's mission is to achieve an equal society in which all disabled people have the same opportunities as everyone else. This means our focus must be on achieving structural change within society—influencing public policy, law, markets and attitudes. So now Scope has chosen to become a mission-led social business. We will focus resolutely on core mission and stop or exit or transfer everything else.

Over the coming months we plan to transfer all our regulated and day services to other experienced providers who will invest, develop and grow them over the coming years. So much of the estate and current services offer that was built over the decades following the birth of the National Spastics Society will no longer be part of the organisation. In transferring, we hope to secure the future of these valued services—they do after all deliver great outcomes to those that use them but it would be difficult to argue they achieve Scope's core purpose of everyday equality for all disabled people. This move will also allow Scope to refocus on doing less, reaching more and having greater impact. It will, however, mean an initial reduction in our annual income by 40% and see the number of employees reduce by two thirds.

What we're planning

'We will focus resolutely on core mission. We will move away from being a charity that does to one that facilitates.'

We want to be known for being a social change organisation—a force that brings us ever closer to everyday equality. We will focus on the areas in which disabled people face the greatest barriers and move away from being a charity that 'does' to one that 'facilitates'. We want to create the platform that allows disabled people, through Scope, to drive change.

We are determined to ensure there is a perfect fit between our influencing work and our direct services offer. Our direct offer to disabled people and their family will be a small suite of products and services that build resilience, skills and knowledge. They will be there at key moments in a disabled person's life, and they will largely be delivered through digital channels and centred around information, advice and support. At the same time, we will seek to influence public policy, change attitudes, disrupt markets and improve the structures within society by ensuring the needs and experiences of disabled people are front and centre.

These two things—a direct offer to disabled people and our influencing work—are simply different sides of the same coin. They are inter-connected and mutually dependent. Our services will act as a demonstration of our policy solutions in practice and our customers will provide insight, evidence and data to drive our influencing. We no longer believe that acting as a sub-contractor of the state is the best way to achieve our purpose. So we will

stop participating in statutory work programmes that offer limited room for innovation and personalisation. Instead we will work with our partners to design and deliver our own programmes. These will support disabled people to access and remain in work and at the same time influence the policies, procedures and attitudes of employers.

How we'll do it

You don't have to dig too far in our sector to hear talk of 'transformation'. Indeed, NPC's recent State of the Sector report, *Charities taking charge*, based on the views of 400 sector leaders refers to 'transformation' more than a dozen times. The truth is that real transformation is difficult.

To lead an organisation from one operating model to another can be really challenging, particularly when you are working on a finely balanced financial model with limited room for failure. It does of course become a question of risk appetite and is totally unachievable without a united board and management team who are prepared to work together to make the shift and to share the load.

At Scope we are working towards a new target operating model, one in which we: empower our staff and volunteers, providing freedom to innovate and take decisions; embrace digital, data and technology both internally and as a means to reach our target of working directly with two million disabled people each year from 2022; focus on understanding our customers and supporters and committing ourselves to nothing less than a brilliant experience; and work with external partners to deliver the internal support services we need (we are after all a mission-led social change organisation so we will focus on what we are good at).

One of the most interesting, and difficult parts of our transformation programme is around culture. The shift from the behaviours that you typically see in a highly regulated social care and education provider to those that you need in an agile mission-led social business that embraces innovation and risk. We want to be an organisation that attracts talented, values-driven people who can embrace new technology and who are motivated by social impact. Retaining the most capable and committed colleagues in this period of transformation is one of the hardest challenges.

'We want to be an organisation that attracts talented, values-driven people who can embrace new technology and who are motivated by social impact.'

The long road ahead

We have considerable work to do in restructuring Scope before we can claim this transformation to be an example that others should follow. But the principle of being driven and motivated by core purpose and social impact rather than income or size is important for others to learn from. Too often charities who claim to be radical and pioneering are in reality cautious and conservative and unable, or possibly unprepared, to take difficult decisions that are in the long-term interest of the organisation. The demise of the traditional fundraising model places ever greater pressure on charities to be transparent both about their cost and their impact. This has to be a good thing. There will definitely be losers—organisations that struggle to reform and who want to hold on to yesteryear. In the end it comes down to the reality that no charity has a right to exist and that support will gravitate to those with a clear purpose, who have relevance, that operate in contemporary ways and those who can demonstrate their social impact in a compelling manner.

At Scope our work is not done. That's because 65 years after our creation, everyday equality is not the norm for many disabled people. Many continue to face poverty and discrimination compounded by social attitudes and ignorance.

'This journey is littered with risk but none greater than doing nothing and hoping for the best.'

Our obligation is to ensure that Scope is fighting fit—in good shape to tackle the barriers of 21st century Britain. We are proud of our history but the need to transform is obvious and that is a journey we have started. It is littered with risk but none greater than doing nothing and hoping for the best. Who wants to lead an organisation through a prolonged period of 'managed decline'? Not me and I am fortunate to head an organisation that has woken up to the reality that change is constant and the sooner you take control and shape your own future the better.

About the author

Mark joined Scope in October 2013 as Director of External Affairs and was subsequently appointed as chief executive in June 2015. Mark has predominately worked in the third sector undertaking communications, policy and strategy roles for organisations including Citizens Advice, Youth Sport Trust and Ambitious about Autism. He spent 3 years working for the Local Government Association in both Westminster and Brussels. He is a Trustee of Prisoners Abroad.

OUR WORK MUST BE PERSON-LED, NOT SYSTEMS-LED

Pat McArdle, CEO, Mayday Trust

Working to help fix a broken system

'Pre-diabetic, does not eat a healthy diet, has little family contact but would like more, does not drink a lot as can be argumentative, stated has never used drugs, no issue with budgets.'

This would never have been a way that I would have thought of introducing myself a couple of years ago. But more and more this is becoming my norm. It's all part of my attempt at convincing the homeless and supported housing sector to sit up and reflect on how issue led we have become, how we are letting the system we have in place to lead decisions, not people. To illustrate that sitting with a total stranger that is asking questions about their needs and risks has only managed to at best re-traumatise and at worst institutionalise a decade or more of 'homeless people'.

It turns out that people experiencing homelessness have learned to adopt this 'client persona': one where they are able and expected to disclose their most personal information at the drop of a hat. Where they have become so accustomed to doing this that they automatically reel it out with anyone who takes the time to sit down and chat. Why after nearly 30 years in this sector had I not seen this before?

'It turns out that people experiencing homelessness are able to disclose their most personal information at the drop of a hat.'

I would like to have said that Mayday recognised these things, and decided that things needed to change in our approach to tackling homelessness from recognition of these issues. The honest answer is that, really, austerity was the initial driver. But soon enough, our mission became the purpose.

Being bold in the face of austerity

In 2011 Mayday was a medium size supported housing provider, trying to tackle homelessness. We watched larger housing associations lose contracts in one area and pick them up in another. Our dilemma was that there were actually people dangling at that end of these contracts. From our research, 70% of those people who were non priority homeless were unlikely to get any sort of support as a result of austerity and change in government thinking.

At that point, Mayday was 100% state funded with a £3m turnover. The sector experience was that the state provided for those most vulnerable, there was a moral obligation to do so and the scale of the problems was way too massive for communities and civil society to cope. But it was clear that things were changing and I remember meeting a MP from Bedford who challenged me when I said Mayday was a voluntary sector organisation: how could that be when all our money came from the Local Authority?

Listening to the people we're trying to help

So in 2011, we had predicted that this was not a rainy day this was climate change. I was taken on to look at merger and acquisition as the Board of Directors knew that even as a medium size charity we were too small to survive. We came close to a merger but before we took that final step we decided to review what we did. We started talking to people experiencing homelessness, both on the street and those living with Mayday: properly talking to them.

We spoke with several hundred people and collated over 100 accounts in a series of blogs, which we printed in a booklet called *Wisdom from the street*. We didn't ask what people needed or why they had become homeless. We simply asked what they thought of homeless services and what impact these services had on their lives. Little did we know the impact that these blogs would have on Mayday's future vision and direction.

'We simply asked people what they thought of homeless services and what impact these services had on their lives.'

Changing direction based on what's needed, and what works

Contained in *Wisdom from the street* is a very powerful account of what people had to say. Two things that came through very clearly:

1. **The current system and processes are not working for people who become homeless.** The humanity and individuality of people's situation is lost. People's experience of the system reinforces helplessness, hopelessness and exclusion from community.
2. **The outcomes aren't good enough.** Too many people are either trapped in the system or move on only to return with a feeling of another failure under their belt.

That started us on a very different journey and we made a wholly pivotal decision then not to survive for survival's sake and not to campaign to keep a system going that was clearly broken.

We set about researching 'what works', what evidenced based work was out there that we could develop to respond to what people experiencing homelessness were saying. We developed a new, personalised, and what we call 'strength based' way of working. For us at Mayday, strength based describes a system of support that allows the person to have control over their own life, and find their own resources to help them get back into their community.

'People we worked with started to move on positively. Many of those who had been homeless for years were getting involved and starting to thrive in their local community.'

So before we faced any cuts, we got everyone, all the staff in one room and we presented our new vision and direction. We told staff the reason we were changing, we were very open and honest. We gave staff the option to buy into a new way of working or take their redundancy. We didn't want staff to be redeployed into what was fast becoming a collaborative of social activists from what had been a very structured organisation. We lost 50% of the staff at that time. But within four weeks we had re-recruited and we set about what we now understand to be called 'co-producing': working with people living with us and staff to develop a radically different response to tackling homelessness.

We were very fortunate that our Northamptonshire commissioner came on board and varied our contract so we were able to do what we needed to do. We threw out pretty much all of how we had worked before. We learnt

hard lessons but the results were staggering. People we worked with started to move on positively and many of those who had been homeless for years were getting involved and starting to thrive in their local community.

The new model focuses on 3 key interventions:

- one-to-one coaching, which focuses on people's strengths and allowing them to take control;
- building positive networks outside the housing and homelessness sector, as many people told us they has been alienated from 'normal' society; and
- brokering individual opportunities—because people experiencing homeless are not a homogenous group and each need personal escape plans from homelessness.

Overall we knew we needed to shift the power from the services and the system to the person.

Taking new approach, with better results

Now, Mayday's approach is to meet people briefly, tell them what we are about and give them the option if they want to get involved. We don't talk to people about their 'issues' but begin with conversations that are just about getting to know the person. So we meet people wherever they want to meet and talk about whatever they want to talk about.

'We meet people wherever they want to meet and talk about whatever they want to talk about.'

In a short space of time we have seen so many examples of significant individual outcomes. Take Dave, for example, who agreed to meet up with a coach for a coffee where they talked about remote controlled cars. There was no 'fixing' Dave's issues, no focusing on his weaknesses. We didn't talk about his drug use or living in a tent, we didn't say he had to attend sessions with his coach. We let Dave have choice and control. Meanwhile, we worked to empower Dave to get in contact with his passion, with who he was and what he wanted. Dave applied for a personal budget and got a car kit. That Christmas he went home to his family who he hadn't seen in 12 years. Within 8 months he had accessed his own flat where he has lived for the last 2 years. More recently through his attendance at a car rally, he met someone at BMW who encouraged him to apply for a position there. He has now been working for some months in his dream job. Over time, he saw what was possible and made it happen.

Here's how we did it

The experience of delivering the new personalised work was transformative and not just for the staff delivering on the frontline. The model necessitated change at every level within the organisation: how we selected and recruited staff, our financial reporting, the board's appetite for risk, the language we used—cultural, structural and total system change.

'The model necessitated change at every level within the organisation.'

So we slowly got braver and decided to move away from just chasing statutory contracts. By then, these had become about delivering more for less, a race to the bottom on price, all of the terms used to describe how many local authorities were trying to respond to austerity. We began to seek investment into our new way of working and we were fortunate to attract investment for a proof of concept in Oxfordshire.

When we started delivering this proof of concept, we discovered that the work not only needed our internal transformation but that our approach wasn't fitting in with how other organisations were working. We were starting to disrupt the norm. We were trying to deliver a person first service in an issues focused and needs led system.

So in collaboration with Homeless Link, we held two national conferences in London and Manchester. These were to promote *Wisdom from the street*, and to share the lessons that we had learnt from co-producing and delivering a personalised, strength based way of working.

And how we're making the changes stick

In October 2015, Mayday's Board of Trustees made the decision to focus the future vision and direction of the Trust on two strategic goals:

1. Deliver the new model of work developed by Mayday named a Personal Transition Service (PTS): being the first personalised and asset/strength based approach to tackling homelessness, developed at the grass roots; and aiming to become a catalyst for change by empowering individuals experiencing homelessness to take control of their life and environment.
2. Use the learning from the Wisdom from the street to influence nationally the need for system change and the need to transform services to embed personalised and asset based approaches.

2016 became a very tough year for us all. In delivering just the new work, it meant that we had to withdraw from contracts and services that we had delivered for years. We did the best we could do for the people and staff in those areas but it was a hard time. There is no doubt that this process had a huge human cost. The organisation reduced in size and turnover from 70 to 45 staff and turnover of £4m to £2.2m.

Mayday had no great ambition to become a large national provider, so in 2016, we developed what we call 'innovation partnerships' to deliver the new model and in that way try to affect system change. These partnerships were with people who were as passionate as we were to create the paradigm shift that needed to happen. We found others who were frustrated with the system; who weren't afraid to speak up, to change and transform their organisation from top to bottom. We have come together through a common goal and set of values rather than a willingness to survive. By doing this Mayday halved in size in the first year. But with our partners we intend to double our impact. There are also many organisations saying that they have been doing similar work so gradually a movement for change is building.

What Mayday believes—and will continue to inject into the discussions—is that the solution to homelessness will fundamentally not come from psychiatry, sociology, psychology, the housing sector—although all the focus and thinking at this time is invaluable. Change will come from listening to people, reflecting, getting to know people's context, understanding, and always knowing that we are all different. So let's keep it person-led not system-led.

'Change will come from listening to people, getting to know people's context, and always knowing that we are all different.'

About the author

Pat McArdle is the CEO of the Mayday Trust, and has been for six years. She has worked with people facing disadvantage and experiencing homelessness in the UK and Ireland for 30 years. Her first position was in a drop in centre for people with mental health problems in Handsworth in Birmingham. She then held 2 national positions working with the Foyer Federation as Head of Network Services and Director of Services for YWCA.

WE NEED BRAVE, IN-YOUR-FACE, HARD-HEADED GOVERNANCE

Kevin Carey, Chair, RNIB

Charities are under threat

The sector—and the country—has faced turbulent weather recently. But we also face a long-term deterioration in climate as charities—large ones in particular—face increasing opposition. We know that Labour regards charities as marginal, except for delivering public sector contracts. But the Conservatives have gone further. I genuinely think that when David Cameron launched 'The Big Society' he had in mind ladies of a certain age in flowery hats serving cream teas to ageing gentlefolk in market towns—and not large, professionalised organisations channelling vast resources towards the public good.

Big charities are now also the target of upper middle class, white, male, Brexit triumphalism—what Polly Toynbee calls libertarian anarchism[1]. This group is in alliance with a right-wing press determined to get its own back on the 'politically correct'. They purport, like Donald Trump, to champion the overlooked white under-class. They will brook no opposition, characterising their critics as anti-democratic, or partaking in special pleading. They claim that they are fighting for the majority against the 'liberal establishment' when in reality they have been the new, plutocratic establishment for 30 years.

'There's a concerted campaign to destroy the professionalised part of the charity sector.'

Major charities continue, thankfully, to be a bit of a nuisance. But under the guise of attacking excessive pay and bad fundraising practice, there's a concerted campaign to destroy the professionalised part of the sector. A government minister has said that charities should behave more ethically than businesses, the corollary of which is that businesses can behave less ethically than charities in competing for disposable income. This assumption about moral high ground is part of the Victorian legacy that hobbles us; we should be leaven, refusing to occupy moral high ground.

In tandem with this we have falling public sector payment for charity services. That's not to mention the regulatory cost ratchet. Neither the Charity Commission, the NCVO nor ACEVO are fit for purpose. (We should scrap them all for a self-regulatory regime for major charities, leaving smaller ones to operate under generic tax, civil and criminal law).

Now is the time for fearless governance

'Most charities don't fail because they lack a governance code. They do so because of trustee cowardice.'

All of this challenge means that we need brave, in-your-face, hard-headed governance. But currently our boards are just not up to this. Of course, if I gave RNIB £1 every time I heard a call for better charity governance I could stop sky-dives, Iceland treks and having luminous paint thrown at me. But, like most calls for civic virtue, such calls are a displacement activity, a diversionary tactic.

[1] 'Brexiteers call it useless red tape, but without it people die', in *The Guardian*, 20 June 2017.

That's because most charities don't fail because they lack a governance code, a risk register and a trustee handbook. They do so because of trustee cowardice. Assemble all the 360 degree appraisals, skills audits and Nolan Principles you like; they are redundant if nobody has the guts to say that the CEO is useless, the deficit is structural or, more widely, that the emperor has no clothes—and if there is one paramount reason for trusteeship it is this last.

We need to explode the outdated divisions between the board and the executive

In the commercial sector to describe non-executive directors as poodles would be a gross exaggeration of their leverage. But it is much worse in the charity sector. Charity law gives trustees all the responsibility and executive directors all the knowledge, power and capacity to obfuscate. This makes nonsense of any call to adopt good governance.

The Victorian dichotomy between amateur oversight and professional implementation may work for entities under £50k per year but it isn't working for those over £1m. And the bigger they are, the worse it is. As a ready reckoner, add up all the times your trustees have even amended an executive's proposal in the past year, let alone overturned one.

'The Victorian dichotomy between amateur oversight and professional implementation isn't working.'

There is this nostrum that needs exploding that trustees do strategy and the executive team does implementation. Most charity consumers wouldn't notice if a producer had a strategy, or completely failed to implement it; but they might just notice an implementation crash. At its worst, this nostrum gives space for executive directors to keep everything to themselves and fob off the board. And yet it's not bad strategy but implementation failure that ruins reputations.

That's why at RNIB we do not accept this split, and are working to bridge the breech between strategy and implementation. We have adopted unitary governance at secondary level (and are bracing ourselves for the unnecessarily complex and unpredictable process of applying to the Charity Commission for a unitary board). We have a comprehensive recruitment and appraisal process for this model. Admittedly, sometimes, getting the executive to comply with non-executive decisions has been difficult. Still, I think the default for the governance of major charities should be unitary. It helps avoid the farce of the executive team not telling and the non-executive board not knowing; the executive team doing all the crisis management and the non-executives turning up once a quarter to smile at a crisis averted or to pick up the pieces.

This is just one of the measures we've adopted in the name of better governance at RNIB: we have offered to sacrifice our brand and very existence in merger talks with another major blindness charity for the sake of both sets of largely overlapping customers; we've established that 75% of our board must be blind or partially sighted (which has not limited business experience both at board and executive level); we stood out against the demands of the new fundraising regulator as long as we could with negligible support from the sector. We are changing our culture away from a focus on process to a focus on product (though this is extremely difficult); and because our unitary board structure requires shorter, more frequent meetings, three of our trustees, including me, are allowed to be paid.

We must inject commercial-sector practices to ensure governance is fit for purpose

'I think the best way to improve the voluntary sector's governance systems is to inject business practice into it.'

These changes to RNIB's board have been effective. Not all of them would be appropriate for every board. But there are a few things I would suggest across the board. As with the need for unitary boards, these are inspired by the commercial sector. Because, for all the moral and functional weaknesses of the for-profit sector, I think the best way to improve the voluntary sector's governance systems is to inject business practice into it. Charities need to enable their consumers to benefit from the commercial tactics that have made the rich ever richer.

Commercial success is based on a few major factors: understanding consumers; generating emotional response; influencing governments and regulators; and increasing shareholder value. Ours should be precisely the same, substituting consumers for shareholders in the last point. For charities, this would mean making a few changes to make sure boards are fit for purpose:

1. legally requiring trustees to show good reason for rejecting merger proposals;
2. devolving decisions on paying trustees to charities themselves in return for full disclosure;
3. getting commercial skills on board and ensuring they are brought to bear on practice and decisions; and
4. treating the people who use our services as consumers with prominence and power.

1. Legally requiring trustees to show good reason for rejecting merger proposals

Charity trustees are supposed to govern in the interests of consumers, not in their own private interest nor simply to preserve a charity for historical reasons. It's human nature to design systems that satisfy producers but it's a legal and commercial imperative to satisfy consumers. The problem is, turkeys won't vote for Christmas—and this is the overwhelming reason for rejected merger proposals in the sector. So the law needs to see that they behave in precisely the same way that commercial boards must when they are approached with a merger proposal. For commerce, the main motivation is to maximise shareholder interest. For charities it should, legally, be consumer interest.

2. Devolving decisions on paying trustees to charities in return for full disclosure

'At root the problem is the sector's history of "the great and the good" doling out benefits to the weak and the poor.'

The issue of trustee remuneration is another piece of displacement activity. Apart from the rank hypocrisy of paid Charity Commissioners ruling that charities can't pay their trustees, there is no logical argument for a one size fits all rule. At root the problem is the sector's history of the 'great and the good' doling out benefits to the weak and the poor. And so charities are more heavily regulated than clearing banks when it comes to paying their board members. The rules are supposed to be something to do with protecting donors. But why should anybody who purchases goods under *caveat emptor* suddenly become a dolt when they become a charity donor?

3. Getting commercial skills on board and ensuring they are brought to bear on practice and decisions

What characterises our current funding ecology is a shift from post-War social democratic consensus to the 'Big Bang' deregulation of the stock market. The aftermath of this change has progressively generated ever more turbulence, culminating in the almost completely unforeseen 2008 economic crash. Such events demonstrate why non-executive directors need to pool their knowledge of the world at large, to gather the skills needed to react to such a crisis and to grab the transient opportunities they bring. These skills are best found in customer-focused

businesses and applying them is much more important than having an internally consistent strategy. The problem is that business people park their brains at charity boardroom doors because they are as ignorant of what we really do as we are what they really do. This is largely our own fault because we can't help believing our own pieties.

4. Seeing the people who use our services as consumers with prominence and power

I can't remember when I began to hear charities saying '*We put our customers at the heart of everything we do*' in an echo of commercial mission statements. But you don't 'put' customers anywhere; they're there to put you where they want you. In the private sector, consumer choice and power requires competition. Yet there's no evidence this works in the charity sector. The next best thing is cultural change from charities being about *good causes* to being about *good customer service*.

'The purpose of charities is not to "involve" consumers any more than a major supermarket would.'

This is tough to generate, however, in organisations where many employees, passionate about the cause, work *at* charities rather than *for* them. I could, for example, say to my senior management that it should shift from thinking of itself as the government for blind people to the *retailer of choice* for blind people. The worst thing that will happen is that they agree with me, which leaves little room for an honest discussion on implementation. Like 'shy' Tories replying to pollsters, we all know what we *ought* to say.

Despite these challenges I would not go so far as to propose that all boards involve consumers in governance. This is simply because not all beer drinkers make good brewers: because although it works for RNIB, it may not be appropriate for every charity. The purpose of charities is not to 'involve' consumers any more than a major supermarket would. The intensity of discussions about representation is in inverse proportion to customer satisfaction: if people are getting what they want, they will, quite understandably, not be all that interested in sitting on committees. If nobody wants to consume it, we shouldn't produce it. This, fundamentally, should be the attitude of boards: what do our consumers need and want?

It should be our consumers who decide whether we're needed, not other actors

'We must shift from bureaucratic smugness to sharp-ended humility.'

The challenges that charities face are many and complex. But boards will not overcome modern problems with a Victorian structure and attitude. We are well past the age of deliberative righteousness and rationality. For as far ahead as we can see, the primary purpose of governance will be the survival of our sector and the causes it pursues. This will take all the ruthlessness and passion we can summon. The only people who can save us, who can justify our existence, are our consumers. We must shift from bureaucratic smugness to sharp-ended humility: doing so is neither a theoretical, nor a moral, imperative but a blessed necessity—one that will force us to do the right thing to survive.

About the author

Kevin Carey has been Chair of RNIB since 2009 and was Vice Chair 2000–2009 during which time he has been a radical commentator on the not-for-profit sector and its governance. He was a Member of the unitary Ofcom Content Board 2003–2006 and Chair of its Community Radio Panel.

RELATIONSHIP WITH THE PUBLIC

The sector's relationship with the public has been the focus of intense discussion and argument in the past few years. Our research report *Charities taking charge* found that some in the sector are in danger of seeing their relationship with the public in a narrow way: one that does not recognise the dangers of a collapse in trust in the sector; one that does not fully consider the broader impact of big social and political changes such as the Brexit vote.

The essays in this section look to address the challenges of the sector's relationship with the public directly. They argue that we have to understand why trust matters, how charities can build it, and how the sector can break out of its bubble to rebuild its relationship with the public.

- **Peter Kellner**, Chair of NCVO, defends the importance of understanding what public trust in charities consists of. He goes on to show how charities can then start to work to rebuild it.
- **Jill Halford and Neil Sherlock** draw on PwC's experience of working across sectors. They explore why trust matters and what lessons can be learnt from the private sector on how organisations can best build it.
- **Debbie Pippard**, Head of Programmes at Barrow Cadbury Trust, situates the discussion of public trust in the context of strategic communication challenges. She argues for the sector to break out of its bubble and try to engage new audiences.

ROCKETS NOT SAUSAGES: LET'S TAKE A 'TRUST-PLUS' APPROACH TO THE PUBLIC

Peter Kellner, Chair, NCVO

Charities trade on trust

Peoples' trust matters to all public-facing organisations, be they public sector, private sector or third sector. This is one of the truisms of our time because it is, well, true. But it's true to varying degrees for different sectors. People might be cross with banks that pay top executives massive bonus, or with retailers that dodge UK taxes, and move their current account or buy their books and coffee elsewhere. But most won't. On the whole, reported shenanigans at the top of an organisation have little impact on our day-to-day dealings with them: when we hand over our money, we still tangibly receive our coffee or our books. So unless we come to believe that their front-line staff have been corrupted by bad behaviour in the boardroom, our direct, local, personal experiences often dull the practical effect of headquarters scandals reported in the media.

For most of us, though, our relationship with the big national charities is different. We entrust our money to charities, assuming, but not knowing for certain, that it will be spent wisely, efficiently and ethically, and that our donation will garner the intended result. Very few of us can, or try to, monitor the progress of our donations to elderly recipients, or children with disabilities, or cancer research facilities, or villages in Africa. Therefore our trust in the leadership of the charities we support not only informs our overall view of them; it translates directly into our willingness to give them money. A national scandal is likely to have a bigger impact on the day-to-day income of a charity than on a bank, retailer or chain of coffee shops. This is why we should take seriously negative stories about charities.

'We entrust our money to charities, assuming, but not knowing for certain, that it will be spent wisely, efficiently and ethically.'

Negative coverage can do severe damage

Let's take 2015 as an example, the 'annus horribilis'[1] for the charity sector. From the death of Olive Cooke, to the implosion of Kids Company and the controversies over fundraising practices and more-of-same rumblings about CEO pay.

The impact on the reputation of the sector was immediate. In October 2015, nfpSynergy's tracking survey found that overall trust in the charity sector had fallen to 47%, its lowest level yet. The decline was not sudden. A downward trend can be date back five years. In January 2010, the figure stood at 70%. It fell in 2011, partially recovered in 2012 and 2013, and then started drifting back downwards. There has been a partial recovery since then, which is not surprising, for Mrs Cooke's death and the collapse of Kids Company have faded from the news. But the recovery is far from complete, and the risk of another burst of bad publicity knocking the sector back is ever-present.

Evidence is mounting that charity incomes have stalled, or at best risen less than they should, in the past two or three years—despite the sector spending ever-increasing amounts on raising money. We are in danger of having

[1] See Abercrombie, R. 'Reflecting on charities' annus horribilis', on NPC's blog, 30 December 2015.

to run ever faster just to stand still. For real recovery, in order to maximise our ability to help the people and causes we are there to help, trust needs to be restored. And to do this, our starting point should be a clear understanding of the public mood.

There's no simple answer for how the public feels about charities

That said, charities remain more trusted than other institutions. According to nfpSynergy, the sector comes ahead of the Police, small businesses, the BBC, the legal system and the Church, as well as such targets of relentless criticism as the banks, newspapers, political parties and multinational companies. Of the 24 institutions tested in the survey, only three come out ahead of charities: the NHS, armed forces and, by the narrowest of margins, schools.

How do we reconcile the good news with the bad? To answer this question, we need to dig deeper into the figures. Two major surveys conducted in early 2016 help us to do this, one by Populus for the Charity Commission, the other by YouGov for a conference on the public reputation of the sector. Both surveys confirm nfpSynergy's finding of a marked decline in the sector's reputation compared with two to three years earlier.

'Opinion poll findings give us glimpses of the landscape, but not the whole picture. We need to work out what is going on between the pieces we can see.'

YouGov explored some of the drivers behind the decline in the reputation of the sector. It tested five of the accusations that had generated negative media stories in the previous year—going beyond the issues raised by stories about Olive Cooke's death and Kids Company's collapse. Clear majorities agreed with four of the accusations: aggressive fundraising (67%), failure to protect elderly and vulnerable donors (63%), excessive pay for senior staff such as Chief Executives (61%) and wasteful use of funds (56%). In each case less than one person in four regarded the accusation as unfair, while around 20% said 'don't know'. On the fifth issue, arising out of the 2015 general election campaign, just 46% agreed that charities were 'becoming too political'; but even here, far fewer, 29% rejected the accusation as unfair.

Populus's analysis is consistent with this, and offers this conclusion: '*Statistical analysis reveals that trust in the charitable sector is driven by five "key drivers":*

1. Ensuring that a reasonable proportion of donations make it to the end cause.
2. Being well managed.
3. Ensuring that its fundraisers are honest and ethical.
4. Making independent decisions to further the cause they work for.
5. Making a positive difference to the cause they are working for.

The sector's performance across all of these key drivers has declined since 2014.'

Populus also find's that significantly more people trust local charities (57%) than national ones (34%). This is broadly similar to research conducted over the years on mainstream public services: parents and patients trust the people who run local schools and hospitals more than those who manage the education and health services nationally. Could this explain the local to national difference in views about charities? Probably some, but not all. Most of the negative stories about charities have concerned the governance and headquarters policies of large, national charities. Populus's figures cannot be shrugged off as simply a general liking for local organisations.

Populus also suggests an important vulnerability for the sector: *'When compared against private companies and public authorities, charities come out top for having a caring approach, and rank second for providing best value for money, but fare worst for providing a professional service.'*

Opinion poll findings are like the pieces of a jigsaw: they give us glimpses of the landscape, but not the whole picture. To make sense of them, and draw on the lessons to be learned, we need to work out what is going on between the pieces we can see.

The bigger picture suggested by the surveys cited above is not just that some specific failings—such as to do with governance and fundraising—need to be addressed, but that the charity sector needs to develop, and to justify, a larger narrative about how it works and what it does.

'The charity sector needs to develop, and to justify, a larger narrative about how it works and what it does.'

Ask yourself: if the public knew more about your charity's work, would it trust you more or less?

Most organisations are either sausages or space rockets. If they are sausages, they keep hidden how they work, for fear that public exposure to their ingredients and sight of the production line would repel their customers. If they are space rockets, they judge that the more that the public knows about how they work, the more enthusiastic people become. By default rather than design, charities behave too often like sausage manufacturers.

To get that narrative right, we need to consider the wider context in which charities operate in today's Britain. We can see that need if we conduct a thought experiment. Let us suppose that there had been no negative stories of financial collapse and misused donor databases. Would all our problems be over?

I do not think so, because many charities are grappling with a series of pressures that have nothing to do with the actions that provoke bad headlines. The era of tight public finances and squeezed family incomes is not likely to end any time soon. In general charities are already finding that they have to work harder to raise money from donors and to secure properly funded public sector service contracts.

'Many charities are grappling with a series of pressures that have nothing to do with the actions that provoke bad headlines.'

That is why a 'trust' strategy is not enough. We need 'trust-plus'. The sector needs to go beyond avoiding insolvency and respecting the latest rules regarding fundraising and donor databases. It needs to act, and to persuade the wider public that it is acting to innovate, to increase efficiency and to have greater impact on the lives of people they have been set up to help.

One of the sector's great secrets is that the best charities already do this. Since becoming chair of NCVO, I have been struck by the professionalism as well as the dedication of many of our members. They have IT networks, financial controls, human resource departments, management training, research departments, impact measurement systems and property negotiators that can stand comparison with the best of the private sector. Yet these are hidden from public view. As far as I am aware no survey has asked the wider public what image enters their mind when someone says 'charity worker', but I am confident that the great majority would talk of someone delivering front-line services, either modestly paid or an unpaid volunteer. Only those with direct experience of a large charity, or a close friend work at the headquarters of one, is likely to mention the staff whose management, technical or back-office skills are vital to the charity's success.

This helps to explain one of the perennial controversies that erupt from time to time in the media: the pay of charity chief executives. If the public—that is, the sector's donors—fails to appreciate that modern, national charities are, *and have to be*, complex, professional organisations, then they may well resent chief executives who are paid six-figure salaries. Part of the answer is that the best charity chief executives are paid a tiny fraction of their private sector counterparts with similar numbers of employees. However, we need to go further. What the sector needs to compare is not just turnover but professionalism; then there is a chance to persuade the wider public that running a modern charity requires a range of specific skills. Charities need to recruit the best people, not just the well-meaning.

Making this case will not be easy. For obvious reasons, fundraising campaigns tend to concentrate on front-line activity: a hungry baby being fed, a sick parent being treated, an elderly person in a care home. I cannot recall ever seeing a charity advertisement showing an IT expert at a computer terminal or an accountant checking cash flow. Why publish a picture that could be of the office of any company, town hall or Whitehall department? But that is the point: by failing to make that comparison, the sector implicitly invites itself to be judged by different standards.

We need a new narrative, one that demonstrates that the sector has big brains as well as big hearts. This in turn requires a culture of greater openness that goes beyond a box-ticking policy of formal transparency. It needs a greater willingness to explain how charities are managed, and how their professionalism ensures that donor's money is well spent.

'We need a new narrative, one that demonstrates that the sector has big brains as well as big hearts.'

To make 'trust-plus' work we need to generate enthusiasm not just for what we do, but a real understanding of how we do it. We need to make sure we're building rockets and not making sausages.

About the author

Peter Kellner became chair of NCVO in November 2016. He was chairman of the pioneering online survey research company, YouGov, from 2001–2007 and president from 2007–2016. Before joining YouGov, he acted as a consultant on public opinion research to a number of organisations, including the Bank of England. He is currently a trustee of Action on Smoking and Health, and UpRising; a member of the council of the National Institute of Economic and Social Research; a non-executive director of the Medicines Discovery and the Dolma Impact Fund.

CHARITIES ARE UNDERESTIMATING THE IMPORTANCE OF TRUST. THAT'S A PROBLEM.

Jill Halford, Director, and Neil Sherlock, Partner, PwC

The public trust problem is not confined to charities

A growing mistrust and scepticism of organisations, experts and leaders has become a defining feature of recent times, causing many to question established truths that they've traditionally held dear. Against a backdrop of increasing volumes of data and commentary, amplified by social media, and the rise of 'fake news', it has become much harder for the public to both know who the experts are and to trust them to get things right. This directly impacts many charities that are themselves experts in their field and rely on the public to listen to and respond to their advice. In an increasingly digitalised world, there's a sense that it is harder to gain and retain trust. There are growing concerns among CEOs about the impact of social media on the level of trust in their industry.

'A growing mistrust and scepticism of organisations, experts and leaders has become a defining feature of recent times.'

The questioning of experts is underpinned by a pervading sense that many actors are driven by hidden or ulterior motives, perhaps making some people less willing to trust organisations and their leaders. The Edelman Trust Barometer 2017 finds that 60% of the UK public think 'the system' is failing.[1] This is defined as feeling a sense of injustice, a lack of hope and confidence and a desire for change. There is an emerging view that everyone from politicians, to businesses to charities need to do more to explain what they do and how it benefits both individuals and wider society.

But charities face distinct challenges when it comes to trust

The charity sector has seen a number of high profile failures of trust, from individual governance failures, to broader questions over the sector's fundraising practices. Public polling for the Charity Commission showed that the overall level of trust and confidence in charities fell from 6.7 out of 10 in 2012 and 2014 to 5.7 in 2016.[2] This is a trend that is also reflected in the Edelman Trust Barometer 2017.[3] Meanwhile other studies suggest that trust is bouncing back.[4]

In many ways charities have an advantage over other organisations in terms of their status, history and 'public benefit' requirement. But on the flipside to that, there is a public expectation that they should be subject to a higher moral scrutiny than corporate organisations. And with historic levels of trust in the sector high, charities potentially have further to fall and may find it more difficult to regain trust once it is lost. There is little doubt that scrutiny of charities is increasing. The onus is on them to ensure that they are compliant and demonstrate their societal contribution and impact. Charities, individually and as a sector, need to face head-on the new tailwinds of

[1] Edelman Trust Barometer, 2017, http://www.edelman.com/global-results/
[2] Charity Commission (2016) *Public trust and confidence in charities*.
[3] *Op cit.*
[4] nfpSynergy (2016) *Trust in Charities Research—Autumn 2016 update*.

a changing society and economy. They must consider how they can win hearts and minds and demonstrate their societal impact and benefit to the public.

Trust should matter to charities more than it currently does

Trust is often an overlooked asset for charities. For many organisations, trust can typically only come on the agenda when things are going wrong. NPC's State of the Sector research report *Charities taking charge* shows that nearly a third of charity leaders think a loss of trust in the sector would have no effect on their organisation. The research also finds a narrow association between trust and fundraising rather than taking a more holistic view to trust.

'Trust is a fundamental prerequisite of effective human interaction and meaningful, constructive relationships.'

But trust matters deeply to people, and so it should matter to the organisations that serve them. Trust is considered a fundamental prerequisite of effective human interaction and meaningful, constructive relationships. It is the 'glue' that binds society and the economy together. There is a clear need for all organisations to take a broader view of trust. While those charities that rely on fundraising may feel that they need to be more concerned with public trust than a philanthropic foundation, for example, trust impacts a charity in many ways. For example, people's trust in an organisation can fundamentally shape their behaviour and actions towards it. This can include trusting an organisation with your data and personal information, being more willing to collaborate and engage, and listening and acting on advice and expertise.

Trust is a powerful asset for organisations in four specific ways[5]:

- trust drives performance;
- trust allows organisations to be true to themselves;
- trust can help win round stakeholder scepticism; and
- trust can put organisations on the front foot in a crisis that will inevitably happen at some point, positioning them in a better place to recover.

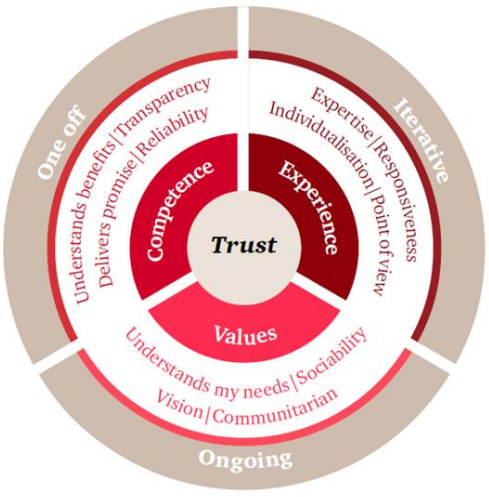
All four of these should resonate with charities as they seek to deliver greater impact in line with their values and ethos.

How charities can measure public trust

Many assume that trust is intangible and for this reason discussions on trust can often become unwieldy. However, at PwC we have developed a Trustworthy Organisation Model (Figure 1) that measures trust holistically from multiple stakeholder perspectives. The model defines trust as comprising three dimensions, which are each underwritten by four 'trust drivers' associated with specific organisational behaviours that influence trust. These are:

- **Competence**: Does the organisation do what it says it will do? This includes the extent to which a stakeholder understands how the organisation benefits them and the public, reliability,

Figure 1: The PwC Trustworthy Organisation Model



[5] See PwC (2015) *Understanding the value and drivers of organisational trust.*

transparency and whether the organisation delivers on its promise.

- **Experience**: Does the organisation consistently meet expectations? This includes demonstrating expertise, responsiveness, whether an organisation treats people as individuals, and the extent to which stakeholders under an organisation's point of view.
- **Values**: Do the organisation and its stakeholders share common values? This includes whether the organisation understands stakeholder needs, the extent to which an organisation is perceived to care about its impact on society as a whole, stakeholder perceptions of the vision of the organisation, and the extent to which an organisation is seen to put stakeholder interests before its own.

While each of these three dimensions is important, there will be differing levels of focus in different sectors. For example, by applying our model across 200+ major brands, we found that leading brands in the global Technology, Retail and Automotive sectors have high levels of Values trust but varying levels of Experience trust.[6] For charities, different aspects may come to the fore depending on the stakeholder group—while Values may be important to funders, Competence and Experience may be more important to beneficiaries.

By considering each of these aspects of trust, charities can take steps to address their potential vulnerabilities and put in place plans to proactively build trust with stakeholders.

How charities can *strengthen* public trust

There are a number of areas in which charities can demonstrate their societal impact and benefit in order to build trust with the public. Drawing on our Trustworthy Organisation Model, our work with a wide range of charities and our annual Building Public Trust Awards[7], we think charities should focus on:

- **Nurturing authenticity**: Charities should engage with their stakeholders and the public in an authentic way, giving credibility to their purpose and bringing their personality to the fore. This allows people to connect with them at an individual level. Ultimately, trustworthy behaviour cannot be faked in the longer term, and consistent positive engagement is a key element to building trust with the public over time.
- **Communicating with 'one voice'**: Charities should ensure that throughout their engagement and communication with the public, they speak with 'one voice'. This will help ensure that a charity's message breaks through the noise and also creates a clearer sense of confidence that a charity is aligned behind its charitable objectives.
- **Engaging in radical transparency**: Transparency is a critical enabler of trust and charities should demonstrate their willingness to be open about their operations, impact and priorities. This includes being honest about where things have not gone to plan, as well as what the charity has achieved.
- **Considering total organisational impact**: Charities need to consider the impact of their organisation in the widest sense, not just in terms of core services they deliver. And they must demonstrate that they act in a way that is fair and responsible. This means questioning, for example: are you leading by example when it comes to how you treat your employees and engage with suppliers? Can you measure and communicate your social benefit? As Mike Adamson, Chief Executive of British Red Cross, commented in his acceptance of a PwC Building Public Trust Award, *'One of the real challenges I think we have in the charity sector is how do we capture and build an evidence base about the outcomes and the impact that we're having against the resources and decide where to spend that marginal pound'*. We have applied our Total Impact Measurement and Management approach to a number of charities to help them clearly demonstrate their total impact[8].

[6] Ogilvy & PwC (2016) *Earned Influence Index*.
[7] For more on the Building Public Trust Awards see: www.pwc.co.uk/build-public-trust/the-building-public-trust-in-corporate-reporting-awards.html
[8] See for example, *Creating social value and building social capital* (2016), a PwC report prepared for St Giles Trust.

- **Ensuring relevance during times of change**: Proactive engagement with the public can help shape a charity's evolution through times of change and help ensure continued legitimacy. The focus of engagement is often with 'service users'. Yet broader engagement with the public will bring a greater diversity of views. And it will help develop shared values with the wider community in which the charity operates.
- **Developing trust ecosystems**: While there is much an individual organisation can do to build public trust, charities need to recognise that they form part of a wider interconnected and interdependent ecosystem. This ecosystem includes government and the public sector, regulators, businesses, as well as communities and individuals. Charities must consider what role they can play in helping bridge the wider trust gap in society. This includes investing in relationships, working in partnership and collaborating with others to share expertise and build capacity.

Trust is precious and fragile, so building and maintaining trust with the public needs to be at the heart of any charity's strategy and operations. Just as businesses are considering their wider societal impact and purpose, charities too need to consider their impact and the relevance of their actions. It is the raison d'etre of the sector, and charities should be leading the way in terms of measuring and demonstrating their impact and outcomes both to make decisions for themselves and to deliver outcomes for the people they serve and the wider public. Engaging with the public proactively, communicating clearly and authentically. Considering your total impact will not only help in times of crisis, but also form critical building blocks to continued success.

About the authors

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WE CAN AND MUST BREAK OUT OF OUR ECHO CHAMBERS

Debbie Pippard, Head of Programmes, Barrow Cadbury Trust

The current ease of communication makes it even more important to get right

The last 10 years have seen a revolution in our ability to communicate with those outside our immediate circle. The advent of social media and new technology gives us the ability to broadcast our views and experiences in ways undreamed of a generation ago. This makes mass communication seem not just possible, but mandatory. At the same time, we are becoming increasingly aware of the ability to self-select, to weed out from our social media feeds those who disagree with us. This is narrowing down both our own exposure to ideas that are unfamiliar or uncomfortable, and our ability to communicate with those with whom we may have less in common.

As charities and active players for social change, we need to be able to reach beyond our inner circle of supporters. We need to find ways of communicating with those who may have different views and values to our own. Sometimes this means thinking afresh about our approach—and at times it feels challenging and uncomfortable.

'We need to find ways of communicating with those who may have different views and values to our own.'

Charities can use their prominence to amplify the voices of others

The Barrow Cadbury Trust is a social justice organisation, working in partnership with others to reduce structural inequalities. Guided by the Quaker imperative to 'speak truth to power', our approach is both to build an evidence base from which to argue for systems and structural change, and to enable the voices and views of those directly affected by structural inequalities to be heard by those in positions of influence. We fund a portfolio of work that *'adds up to more than the sum of the parts'*—in other words, we fund interconnected, complementary projects rather than a collection of stand-alone initiatives.

Incrementally over the years we have recognised that, in order to have influence, we need to increase and change the way we communicate. This is essential not only for the benefit of those who seek funding from us (our operating model is very different from that of many funders who have broad eligibility criteria and we have a duty to explain it). It is also key to increasing our impact. It is not enough to fund good work and expect it to yield meaningful results; we need to pay more attention to communicating who we are, what we do, and the findings from the work we fund. Accordingly, we set about streamlining our grant assessment and management processes, releasing resources to look at our communications work.

'We use our brand to amplify the voice of others, enabling the unfiltered voices of lived experience to influence those in power.'

We developed a communications strategy, owned at board level, reflecting the importance of communications for our work. Our strategy and approach does not just address our areas of interest, but consciously reflects our approach of *'using all of our assets, especially our money, to work with others to bring about structural change for a more just and equal society'*.

We are very aware of the power that a respected brand can bring, and the influence we have as an independent foundation. We therefore use our brand to amplify the voice of others—not just by retweeting, but by giving a platform to different voices. This includes enabling the unfiltered voices of people's real lived experience to influence those in power. For example, that we ensure our blogs, not just our research, include the real voices of people at the sharp end of public policy. We 'privilege the message over the messenger'—in other words, our name doesn't always have to be given prominence, instead we identify the voice that will best be heard by the audience we seek to influence. Sometimes that will be us, at other times a civil society partner, or an individual with personal experience of the issue under discussion.

We must move beyond preaching to the converted

Communicating who we are and what we do is relatively straightforward. A much greater challenge is presented when we want to reach beyond the echo chambers we all tend to create for ourselves on social and traditional media. This can be hard to do, and can be uncomfortable. It requires the forming of relationships and alliances with those who do not necessarily share our world view. And we need to shape our communications so that they can be received by those we seek to influence.

'Communicating who we are and what we do is relatively straightforward. A much greater challenge is reaching beyond the echo chambers we all create for ourselves.'

An example that illustrates some of the successes and challenges of that is work around migration. The migration sector has been, for decades, rightly vocal about the rights and needs of migrants and refugees. Individuals and organisations have campaigned tirelessly and have achieved much, but their messages have frequently failed to land beyond those who are already supportive. The need to speak to different constituencies was graphically illustrated by an analysis of public attitudes towards migration carried out by Hope Not Hate in 2011[1]. This identified six 'tribes': Confident Multiculturalists, Mainstream Liberals, Identity Ambivalents, Cultural Integrationists, Latent Hostiles and Active Enmity. The first two, representing about a quarter of the population, are those who are strongly or in general supportive of migration. The middle two (around half the population), described by British Future as the 'anxious middle'—people who are, in the case of the Identity Ambivalents, concerned about the impact of migration on their economic well-being and the social cohesion of their communities. Cultural Integrationists, meanwhile, are more exercised about the impact migrants may have on national culture. The final two groups are, as their classifications suggest, hostile to migration.

Rights-based campaign and messages that emphasise the benefits of migration to the settled population—the traditional lines of approach of many in the migration sector—are relatively comfortable territory for the Confident Multiculturalists and Mainstream Liberals. However, they do not resonate at all with those who feel that new arrivals are a threat to their economic or social well-being, or that they are a risk to treasured societal norms. Worse, badly framed rights-based messages can actually alienate those who are concerned about (but not necessarily opposed to) migration. *'Telling someone that we are all richer [because migration has economic benefits], when they themselves are feeling poorer, is not going to win them over: a more likely reaction will be "bully for you—it's still not working out for me".'*[2]

[1] See: www.fearandhope.org.uk/2011-report

[2] British Future (2014) *How to talk about immigration.*

A new approach was needed, so Migration Exchange—a funder collaborative of which Barrow Cadbury is a part—established British Future, a think tank that looks at issues relating to identity and integration. The aim is to engage in conversation those who are anxious about cultural identification and economic opportunity, as well as those supportive of migration.

British Future has established that some approaches that instinctively feel right—such as myth-busting, where the migration advocate attempts to present statistics or facts about migration to sceptical audiences—are not helpful, or even neutral, but positively harmful. Bald facts fail to convince, and the hearer can feel patronised and further alienated.

A much more effective approach is to find common ground with conversations that connect with people who feel anxious about the impact of migration on their families, jobs and local area. This sounds obvious, but means that the rights-based language familiar to many in the social sector is ineffective. Instead, what has been shown to resonate with the 'anxious middle' are values-based approaches that emphasise reciprocity between new arrival and host nation—two thirds of the public are supportive of migrants who work hard, pay their taxes and learn English.[3] So a conversation that 'frames'[4] migrants as people who want to pay their way and be active contributors to the society they live in will be much better received than one that emphasises their absolute rights.

Reaching out beyond the usual suspects can be a challenge, but it is vital

Unsurprisingly, some in the migration sector have been uncomfortable with the suggestion that they might need to change how they communicate in order to reach new audiences. It is hard to acknowledge that an approach activists have been using for years may not be working, and, on a practical level, it's difficult to develop a new way of engaging with less supportive members of the public. It takes support, and practice, but is an effective way of having a more positive and productive conversation with the anxious middle.

'Engaging with less supportive members of the public takes support, and practice, but is an effective way of having a more positive and productive conversation.'

Migration Exchange may seem like a special case, far removed from the day to day situation of most in the charitable and voluntary sector. The collaborative has resources at its disposal that its members can spend as they wish. For many in the sector, communicating beyond their immediate supporter base can seem too much of a luxury. But extending our communications is vital for the whole sector, not just campaigners.

To take just one example, it is abundantly clear that public trust in charity has taken a beating in the last couple of years. The sector can still rely on the strong support of some (the equivalent of Hope Not Hate's Confident Multiculturalists and Mainstream Liberals) but we also have our 'anxious middles', uncertain of the benefits of charity, and our outright sceptics. If we are to maintain and increase public trust, we must find new ways to communicate our narrative. This requires identifying messages that work, and employing approaches that have been shown by others to be effective, even if we may not be entirely comfortable using them.

Learning from Migration Exchange, we can do the following:

- **Work in partnership with others**, pooling skills and resources around a complex communication issue.

[3] British Future (2014) *How to talk about immigration.*

[4] For an introduction to framing and values-based strategic communications, try Lakoff, G. (1990) *Don't think of an elephant: Know your values and frame your debate;* or Crompton, T (2010), *Common cause: The case for working with our cultural values.*

- **Consider the role of communicating our messages in our theory of change**. In the case of Migration Exchange, developing a body of evidence around what messages work is just one strand. The theory of change also includes the creation and communication of a sound evidence base on the impact of migration and increasing the communications capacity of front-line migration organisations.
- **Research and test effective communications approaches**. Others may not have the same resources that were available to Migration Exchange, but all can think about the values and concerns of those they want to influence outside their immediate supporter base. But we can all do at least some informal testing of messages with less supportive family, acquaintances and others they fall into conversation with.
- **Encourage and support others to use the approaches that have been shown to be effective**.

As a sector, we need not only have social value, but also to communicate it. By developing clear communications strategies that tell the story of our work and our sector, we can be stronger and have more impact.

About the author

Debbie Pippard is Head of Programmes at the Barrow Cadbury Trust, where she oversees its work on migration, criminal justice and financial exclusion as well leading a number of strategic projects. She is also Chair of The Foundry, the award-winning human rights and social justice centre in Vauxhall and of Global Dialogue, an international human rights charity.

RELATIONSHIP WITH THE STATE

The state underpins, informs, and funds so much of charities' work, but the sector's relationship with the state is currently a troubled one. Our State of the Sector research showed that, despite significant challenges in the relationship with the state, some organisations are seeking to build new cross-sector collaborative partnerships and a more equal relationship with the state. We found that success in this is based on harnessing the strengths of the voluntary sector. These strengths include a real insight into the challenges and experiences of those accessing public services, and an ability to work with the 'person' not just as an impersonal 'service'. We also found that, although devolution is increasingly understood as opening up the opportunity of a new relationship with the state, in practice the surface is only just being scratched.

The essays in this section all look to reframe the sector's interactions with the state and offer potential methods for the forming of new and more productive relationships with a range of actors.

- **Javed Khan**, Chief Executive of Barnardo's, describes how it has been possible for his organisation to create new partnerships and collaborations with the state and with other charities while remaining focused on impact.
- **Alex Fox**, CEO of Shared Lives Plus, examines the important but difficult question of how communities can provide solutions that work alongside the state.
- **Neil McInroy** of CLES presents the opportunities offered by devolution to build a new, local social contract that involves businesses, communities, and the state.
- **Danny Kruger**, senior fellow at the Legatum Institute and founder of Only Connect and West London Zone, investigates the wider context of political change that the sector operates in, and argues that understanding this context is crucial to building a new relationship with the state.

WHAT DOES PUTTING IMPACT FIRST LOOK LIKE?

Javed Khan, CEO, Barnardo's

'Having an impact' is harder than it sounds. It needs thought, it takes time and it costs money; sometimes, it can't be done at all. So why does it matter? It matters because it is the very essence of why charities exist; why we do what we do. People don't dedicate their careers to charity work for the salary, volunteers don't give up their time for the status, and our supporters don't donate their money for the t-shirt they might receive in the post. They do it because they are motivated by their chosen cause, and the opportunity to change something—to have an impact.

'Having an impact is harder than it sounds. It needs thought, it takes time and it costs money; sometimes, it can't be done at all.'

It is the privilege of my lifetime to lead the UK's oldest and largest national children's charity, Barnardo's. I love telling the story of how Barnardo's has grown from Dr Thomas Barnardo's work—helping the street children of East London 150 years ago—to annually supporting over 270,000 children, young people and families across the UK today. That, despite the tough economic challenges, last year we increased the number of services we provide to over 1,000, whilst over the past three years the charity has grown by over 20%.[1]

But impressive as these numbers are, they actually tell us nothing about how these children's lives were transformed for the better. On the ground we see the children, young people and families that we work with grow and succeed. This is Barnardo's real 'impact'. But how do we prove it?

To understand it we must look beyond the number of services we run and how many children we support, to understand the role we play in their lives. It is this information that gets our staff out of bed in the morning, drives our volunteers to spend their time with us, and our supporters to reach into their pockets. It is the reason why we have invested in improving our evaluation capacity, so that we learn from our experiences and use it to give children the best support possible. Our first ever Annual Impact Report was published in 2015 and its philosophy has become central to how we design and develop our services. [2]

Impact matters, more and more

Putting impact first helps us to meet our objective of improving the quality of the services we offer to our children and young people. But it serves other purposes too. As digital technology continues to transform how we as individuals communicate and engage with charitable endeavours, a new generation of time-

'Putting impact first helps us to meet our objective of improving the quality of the services we offer.'

[1] Barnardo's (2016) *Annual Impact Report*.

[2] Barnardo's (2015) *Annual Impact Report*.

poor, information-rich donors is emerging.[3] Not only do donors expect more information—in particular insights that are specific and traceable—they also expect to receive this information in certain ways. They expect communications to be short and arresting. And they react positively to opportunities to give that fit in with their lifestyle—donating through work or raising money from fitness activities for example. As 38 Degrees, change.org and crowdfunding platforms show, timely, personal and tech-savvy methods of gathering and engaging with supporters can be very successful—especially when transparent and insightful data is factored in.

'Barnardo's is moving to being digital by default; to provide our donors with the information they want to see, when they want to

Just as the explosion in digital technology feeds the growing demands and expectations from donors, it also provides a vital means by which to meet these demands. This is particularly true for the children's sector where the common practice of entering handwritten case or meeting notes into computer systems cannot meet the demands of this new data-hungry generation, nor deliver the insights we need when we need them. With a growing array of digital tools—not just in the hands of children and young people themselves, but also the professionals that work with them—more and more we are able to bridge the gap between gathering information and proving our impact. Barnardo's is moving to a 'digital by default' way of working and recording information. By doing so, we are better able to provide our donors with the information they want to see, when they want to see it; but better still, understand for ourselves and our practice the true impact we have.

The current commissioning system is working against impact and this needs to change

The growing demand for evidence of impact extends to public service commissioners too. In the years since the global credit crunch, the commissioning and delivery of public services has transformed. Models of outcomes-based commissioning such as 'payment by results' are becoming the norm, as providers are increasingly required to prove their impact and value for money. The 2014 Open public services paper[4] signalled this step change:

'The old, centralised model of public service delivery was costly and no longer capable of meeting the challenge of delivering the personalised, joined up public services ... We want public services which respond to individual choices … whilst relentlessly focusing on improvements in quality and doing all of this more efficiently, to give the tax payer the best possible deal.'

Whilst opening up public services to innovation, more transparency and greater accountability are laudable aims, is it working in practice? How has this new approach to public services affected a charity's ability to have an impact?

Any data specialist in the voluntary sector will say that their prime responsibility is generating the data about service performance they need to feed back to those who have commissioned them. This requirement to provide the information the commissioner wants to see constrains the ability of charities to establish the information *they* need to understand if they are affecting the change they know is needed.

'Sometimes, we transform the lives of children in spite of commissioning arrangements, not because of them.'

To really transform the life chances of the most vulnerable children with whom Barnardo's works, we need sustained interventions over a long period of time. This work simply cannot be 'evidenced' at the end of a 12-month contract. It cannot be achieved through the short-term fixes or 'sticking plaster solutions' that short-term contracts incentivise. It took 18 months of intensive one-to-one support from one of our child sexual exploitation services for a 15-year-old girl to reach a point where she understood that the man

[3] House of Lords Select Committee on Charities (2017) *Stronger charities for a stronger society*.

[4] The Cabinet Office (2014) *Open public services*.

who had groomed her, exploited her and made her have sex with his friends, was not her boyfriend who loved her, but her abuser. The impact we have made on that child's life is monumental, yet it is also virtually impossible to 'measure'. I would go further and argue that, sometimes, we are able to transform the lives of children *in spite* of commissioning arrangements, not because of them.

To tackle this problem we must move away from the time honoured commissioning model of a problem identified by the few and a solution developed behind closed doors by even fewer. This process, at best, misses a vital opportunity to harness the insights, relationships and skills needed to design the services that people actually need. At worst, it has the potential to do real harm.

'We must move away from the commissioning model of a problem identified by the few and a solution developed behind closed doors by even fewer.'

Barnardo's wins four out five contracts that we bid for but that does not stop us walking away when the resources and conditions set by the commissioner mean we are not able to do what we know needs to be done. As the demand for vital services for vulnerable children and young people continues to increase[5] and the resources for a quality response decrease, none of us can afford to simply carry on as we are. The current model of tenders out, a range of bids in, one 'winner' announced, while donors' money is wasted on the process, is simply not sustainable. We need a systemic change to identifying and analysing need. This requires a paradigm shift in the whole approach to commissioning of impact, with the voluntary sector placed firmly at its heart.

We must put charities in the lead, creating impact through strategic partnerships

'Charities can reach the people that the state can't, with tools that the state simply does not have at its disposal.'

In a world where the face and complexity of our communities is changing at great speed, the insight of the voluntary sector is needed more than ever. Charities can reach the people that the state can't, with tools that the state simply does not have at its disposal. It is critical that we bring this experience to bear on how services are designed. With our unique insight and trusted relationships in communities, voluntary organisations could and should be working with commissioners right at the start of the journey; helping to identify the challenges within local communities; working together to see what the best solutions could be and designing new services; working together in strategic partnerships.

The results of trials where we at Barnardo's are putting this new approach into practice speak for themselves. For example, in South Wales, Barnardo's is in a five year programme to run a joint Integrated Family Support Service with Newport Council. Their Head of Children's Services is a Barnardo's employee, as are half the staff, working with our council partners in the same office. Each member of staff offers a different set of skills, a different piece of the jigsaw needed to give each family the right blend of support that they need. So far this strategic partnership is outperforming all of Newport's statistical neighbours[6]—that is impact in action.

More and more we are seeing commissioners starting to appreciate the need for a different way forward, and becoming bolder in their plans. But Barnardo's experience across the country shows that no one size fits all. Strategic partnerships can only be developed on a case-by-case basis, each taking a different form and involving different partners. In some areas it may be that rather than the lead contractor, Barnardo's is the sub-contractor working with partners from other voluntary organisations; in other areas Barnardo's is working with the private sector in order to deliver what is needed in that particular community. Despite their differences, our strategic

[5] Association of Directors of Children's Services (2016) *Safeguarding Pressures, Phase 5*.

[6] Care and Social Services Inspectorate Wales (2014) *Report on the Inspection of Children's and Family Services —Newport City Council*.

partnerships are united by the common principle that the specific needs of the local community dictate what form the partnership takes.

Charities and commissioners must take a leap of faith together

Carving out new relationships with commissioners is not without its challenges. As is the case with any effort to bring together partners from different sectors with different cultures and expectations, the age-old problems of bureaucracy and red tape loom large. The most significant and debilitating of these is the challenge of sharing data. Understandable public concern surrounding sharing sensitive data came to the fore last year, with the Supreme Court ruling that the data sharing provisions under the Scottish Government's 'named person' scheme risked breaching rights to privacy under the European Convention on Human Rights.[7]

While there are some examples of collaboration around data between the NHS, local authorities and some providers of social care, these exist in isolation and there is no shared standard.[8] Some of the children Barnardo's works with may see up to ten different agencies within a year, each recording information in ten different systems. Ten different versions of the truth about that child make designing the right care package for that child near impossible.

'We cannot continue to operate in isolation from each other. We need to create a shared standard around data.'

If we are to truly recalibrate the relationship between commissioner and provider in the ways we know will have impact on children's lives, we cannot continue to operate in isolation from each other. We need to create a shared standard around data for children's services, and join up our information with information from across the country. This would enable us to look at the measurements and data we have on child sexual exploitation, for example. And in the context of other external data it would help us identify parts of the population that need our help. We would be able to ensure that the work we prioritise, or choose to spend our own resource on, is the work that children and young people actually need, not the work that the commissioners say is necessary. The technology already exists; the hard part is tackling the understandable nervousness that pervades the sector and encouraging partners to take a leap of faith together.

If we are to achieve the shift in public service commissioning and delivery that is so urgently needed, the government must play its part and throw its weight behind it. Politicians like to talk about strategic partnerships, but we need solid plans to build the capacity of voluntary organisations to deliver this work sustainably. Carrying on with business as usual is no longer an option. To put impact first, we must work together to unleash the potential of the voluntary sector and bring our unique insight, skills and expertise to bear. Only then will we be able to truly transform the lives of the people and communities we are here to serve.

About the author

Javed is Chief Executive of Barnardo's, the UK's oldest and largest children's charity, having previously been CEO at Victim Support, which he joined from the Government Office for London. Originally trained as a Maths teacher, he has also served as a Director of Education in local government.

[7] Scottish Parliament (2016) *Official report session 5, 8 September 2016—Named person policy*.

[8] HM Government (2013) *Working together to safeguard children*. and Department for Education (2011) *Munro review of child protection: a child-centred system.*

LET'S EMBRACE OUR DIFFERENCE FROM OTHER SECTORS. ONLY THEN CAN EVERYONE IMPROVE.

Alex Fox OBE, CEO, Shared Lives Plus

The not-for-profit sector is distinct from other sectors, and this is a strength

For years, charities and social enterprises that deliver support services have been told to emulate the private sector: to become more efficient and bigger through growth and mergers. We increasingly use the language of customer service, despite the fact that our 'customers' often have not chosen to come to us and are not spending their money. Our branding and marketing is getting slicker, even as the budgets for our front-line services are being cut like never before. We talk about quality, excellence and the need to 'professionalise', whilst many charities have to employ people on minimum wage to make ends meet while some senior salaries continue to rise.

Some not-for-profits have been so successful in competing with the private sector on that sector's own terms that it is getting hard to distinguish them from their profit-making counterparts. Others have found themselves, like some private sector organisations, at loggerheads with their own workers, local branches or 'beneficiaries'.

There are always gains to be made from becoming more efficient, but the challenges facing providers of public services that are genuinely values-led are now far beyond solving through leaner processes or smaller back offices. They are existential. It is time to consider not how charities can emulate the public or private sectors, but what makes our sector uniquely valuable to people who need support, and how we can work with those people to ensure that our public service system values that contribution.

'It is time to consider not how not-for-profits can emulate the public or private sectors, but what makes our sector uniquely valuable to people who need support.'

At their best, VCSEs get alongside people to help improve their lives

As the independent chair of the Joint Review of the role of the Voluntary, Community and Social Enterprise (VCSE) sector in health and care[1], I heard a strong consensus from government, sector and citizens on the unique value and roles that the VCSE sector can and should have. We all believe that the future of health and care services lies closer to our communities, and in offering support that is more carefully shaped around and in support of our individual needs, goals and capabilities. In the words of the charity Nesta and NHS England, our public services should be 'people-powered'.

However, neither the statutory nor the private sectors have a track record of getting alongside people who make most use of services, of hearing their insights into what works and what does not, and enabling them to input that

[1] vcsereview.org.uk

expertise in service design. Some VCSE organisations do have that track record, particularly when it comes to groups and communities that are commonly seen as 'hard to reach' by bureaucracies reluctant to reach far beyond their headquarters. So a distinct role for the VCSE sector is to enable citizens to codesign the health and care system we need, and to challenge the one we have.

When our public service systems are codesigned in this way, the support provision role of our best VCSE organisations also becomes one that has a unique business case to make. This is primarily because, when ordinary people are involved in defining what we should value and aim for, they steer us towards services that are embedded in our communities, easy to access without having to wait for a crisis, and willing to see the world from the point of view of individuals.

Again, it is VCSE organisations that have the strongest track record of developing services that fit comfortably with people's lives, homes and neighbourhoods, particularly when it comes to those communities currently least well-reached and served. So a people-designed health and care system is likely to include organisations that reach us early and that help people, families and communities to develop their capacity, confidence and resilience. We are unlikely to address the social determinants of health, or the many inequalities in our health and care systems, without a wide range of large and small VCSE organisations designed and led by the communities in which they work.

Non-profits are best placed to deliver services that are both complex and human

The role of non-profit organisations is not limited to early or light-touch interventions, however. Some VCSE organisations are providing the most complex and technical support. Here the unique value of great VCSE organisations is that they deliver technical or medical care, whilst thinking socially and holistically about the people they support. They manage challenging risks but do not let those risks obscure people's potential. They personalise their support to individuals, whilst drawing upon whole communities for volunteering and social action—which addresses service-resistant problems like loneliness and stigma—and for the expertise of lived experience in coproducing their support.

'The unique value of great VCSE organisations is that they deliver the most complex and technical support, whilst thinking socially and holistically about the people they support.'

But the current climate is one in which commissioners are increasingly focused on short-term cost cutting, leading them to offer larger, narrower and shorter-term contracts for the cheapest possible price. So how can the not-for-profit sector maintain and improve its uniquely cost-effective codesign and codelivery offers?

The final report of the Joint Review of the Voluntary, Community and Social Enterprise Sector[2] set out a number of recommendations intended to bridge the gap between vision and day-to-day reality. This includes an outline of how the health and care system as a whole could define its goals in more human terms (through the concept of well-being, which is already embedded into social care legislation), and then measure, pay for, inspect and demand well-being at all times. There are some underused levers in the system, such as the Social Value Act, which can put a real monetary value upon the goods that the VCSE sector is best able to produce.

[2] Department of Health, Public Health England, NHS England (2016) *Joint review of partnerships and investment in voluntary, community and social enterprise organisations in the health and care sector*.

The best new models out there are smart, values-led, and people-powered

The charity I work for, Shared Lives Plus, is the UK network for Shared Lives and for Homeshare. Both models are examples which are values-led and people-powered. Shared Lives creates savings for commissioners alongside the type of value that can only be measured in more human terms. 150 independent Shared Lives providers recruit and spend three to six months approving people from all kinds of backgrounds to become Shared Lives carers. They then match Shared Lives carers with adults who need support, with whom they share family and community life. Half of the 13,500 UK people using Shared Lives live with their Shared Lives carer as part of a supportive household; half visit their Shared Lives carer for day support or overnight breaks. Some go on to get their own place, others are looking for a home where they can settle and feel they belong.

'It is possible to draw on the assets more commonly associated with community and civil society alongside the assets usually held by public services.'

Most people who use Shared Lives have learning disabilities, but it is also used by people with mental health problems, older people, care leavers, young disabled adults, parents with learning disabilities and their children, and others. It is being developed as a home from hospital service, an acute mental health service and a form of short breaks for family carers.

Take James, for example, who lived in a residential hospital for people with learning disability and mental health problems for many years and after discharge could not live with his family. He was matched with Phil and has lived with him for some time now. The health outcomes are significant: he has fewer psychotic episodes, uses hospital less frequently and for shorter periods. But the most important gains for James are living an ordinary life: sharing with Phil a love of greyhound racing and fishing, going on holiday, exploring supported employment and travelling independently.

Shared Lives illustrates that it is possible to draw on the assets more commonly associated with community and civil society—such as people's own capacity for independence and the support of family and community—alongside the assets usually held by services but that are often inaccessible within bureaucracies. Each local Shared Lives scheme is regulated and inspected by the Care Quality Commission, which consistently rates it as the highest performing and safest form of regulated care. Shared Lives carers are trained and paid and there is back-up from the local organisation if the match breaks down. But Shared Lives carers and their families typically say that the person who lives with them is '*just one of the family*'. They will say, '*we love them*'. Because Shared Lives draws both on service resources (money, knowledge, infrastructure) and on family and community resources (friendship, fun, love), rather than costing more, the model is on average £26,000 a year lower cost for individuals with learning disabilities and £8,000 for people with mental health needs. Additional savings can often be identified from reduced use of the NHS and crisis services.

'These models connect and empower people. They are co-designed with the people who use them to shape their interventions around people's lives.'

A recent report[3] identified six innovations that are amongst a growing movement around a similar ethos. These include Homeshare, in which isolated older people are matched with young adults who move in and help out a little, rather than paying rent. The older person gets low level support, while helping a younger person get a start in life. Community Catalysts have brought their creativity, resources and social networks together to build hundreds of supportive small community enterprises, including 170 tiny home care providers in rural Somerset. Well-being Teams combine home-care with a range of community and relational forms of support. These can

[3] Shared Lives (2017) *Six innovations in social care*.

include Community Circles, a structured way for friends, family and chosen professionals to form long lasting circles of support around someone with long-term support needs. Local Area Coordinators get to know people in a defined neighbourhood, such as those at risk of needing support, and help them to connect or reconnect with their neighbours and the wider community. This means people who might otherwise become isolated and dependent on services can live well in their own homes.

These models connect and empower people. They are codesigned with the people who use them to shape their interventions around people's lives, their families and their informal support networks. Some of these models, such as Shared Lives, are open to any VCSE organisation to pursue. And all VCSE organisations that seek to deliver—and ideally help to shape—the health and care system we need, could embed the values that these models share. All non-profit support providers can ask:

- Do we support the communities we serve to design and redesign what we do?
- Do we aim for good lives, not just good services, helping people to build and sustain well-being?
- Can we show that our long-term support services connect the people we support and avoid disconnecting them?
- Are our services delivered in a way that empowers people and builds resilience, confidence through sharing our knowledge, networks and resources?
- Do we create added social value such as drawing in volunteers and employing local experts by experience?

In some areas of public services, commissioners are struggling to see beyond immediate budget constraints. But the VCSE sector and the communities from which most VCSE organisations are born have a strong history of innovation. That pioneering spirit is needed now more than ever.

About the author

Alex Fox OBE is CEO of Shared Lives Plus, the UK network for Shared Lives and Homeshare. He chairs the NHS England, Department of Health and Public Health England Joint Review of the Voluntary, Community and Social Enterprise Sector and sits on the boards of the Think Local, Act Personal partnership and NHS England's Integrated Personal Commissioning programme. He is a trustee of the Social Care Institute for Excellence, a Director of the Local Area Coordination Network and an advisor for Altogether Better. He blogs at alexfoxblog.wordpress.com.

WE NEED A NEW SOCIAL CONTRACT. A LOCAL ONE.

Neil McInroy, CEO, CLES

Devolution is an opportunity yet to be fully realised

Devolution to some areas of England has been broadly focused on local economic growth and managing austerity through public sector reform. But with more power to local areas and the advent of Metro Mayors there is potential to forge a new relationship between business, the local state, social sector and citizens—a new local social contract.

This new relationship could be about a deeper collective identification with local place. This, in turn, could prompt deeper levels of social responsibility, business citizenship and philanthropy at the local level. In this, I am neither advocating a small state nor a local replacement for the national welfare state. Rather, I'm suggesting a deeper enabling role for both the national and local state. This deepening could assist in alleviating the growing pressure on public services and serve to build a more inclusive and just society.

'A deeper enabling role for both the national and local state could build a more inclusive and just society.'

The national social contract is weakened

The national welfare state is the pre-eminent social contract between the state, individual and business taxpayers, citizens and the social sector. In this contract, national tax take is harnessed and used to support national and local state services. It also funds (through service contracts) an array of social and charity sector activity. However, since the foundation of the welfare state, we also have had a more informal part of the social contract. In this, philanthropy and giving from individuals and many businesses—outside of the main tax system—complements and augments welfare state services and activity.

However, some longstanding changes within the welfare state are challenging what can be delivered, and subsequently changing the role of philanthropy and giving. Firstly, a never-ending set of austerity policy choices have weakened public services, local government and the welfare state, and the role it plays in ensuring a social safety net. Secondly, social demand is rising. An ageing population means more pressure is on health and other adult care services. This shows no signs of easing. Thirdly, the notion of citizenship and public service—as important universal pillars of our welfare state—varies in voracity across the nations of the UK and amongst citizens more generally. This means that there are variations in the strength by which we as individuals are willing to pay into a universal tax system for the greater good of citizenry. This is unfortunate, but we must confront the reality as a national society: that there is less indubitable support for the system, with more blurring of lines between what is (or should be) state and philanthropy (for example, the rise in foodbanks as response to state welfare changes).

'Longstanding changes within the welfare state are changing the role of philanthropy and giving.'

Of course, we could singularly rebuild the national welfare state via a progressive tax system and rekindle the post war national social contract between the state, citizens and business. However, we should aim even higher,

by building an even better social contract. One in which new forms of citizenship, concern and a sense of what is socially just is allowed to flourish again.

We need a new, local social contract

Whilst more taxation for a 21st century welfare state is an ongoing and viable political choice—and has been a focus in successive UK general elections—I think there is great promise in devolution as a means of rekindling a shared sense of local citizenship and a local social contract. In this, I am not arguing against the nation state or for further national welfare state shrinkage. Quite the reverse: the national welfare state requires ongoing support and deeper respect, and we must end austerity. However, alongside that we need a reaffirmation of a social contract with an additional focus on the devolved local level; a contract in which place-based giving and philanthropy offers a much needed boost to an ongoing weakening of the social safety net.

'For ill, public services and citizen need have been increasingly seen as a cost a rather than an investment in individual and collective futures.'

The growth of a local social contract is based on the notion that, at the local level, there is a propensity for deep and enduring place-based relationship which the nation state cannot offer. If we consider the national social contract model and welfare state model, it is evident that it has tendency to be remote, housed in central departments, administered by civil servants who are embedded in policies rather than the real-life experiences of place or bespoke social need.

Furthermore, recent austerity has had a pernicious effect within the institutions of the welfare state. For ill, public services and citizen need have been increasingly seen as a cost, rather than an investment in individual and collective futures. A damaging geographic and institutional distancing has been allowed to grow. And with this distancing has come language and behaviours where empathy and identification with deep and genuine levels of need have too often been replaced with unacceptable ideas of benefit shirkers and an undeserving poor.

By contrast, at the local level, a more accessible and deeper relationship between commerce, the local state, and the social sector is possible. We should see devolution as having the potential to galvanise greater civic formation in which all sectors share a collective imagination of that place, offering a greater propensity for agency to identify with the real pain of social decline and act to resolve the social issues and build social justice. The argument here is that devolution and the 'soft power' of Metro Mayor relationship building could forge a much deeper set of collaborative and mutual coexistence and innovation within and across all three sectors: public (local state), private and social.[1]

In this (see Figure 1), all three sectors have essential qualities. These qualities are needed to collaborate and produce innovative solutions to pressing social need. This is about: a private sector that brings exchange, wealth creation, philanthropy and giving; a public sector and local state that brings equality and a degree of redistribution, providing public goods and services not provided by the market; and a social sector that brings civic ties and social diversity imbued with reciprocity and solidarity.

The interplay and interdependence, and the resultant innovation could be seen as the basis for a local

Figure 1: A local social contract

[1] McInroy, N. 'Building a local civil economy', 9 May 2014.

social contract.[2] Elsewhere I have called this 'double devolution'.[3] By that I mean that the initial devolution of power and resources to the local state could be followed by a new devolved sharing and reciprocity *across* local state, commerce and social stakeholders. In this model, all three sectors recognise their mutual interdependency. They move to somewhat blur the traditional sectoral silos in the interests of social demand and longstanding injustices.

A local social contract must be supported by greater business citizenship

'We need to find more positive ways of getting business to do even more social good.'

In our work at CLES, we engage and work with businesses—large and small. In this, we perceive a growing desire to do local social good. Many businesses already give and play a significant in role in the social and cultural welfare of places (eg, local business support for a kids' football team, or support for local art festivals). But we need to find more positive ways of getting business to do even more social good.

Corporate social responsibility (CSR) refers to responsibilities that business discharge as an individual actor and has become fashionable. The practice includes considering a business' impact as an organisation, in terms of the basic values, policies and practice, within its environmental and social operating context. It also includes giving to communities in the form of gifts and investment in areas of interest to the business. Yet there are growing questions as to how we are to judge the effectiveness of CSR initiatives. Some critique that CSR has become merely what is *seen* to be given, rather than what is actually given. For instance FTSE 100 companies have been reported as giving increasingly less to charity.[4] As such CSR, and corporate governance more generally, is subject to review by parliament.[5] Still, there is no doubt that traditional CSR, is not good enough. We must consider an innovative deepening and broadening of CSR.

Roberto Unger, philosopher and Professor at Harvard Law School has written extensively about the reinvention of society and economic development and the potential of social innovation.[6,7] Social innovation is about finding new ways in which people, businesses and the state organise themselves to meet social needs and issues. Taking the work of Unger, we can say that we need business innovation—beyond CSR—where it plays a deeper role in addressing social need and social injustice. This is about a systemic and ingrained behaviour change, one where responsibility to consider and play a role in addressing social need is incorporated into a set of empathic corporate attitudes and approaches. To achieve this, local deep cross-sector narratives and collaborations need to be established and developed—not least around the economic and community benefits of what is called 'business citizenship'.

Business citizenship has become increasingly popular when discussing the social role played by business. In the USA, corporate citizenship (CC)[8] has now become an established part of corporate language[9]. A broad definition of business citizenship can therefore be described as *'a recognition that a business, corporation or business-like*

[2] McInroy, N (2016) *Forging a good local society: Tackling poverty through a local economic reset*. Webb Memorial Trust.

[3] McInroy, N. and Jackson, M. (2015), *The local double dividend: securing economic and social success*. Smith Institute.

[4] See 'FTSE 100 companies give less to charity', in *Financial Times*, 6 March 2016.

[5] Department for Business, Energy and Industrial Strategy (2016) *Corporate Governance Reform: Green paper.*

[6] Unger, R (2007) The Self Awakened: Pragmatism Unbound. Cambridge, Mass: Harvard University Press

[7] Unger R (2015), *Conclusion: The task of the social innovation movement* in Nicholls A et al. (eds) New frontiers in social innovation research. Palgrave.

[8] Carroll, A. B. (1999) *Corporate social responsibility—the evolution of a definitional construct*.

[9] Altman, B. and Vidaver-Cohen, D. (2000) *A framework for understanding corporate citizenship.*

organisation, has a social, cultural and environmental responsibility to the community in which it operates, as well as economic and financial ones to its shareholders or immediate stakeholders'.[10]

This link with geographic 'community' within places is of specific interest here. This relates to how a business relates to the place it operates, its role within it, the social and local state collaborations it has and the responsibilities it has to play a deeper, more voracious, philanthropic role.

In terms of the role of businesses in place, work by CLES has considered how businesses can play a wider role in the places in which they are based.[11] In this there is already an array of capital in financial terms available in our places, and business could be encouraged to act more as citizens and contribute positively. Small businesses are most closely associated with local communities. So there is potential for employers' organisations, Chambers of Commerce and the Federation for Small Businesses (and other localised business networks such as Business Improvement Districts) to enhance their existing engagement with social organisations. In doing so they can scope out potential for local collaborative working, philanthropy and schemes for bringing the two sectors closer together.

We must respond to the rallying call of place

The recognition of the socio-economic obligations and responsibilities which exist within the local economy between firms, local government and citizens, presents the opportunity to harness these as a means to address social need. However, to reframe business as a mechanism to combat social need is to insist that economic growth and exchange is a whole lot more than point-value transactions, and instead involves reciprocal social relations.

'To reframe business as a mechanism to combat social need is to insist that economic growth and exchange is about more than point-value transactions.'

Generally, devolution and the rallying call around social need within place, is powerful in that regard. Specifically, Local Enterprise Partnerships and public/private growth hubs as trusted business supporters should be upping the social anti. Furthermore, the soft power of Metro Mayors toward business could showcase need, convey social aspirations and convene opportunities for a new reciprocity and giving. Work by Mayor Andy Burnham in Greater Manchester shows what could be done: he's made a 15% sacrifice of his own salary, and has called for business assistance in his homelessness crowdfunding campaign.

Moving forward, a well-funded and respected the national welfare state must be supported and developed, and this should confidently sit—as it always has—with business giving and philanthropy. However, to address growing need and to build new levels of social inclusion and justice, we must go even further. In this devolution, and the promise of a new local social contract including business citizenship, is surely a key element toward a more socially just future.

About the author

Neil McInroy is chief executive of CLES—a charity and research organisation dedicated to economic development and local governance. His current focus is a new economic model for places, which includes economic resilience, collaboration, networks and new forms of public service delivery. He is an Honorary Fellow at the University of Manchester, a Visiting Fellow at Edge Hill University, and chairs the Greater Manchester Poverty Action Group.

[10] Stebbins, L. (2001) *Work and family in America: A reference handbook.*

[11] CLES (2015) *Creating a good local economy—The role of anchor institutions.*

REASONS TO BE CHEERFUL

Danny Kruger, Senior Fellow, Legatum Institute

The new political climate means anything is possible

All times are tough for the social sector; and so they should be. Charities don't have a right to exist and we thrive on the tension that comes from living on the edge (I can say this now I'm no longer in daily charge of a charity). But with cuts to the parts of the public sector where we rely the most—especially local authorities, which have lost 40% of their budgets since 2010—charities are squealing more sharply than usual. Brexit sours the mood further: many people who work in our sector associate the European Union with the principles of tolerance, generosity and openness, and feel they are working in a more hostile climate now.

'Maybe because it's a glorious summer day as I write this but I am hugely excited about the potential for our sector.'

Maybe because it's a glorious summer day as I write this but I am hugely excited about the potential for our sector at this time. Brexit may well have direct negative consequences for charities. But there are offsetting opportunities too—not least the opportunity to reform VAT (which cannot be touched while we're in the EU) to enable charities to claim back a lot more tax. Even better, we can end the EU procurement rule which says public commissioners can't have a preference for non-profit suppliers. The opportunity is right there for the government to create a vast new market for charity-delivered services.

Austerity is extremely painful. But we should remember that every pound lost to the social sector is one saved for the core functions of the state—which is increasingly only capable of providing acute, reactive support. We are the first line of defence against cuts, which would otherwise fall even harder on the services that simply have to exist: health, children's care, justice. The undoubted crisis in these sectors would be much worse if charities, and other services, didn't take a bigger hit.

But we are also the first line of attack against social injustice: without a large, strong charity sector Britain will never push back the perennial problems that can only be properly fixed by the work of independent social action. And that's why these times, tough as they are, are such an important moment. The shrinking of the state is the opportunity for the social sector to grow—perhaps even to grow back to something of the scale and vitality it had before the state colonised its functions.

'We are now in a political climate in which everything is possible.'

The real value of Brexit isn't the opportunity it brings for the UK government to set new tax and procurement rules for our sector. It's the change in the weather: we are now in a political climate in which everything is possible. In retrospect the Brown and Cameron years were a frozen era, shocked by the economic crash and with the cause of reform sullied by all the frenetic upheavals of the Blair government. Only in two parts of government, education and welfare, were any major changes undertaken by the Coalition. Now, though, we have a new government – weakened by a bad election, to be sure, and distracted by Brexit, but nevertheless committed to social reform.

The Conservatives say they are committed to addressing *'burning injustices'* and also to ending *'the cult of selfish individualism'*, as their manifesto puts it; but they are not able, or willing, to do so by rebuilding the mighty state erected (on borrowed money) by Gordon Brown. What else can they do but strengthen civil society, the true answer to injustice and the counter to selfishness?

Charities can harness this opportunity, applying age-old values to modern problems…

One glory of our sector is the way it can be so old and new at the same time. There is nothing modern about care and compassion, or even enterprise and innovation—these are the principles that people have brought to the task of institutionalising social solidarity since history began. But modernity comes round again to old ideas and reframes them for today. The buzzwords of our time—collective impact, social investment, strength-based working—are coming together to create a new energy for civil society to rise to the challenges of austerity and social breakdown. The current fashion for focusing on 'place' combines the ancient and the modern: all charity was local once, but now we can leverage mighty assets (data, finance, expertise), themselves the products of our globalised world, to exert massive power on a single neighbourhood.

But we must remember the real asset—the impulse in ordinary people, rich and poor, to do the right thing by their neighbours. This is already the great, rarely acknowledged resource which our society relies upon. The Office for National Statistics estimates the value of unpaid work in homes and communities to be equivalent to that of the formal economy: voluntary action is the same size as GDP. Fully maximising this—and all the latent social capital that isn't being realised yet—is the mission for our times.

'We must remember the real asset of the sector—the impulse in ordinary people, rich and poor, to do the right thing by their neighbours.'

…but 3 things are needed to make this happen

What is needed for the revolution? I hope the government will seize the opportunities of Brexit and respond to the imperative of the crisis in the public sector. I hope it supports charities to take a greater role in service provision and to deliver even more independent, unmandated social action. But there are three major changes that charities themselves can tackle, if donors and commissioners will help them.

The first is a familiar one: **we need to create greater capacity in charities to deliver services**, under contract to government and in collaboration with each other and with the public sector. This usually means management capacity, to bid for and manage contracts. But beneath and above this, what's really needed is greater professionalism.

Sympathise with your charity boss, who is often only in the role because he or she felt an urgent need to 'do something' about a social problem—people rarely join a charity because they want to apply their skills as managers. This is a polite way of saying that charity leaders are not always the best leaders; I speak personally, having been one. And then the personal failings of the boss are compounded by those of everyone else: the chaotic beneficiaries, the eccentric donors, and the flaky staff who think a good day's work consists of some earnest conversations interspersed with tea breaks, and perhaps one difficult interaction with a service user that justifies an early train home and a sickie tomorrow.

Some charities are content to play a niche role in their communities; for them the offer of 'capacity building' is a confusing distraction. But many would like to be bigger and more mainstream, less of a poor relation at the feast of civic life and more the chef, host and toastmaster.

‘No longer should it be OK for good intentions to obviate good processes.’

If charities want to play the full role they could, everyone who leads, funds and works for them needs to get with the programme. No longer should it be OK for good intentions to obviate good processes, or staff (no matter how kind-hearted and ‘authentic’) to adapt the service to their own convenience. Organisations working in the front line of social need must work deliberately to stop the chaos of their client group, and the eccentricity of their donor base, seeping into their operations.

Second, **we need to create a new breed of infrastructure organisation** to help charities collaborate effectively, commissioners and donors to achieve a sustained and strategic impact, and beneficiaries to navigate the help and opportunities that the system offers. CVSs often perform a good job as the trade association for local charities. What’s needed as well are organisations that exist for beneficiaries and commissioners, not for the charities. They can agree funding commitments—ideally with the same reporting requirements—from multiple commissioners, manage a shared data platform and support beneficiaries and staff to navigate the network.

Third, **we need philosophical alignment**. This is where things get political; though perhaps the controversy will not be as great as it might be. Deep down everyone agrees we need a bigger society; that this means less ‘selfish individualism’ but also less state control; and that the critical need is for people to do the right thing. Our job in the social sector, just as in the public sector, is to call the responsible adult out of the addict, the offender, or the young person seeking their way ahead.

This doesn’t mean the whole social sector signing up to a new doctrine of personal and social responsibility. But it does mean that when a collaboration is convened, all the participants are aligned philosophically about where the line between helping a beneficiary and facilitating his or her sense of victimhood is drawn.

About the author

Danny Kruger is a senior fellow at the Legatum Institute. He is the founder of the charities Only Connect (working with prisoners) and the West London Zone (working with children and young people). Prior to his charity work he was chief speechwriter to David Cameron. He was awarded an MBE for services to charity in 2017.

NEW NETWORKS AND RESOURCES

According to our research[1] some organisations are responding to challenges by building collaborations with new partners from different sectors and maximising the potential of new resources. These new resources range from digital to the voices and strengths of the beneficiaries and communities they exist to serve. They have real potential to transform the sector and its impact.

The essays in this section use the idea of new networks and resources as a point of departure to explore innovative ways of working in the sector.

- **Sue Bent**, CEO of Central England Law Centre, explores how collaboration with new partners across different sectors has allowed her organisation to achieve greater impact.
- **Clare Thomas** of London's Giving details how funders can help build collaborative, cross-sector networks with a focus on place-based giving.
- **Anni Rowland-Campbell**, Director of Intersticia, poses the fundamental question of what a digital world means for charities and their role in society.
- **Darren Murinas**, CEO of Expert Citizens, examines the meaning of user voice and how charities can work to put people with lived experience in the lead.
- **Charlie Howard**, of MAC-UK and The Owls Organisation, and Maff Potts of Camerados explore different approaches to asset-based working in conversation with Michael Little, curator of The R Word[2].

[1] Hoare, G., Murray, P. and Shea, J. (2017) *Charities taking charge: Transforming to face a changing world.* New Philanthropy Capital.

[2] See: medium.com/@therword

HOW WE FACED SWINGEING CUTS BUT CAME OUT SWINGING

Sue Bent, CEO, Central England Law Centre

Catastrophic cuts to legal aid have severely compromised access to justice

One of our funders recently described me as a risk taker. She said *'you're an innovator and innovation involves risk'*. I was genuinely surprised. I'm scared of heights; I don't bet because I assume I will lose; I don't like fast cars… I see myself as cautious. Then I thought about what happened when I changed my car: it was more solid and quieter than the previous one—and one day, on a motorway, I saw that the speedometer said I was doing nearly 100 mph. It didn't feel that fast so I thought the speedo must be wrong. I got it checked at the garage and it wasn't. I think that might be my version of taking a risk and being bold. I could see a long way ahead, I knew what the goal was, it felt safe and, before I knew it, I was off!

The organisation that I lead, Central England Law Centre, has bucked the trend in the last 10 years. Reductions in local authority funding, combined with catastrophic cuts to legal aid have caused many law centres and other independent advice agencies to close or to shrink in size; leaving 'advice deserts' and severely compromising access to justice for those who are poorest and most excluded in our society.

By contrast, we have almost doubled in size, reaching out from our Coventry birthplace to fill a great need in Birmingham. We have not replaced what legal aid removed and there are still significant barriers for some of the most vulnerable people in our communities in accessing justice. But we have found ways to use our expertise and continue our mission to fight social exclusion in communities and to effect change in society by using legal processes.

I guess from the outside it would seem that we must have been bold to achieve this. My feeling is that it has been much more to do with having amazing, hugely dedicated people within the organisation. Their professionalism and humanity have built a reputation that meant we could rely on our friends and supporters through tough times.

So when things got tough, we clung to our core values…

When legal aid was cut, some agencies took a decision to charge for legal advice that had been free. Our trustees and staff felt that wasn't the right route for us: we wanted to continue to provide legal advice free of charge to those in our community who need its protection most. That meant we had to make new relationships, to find new funding sources, and we had to be creative in the way we work.

'We had to make new relationships, to find new funding sources, and we had to be creative in the way we work.'

Before legal aid was cut, almost all of our funding was from our local authority and from legal aid. Now we have around 30 different funders. We still have strong support from Coventry City Council, but we've also attracted funding from a range of foundations and trust funds, the private sector and local universities.

Our strategy has been to stay true to our values and to our belief that specialist legal expertise is critical in preventing and tackling problems faced by people who are disadvantaged in society.

…changed our approach

To find new partners and attract new funding we've had to think much more deeply about the impact our work makes; how we could measure that impact to show that our work can help to make a change for people and how we can accelerate the progress being made by other agencies in achieving their goals. Much of our success has come from collaboration with partners who offer help and support that's complementary to ours. So our clients get combined help that really has the potential to change their lives.

'Much of our success has come from collaboration with partners who offer help and support that's complementary to ours.'

Our journey of change began with successfully securing funding from The Baring Foundation to pilot working alongside the local authority Children's Services department, who were seeking to meet the outcomes defined within the Government Troubled Families agenda. They were able to see first-hand how our independence and expertise created relationships of trust with our clients; how our legal advice could resolve problems that might be preventing the family from focusing on good parenting; and they could see how our input could save their staff significant time. We were able to ensure the family had the right benefits, they could manage their money, their home was secure, and, in some cases, we stabilised their immigration status or helped them escape domestic violence.

The local authority picked up the funding for our service after the pilot. This work continues and it has allowed us to showcase the power of taking our specialist expertise direct to the people who need it. We've learned how to work constructively alongside other organisations. We've learned that visiting people at home allows insights that enable us to better tackle the root causes of presenting problems. We've shifted our emphasis from one focused on closing cases so we could bill for our work, to encouraging a longer term relationship with our client. This means we can really help them move to a better situation and maintain stability for the future. As well as reporting the outcomes of our casework, we've begun to develop measures that help us describe the change we have made to the legal capability (ability of our clients to manage day to day issues and to know their rights and responsibilities) and legal stability (how secure and sustainable their situation is).

'We've shifted our emphasis from one focused on closing cases so we could bill for our work, to encouraging a longer term relationship with our client.'

We've taken this same approach in partnership with Grapevine. Grapevine is a local charity that uses a strengths-based approach to build confidence and aspiration in people, and to create networks of support for people who are isolated by connecting them with others. Our partnership has helped us both learn how this kind of collaboration can be really transformational for the people we are helping. Together, we've secured funding to work with young, undocumented migrants, and to work intensively with a small number of chaotic families. We are now funded by the Early Action Neighbourhood Fund on a five-year programme that will

'We've made significant changes to how we deliver our work, to the outcomes we expect to achieve, and to how we measure our impact.'

see us work inside public services to help them tackle root causes, shift their investment to be preventative and early, and find more sustainable ways of helping people with complex needs.

In short, we've made significant changes to how we deliver our work, the outcomes we expect to achieve, and how we measure our impact. We've made a shift from our main focus being one of solving legal problems, to a wider view that now also embraces a greater concern for the lives of our clients and the long term impact our work makes. We know we can't take for granted that everyone considers access to expert social welfare legal advice to be as important as access to health care or education, so we have made it our business to be able to show it.

However, not all of our work has changed. We're still using our legal expertise to provide advice and representation to make people aware of their rights so they can get them upheld. We're still identifying and pursuing cases that have the potential to change policy or to interpret the law in a way that helps many people beyond the client for whom we are acting.

…forged new alliances

To find funding and create capacity for this work to continue, we've had to form new alliances and reconsider the way we use our legal expertise..

For example, welfare benefits, debt, immigration and employment advice are no longer within scope of legal aid; but we've found other organisations who are prepared to buy our expertise in these areas because they can see it helps them to achieve their own goals. The most obvious of these are social landlords, whose tenants are affected by welfare reform, and whose rental income is in turn put at risk. They pay for our expertise in welfare benefits and debt, both to train and skill up their own staff and to provide direct services to their tenants.

'We've found other organisations that are prepared to buy our expertise in these areas because they can see it helps them achieve their own goals.'

We work with four local universities in Coventry and Birmingham and have successfully developed models of working that allow us to provide advice in employment and in immigration. We run weekly advice clinics with law students: this significantly increases our capacity to help people and it gives students a great opportunity to build their practical skills. The universities pay for the supervision time and we have the additional bonus of building a pool of young graduates who have been bitten by the social welfare law bug—some of whom we have subsequently employed and are progressing their careers within our organisation.

We've also fully embraced the idea that partnership with lawyers in the corporate sector can be another solution. I was lucky enough to be taken by some of our funders to the US on a study trip. There, we visited KIND: an organisation founded by Microsoft that trains and supports pro bono lawyers from commercial firms and corporations to represent children in deportation hearings. Two years later, we've launched Kids in Need of Defence UK, part funded by Microsoft, along with Unbound Philanthropy and the Paul Hamlyn Foundation. We're leading a Trans-Atlantic collaboration with KIND US, Coram Children's Legal Centre and the Migrant Children's Legal Unit at Islington Law Centre. Together, we're harnessing the capacity of pro bono lawyers to take on immigration cases for undocumented children in the UK.

…worked to fill vital gaps in provision

In 2013, when the impact of legal aid cuts was really beginning to bite, and other forms of funding were also being constrained, we did something that I felt at the time was actually bold. Birmingham Law Centre went into liquidation and two of its staff approached us for help. They felt Birmingham should not be left without a Law

Centre. And so did we. Over a very intense period of about 3 months we assessed the risk of responding to this need and took a mad roller coaster journey that culminated in us opening a small office in Birmingham.

'The need to find new funding sources to make this work felt like it might be an insurmountable challenge. Fortunately we had some long-standing relationships.'

The need to find new funding sources to make this work felt like it might be an insurmountable challenge. Fortunately, some of our long-standing relationships with foundations—combined with support from foundations and trust funds that work mainly in Birmingham—provided the financial support we needed to get going. In the four years since, we've grown from 2 staff to 10, and built significant volunteer capacity. Being in Britain's second city has attracted further investment—both in funding and in attracting highly expert lawyers who want to work with us. This expertise means we are building a reputation for pursuing public interest cases; which is crucial at a time when foundations whose mission is to help those who are disadvantaged in society are increasingly seeing this as a mechanism to achieve their goal.

And we came out swinging

We should not pretend that the cuts to funding, and to legal aid in particular, have not left a significant gap. While we have expanded into new activity, the reduction in funding for advice and representation in some areas of law means there remains a significant problem of access to justice for some of the most vulnerable people in our communities.

But necessity is the mother of invention. In response to these difficult circumstances, we have not just survived but built new relationships and found new and positive ways to use our expertise to support, our communities. The continued support of Coventry City Council for our core advice functions has been critical to our stability in a time of rapid change and uncertainty. The pace of change has been a challenge to everyone in the organisation; and we are only now able to begin to invest in expanding our management capability to reflect our growth.

Our expansion and evolution has been made possible by a team of people whose dedication, flexibility, belief in what we do, and willingness to go much more than the extra mile, is second to none. They are the people who made me confident I was driving a solid and reliable car… and, suddenly, we were all going at 100 mph to reach our goal.

About the author

Sue Bent is chief executive of Central England Law Centre. She has been in this post for 13 years and previously held the posts of Director of Operations at Heart of England Housing Group and Head of Housing Management and Neighbourhood and Community Services at Coventry City Council.

TO TACKLE THE COUNTRY'S DIVISIONS, WE MUST START LOCALLY

Clare Thomas, Consultant, London's Giving

There are divisions between us, divisions among us

One of the key narratives that emerged following the Brexit debate was about a country divided: big splits between old and young, left and right, between rural and urban. The tone from some commentators was one of dismay: how had we not seen this before? Except that there were plenty of signs. It's simply that such polarisation did not impact the people on the 'right' side of the divide. Until Brexit happened.

'Such divisions exist within London as much as they do between London and the rest of the country.'

The trouble with recognising polarisation is that it's scary, and this fear can exacerbate things. We close ranks. We retreat to our tribes, our echo chambers, communities of people like us. 'It's safe in here'. And yet often these differences of life experience, of view, of wealth, of opportunity, exist on our doorstops. What we really need is to be able to exist alongside, engage in mutual support with, people whose views may differ wildly from our own. And that means starting where we are. It means thinking locally.

When we have a place in common we can work to over come other differences

Another issue with the discourse around divisions that emerged around the EU referendum is that it is oversimplified. 'Brexit was a rebellion against Westminster. The rich, metropolitan elite up in London versus the regular people'. Except most people in London aren't the rich elite. And such divisions exist *within* London as much as they do between London and the rest of the country.

'What we really need is to be able to engage in mutual support with people whose views may differ wildly from our own.'

Flash back for a moment to Islington in 2010. The UK was emerging from the longest post war recession on record. Public expenditure cuts resulted in the collapse of thousands of small charities largely dependent on small grants. Non statutory youth and advice services, befriending schemes, drop-in centres for older people, were slashed. All this in the context of increasing polarisation with the gap between rich and poor in the capital worsening.

The Cripplegate Foundation, founded in 1500, had an unrivalled knowledge of local need and was concerned about rising debt, ill-health and increasing social isolation. It commissioned Rocket Science to research the 'real' Islington. The report, *'Invisible Islington'* produced some shocking data.

- 1 in 5 people were living in poverty.
- The borough was ranked in the bottom 10% of deprived areas in England.
- It had one of the highest levels of child deprivation: 38% of its children were living in poverty.
- It had the fifth highest level of older people suffering deprivation in England.

The impact of poverty reaches into every aspect of life. If you are poor in Islington you're more likely to suffer from serious physical and mental health problems. Life expectancy for men in the Borough was one of the lowest in the country and it had England's highest rates of serious mental ill health.

While a Borough of contrasts, it is also home to a vibrant Voluntary and Community Sector, several charitable trusts and diverse, enterprising communities. But clearly new solutions to the worsening problems of poverty and social isolation were vital. Invisible Islington served as a catalyst to bring together funders, charities, concerned businesses and residents to explore collective action.

Coming together locally can help build community cohesion

Under the leadership of Cripplegate Foundation, collaborative work began under the title 'Islington Giving'. This project involves large, medium and micro business united in tackling poverty and inequality. The CEO of the Islington Business Design Centre, for example, has supported Islington Giving from his own Foundation, acting as an ambassador for Islington Giving and encouraging his staff to engage in fundraising. The local fish and chip shop, restaurants and pubs offer free convening spaces and sometimes hospitality for local charities. A high profile venue incentivises newcomers to learn more about Islington Giving.

It also involves local people. That's because, while a strong and robust evidence base for need like Invisible Islington is a rallying platform to get people involved, that tells you only *what* the problem is. It's key to know *how* to tackle it. And for that, consultation is critical. So because Islington Giving invests in young people, finding out what they want is vital in funding effectively and addressing need. In 2015 Islington Giving consulted with 340 young people, often in street focus groups. *Making the most of free time* showed a desperate need for young people to be involved in activities and projects outside of school. Inevitably, cost stopped young people participating in many activities. That's why Islington Giving is setting up a new, Young Catalyst Fund, to provide small sums of money that ensure young people can benefit from the best activities on offer.

And crossing sector boundaries can help us cross social ones

Islington Giving has inspired and informed London Funder's London's Giving project. Through the programme, we aim to change the funding ecology in London by promoting local or place based giving in all its forms: money, time, talents and resources. We do this by helping build collaborations of funders, community organisations, businesses and residents who make their boroughs better places to live, work and study.

'Big and small businesses, local and regional funders, universities, residents and volunteers are pooling resources and talents to meet local needs.'

Over 20 boroughs are involved in developing campaigns, eg, raising awareness about childhood obesity and ill-health in Southwark, older and disabled people in Barnet or supporting young people in Kensington and Chelsea.

Each campaign responds to local need and collaboration steers the giving campaign (see Figure 1). Campaigns involve fundraising, grant making and volunteering, offering the opportunity for anyone to improve their Borough. What's new is the cross sectoral collaboration of the 'unusual suspects.' Big and small businesses, local and regional funders, universities, residents and volunteers are pooling resources and talents to meet local needs.

London's Giving uses the lessons learnt from different initiatives to share good practice and how it may be applied elsewhere. We run masterclasses, offer action learning sets and consultancy and always encourage peer-to-peer learning. Our brokerage role connects funders and businesses with local giving. There are now 21 boroughs with active or developing giving collaborations.

Figure 1: London Funders' London's Giving model

We must maximise a communities' strengths, not obsess over their problems

One of these new collaborations is Lewisham Local. It's demonstrating that even in a cash strapped Borough—one that lacks local foundations and has a business sector comprising predominantly micro business—can mobilise its communities and encourage residents and businesses to do more. It is encouraging greater engagement and participation in community life by promoting a stronger sense of 'place'.

'An asset based approach focuses on maximising a community's strengths, their existing relationships and networks.'

The initiative takes an 'asset based' approach, which focuses on maximising a community's strengths, their existing relationships and networks. In Lewisham, one asset that was identified was the local University, Goldsmiths, whose students could be encouraged to volunteer and give to local good causes.

National giving campaigns such as 'Giving Tuesday' offers the chance to mobilise local voluntary organisations, residents, students and workers to get involved and improve their neighbourhoods. 'Student Volunteering Week' generates more opportunities. Students and staff get involved in local organisations attracting wide range of business donations to help with materials and refreshments. Future plans include co-hosting with the Young Funders Network, a student event whereby local causes are supported in a Dragons Den style giving circle.

The Lewisham Local initiative recognises the value of voluntary and community engagement via the Community Contributor Card developed by Rushey Green Time Bank. A member of Lewisham Local's Steering Group, Philippe Granger, writes:

'This free card gives access to a growing number of favourable deals from local, independent shops and businesses who want to support volunteers—'community contributors'—by acknowledging those who give their time and skills to benefit communities … It covers all types of giving whether it is traditional volunteering, time banking, befriending, and grassroots localism initiatives, anything where citizens contribute their time to benefit each other and the wider community.'

Businesses are enthusiastic about the card knowing increased footfall will benefit their bottom line but also that they are responsible businesses. Each business carries a sticker in its shop window. This helps communicate the message that Lewisham Local is a positive movement, encouraging people to get involved and help make Lewisham a great place to be whilst encouraging residents to shop local.

'Start where you are, use what you have, do what you can'

'Being involved more in communities of place means we're spending less time in our echo chambers.'

We know that stickers in shop windows are not going to solve all of the many complex problems at play in the divisions revealed by Brexit. But initiatives like Islington Giving and Lewisham Local help us to think and act a little more locally. And being involved more in communities of *place* means we're spending less time in our echo chambers and more time with and supporting people who think a little differently from us. It allows us to contribute in a way that is within our grasp: on our door step. Like the saying goes: '*start where you are, use what you have, do what you can'*.

About the author

Clare Thomas runs a consultancy on grant making, charities and organisational development, and works with London's Giving. For 17 years she ran City Bridge Trust, and has worked at the Home Office advising on policy relating to charities, volunteering and funding national infrastructure organisations. She is a former chair of the Association of Charitable Foundations, The Building Exploratory and The Advisory Group on the Third Sector at NOMS, and is currently is a board member of Scope and the Human Trafficking Foundation.

WHO REPRESENTS THE HUMAN IN THE DIGITAL AGE?

Anni Rowland-Campbell, Director, Intersticia

As technology changes, so does the perceived role of humans

In his book *The Code Economy* Philip E. Auerswald talks about the long history of humans developing *code* as a mechanism by which to create and regulate activities and markets.[1] We have Codes of Practice, Ethical Codes, Building Codes, and Legal Codes, just to name a few. Each and every one of these is based on the data of human behaviour, and that data can now be collected, analysed, harvested and repurposed as never before through the application of intelligent machines that operate and are instructed by algorithms. Anything that can be articulated as an algorithm—a self-contained sequence of actions to be performed—is now fertile ground for machine analysis, and increasingly machine activity.

'The invasion of the Social Machine is changing our relationship with such things as privacy, as well as with both ourselves and each other.'

So, what does this mean for us humans who, are ourselves a conglomeration of DNA *code*? I have spent many years thinking about this. Not that long ago my friends and family tolerated my speculations with good humour, but a fair degree of scepticism. Now I run workshops for boards and even my children are listening far more intently. Because people are sensing that the invasion of the 'Social Machine'[2] is changing our relationship with such things as privacy[3], as well as with both ourselves and each other[4]. It is changing how we understand our role as humans.

The Social Machine is the name given to the systems we have created that blur the lines between computational processes and human input, of which the World Wide Web is the largest and best known example. These 'smart machines'[5] are increasingly pervading almost every aspect of human existence[6] and, in many ways, getting to know us better than we know ourselves[7]. So who stands up for us humans? Who determines how society will harness and utilise the power of information technologies whilst ensuring that the human remains both relevant and important?

[1] Auerswald, P. (2017) *The Code Economy*

[2] See en.wikipedia.org/wiki/Social_machine for a definition.

[3] Paul F. Roberts has some thoughts around privacy on the Web. See 'Web privacy is the newest luxury item in era of pervasive tracking', in *The Christian Science Monitor*, 16 February 2015.

[4] See here for info on how digital addiction affects our lives: en.wikipedia.org/wiki/Digital_addict

[5] For a good over see Zuboff, S. (1988) *Age of the Smart Machine: The Future of Work and Power*

[6] Lee, T. 'Artificial intelligence is getting more powerful, and it's about to be everywhere', in *Vox*, 18 May 2017

[7] 'Computers using digital footprints are better judges of personality than friends and family', in *Cambridge University Research*, 12 January 2015.

We need to ensure technology is serving humanity, not vice versa

Thus far it has mainly been either those in academia, such as the Web Science community, who observe and seek to understand what is going on. Those in the commercial sector, who are themselves driving the technological development.[8] Meanwhile, those who are charged with setting policy boundaries and enforcing regulation (our governments) are like rabbits in the headlights struggling to keep up.[9]

'We must demand that this technological progress serves humanity rather than undermines it. And that's where philanthropy comes in.'

I believe that there is a space in between that presents both the greatest need to promote the cause of humanity, and the greatest opportunity to challenge and call to account the current onslaught of technological progress. We must demand that this technological progress serves humanity rather than undermines it. And that's where, I think, philanthropy comes in.

Philanthropy can lead in humanising our digital age

Philanthropy can be defined as *love of humanity* (*philanthropos tropos*) expressed as the caring, nourishing, developing and enhancing of *what it is to be human*.

I have written about Socrates' concept of philanthropy and his desire to promote the welfare of others by wandering around talking to people, examining them as he examined himself. [10] His goal was to help individual men and women understand themselves in order to live better lives and better serve their communities.[11] The more I have reflected on this the more I realise that this concept of *philanthropy* needs to be at the centre of everything if humanity is to both survive and thrive in the digitally driven world. Other players are seeking to speed things up, to rush towards a future that no one can predict,[12] let alone understand, particularly as they are now creating machines that are capable of building themselves[13]. These technologies will be of enormous benefit to humanity if they are harnessed and utilised for good. But someone has to stand up and demand that this good is at the forefront of all technological design and creation, not an inconvenient afterthought.

'Instead of just reacting to the social problems created by ecological strain and economic stratification, the philanthropic sector must ***proactively*** *stand up for humans.'*

Australian economist Nicholas Gruen talks about what he sees as the disconnect between *'the arteries and capillaries of government'*[14] as a reflection of the more pervasive inequality within society. He highlights the inability of many of our existing systems to address the differing needs of human culture at different scales. This is because the arteries (those dealing with policy) neither leverage nor understand what happens in the capillaries (service delivery at the coal face). I think that the join between the arteries and capillaries is precisely the space that those who have championed social change outside of the established systems of business and government—resulting in many of the great social reforms—have occupied. It is what philanthropy is all about.

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[8] See Foroohar, R. 'Silicon Valley has too much power', in the Financial Times, 14 May 2017; and Anderson, K. 'The information landscape: How do we solve the problems caused by Silicon Valley', in The Scholarly Kitchen, 25 April 2017.

[9] Ferguson, A. 'Companies and governments need to get on board with data', in the *Australian Financial Review,* 21May 2017

[10] 'Moving towards a more "examined" world', *Intersticia blog,* 5 January 2014.

[11] 'The "anthro-pocene" era … redefining "humanity"', *Intersticia blog,* 8 November 2014.

[12] Chakhoyan, A. 'We're moving fast. But nobody knows where we're going', on World Economic Forum website, 19 April 2017.

[13] Houser, K. 'Google's new AI is better at creating AI than the company's engineers', in *Futurism*, 19 May 2017.

[14] 'The living and the dead: Government's arteries and capillaries have lost symbiosis', in *The Mandarin,* 7 April 2017.

Following last year's Philanthropy Australia conference I challenged the sector[15] to take the lead in occupying this middle ground. Instead of just *reacting* to the social problems created by ecological strain and economic stratification (the two factors which have, throughout history, led to the collapse of all civilisations[16]) the philanthropic sector must *proactively* stand up for humans; it must work to shape the value system that will determine how government and business operates both now and as the digital world evolves.

There are two ways that the sector can do this:

- We must educate ourselves, and those with whom we work, about science and technology and the social impacts that are already emerging.
- We must be ingenious about how we leverage our space in the interstice between the arteries and capillaries of society.

Doing so will help us create a legitimate, important and powerful role in championing the humans we serve.

Philanthropists must equip themselves with the knowledge they need in order to do good with digital

'Philanthropy must arm itself with knowledge of new technology to ensure the power of digital lies with the many and not the few.'

Consider the Luddites as they smashed the looms in the early 1800s.[17] Their struggle is instructive because they were amongst the first to experience technological displacement. They sensed the degradation of human kind and they fought for social equality and fairness in the distribution of the benefits of science and technology to *all*. If knowledge is power, philanthropy must arm itself with knowledge of digital to ensure the power of digital lies with the many and not the few.

The best place to start in understanding the digital world as it stands now is to begin to see the world, and all human activities, through the lens of data and as a form of digital currency. This links back to the earlier idea of codes. Our activities, up until recently, were tacit and experiential, but now they are becoming increasingly explicit and quantified.[18] Where we go, who we meet, what we say, what we do is all being registered, monitored and measured as long as we are connected to the digital infrastructure.[19] A new currency is emerging that is based on the world's most valuable resource: data.[20] It is this currency that connects the arteries and capillaries, and reaches across all disciplines and fields of expertise. The kind of education that is required now is to be able to make connections and to see the opportunities in the interstice between policy and day-to-day reality.

The dominant players in this space thus far have been the large corporations and governments that have harnessed and exploited digital currencies for their own benefit. Shoshana Zuboff describes this as the 'surveillance economy'. But this data actually belongs to each and every human who generates it. As people begin to wake up to this we are gradually realising that this is what fuels the social currency of entrepreneurship, leadership and innovation, and provides the legitimacy upon which trust is based. Trust is an outcome of experiences and interactions, but governments and corporations have transactionalised their interactions with citizens and consumer through exploiting data. As a consequence they have eroded the esteem with which they

[15] 'The future readiness of philanthropy', *Intersticia blog,* 28 September 2016.

[16] Nuwer, R, 'How western civilisation could collapse', in BBC News, 18 April 2017.

[17] Coren, M. 'Luddites have been getting a bad rap for 200 years but turns out they were right', in *Quartz,* 30 April 2017.

[18] *The Economist,* 'Counting every moment', 3 May 2012.

[19] One example is how Google is tracking not just advertising but shopping behaviours.

[20] The Economist, 'The world's most valuable resource is no longer oil, but data', 6 May 2017.

are held. The more they try to garner greater insights through data and surveillance, the more they alienate the people they seek to reach.

If we are smart what we need to do, as philanthropists, is to understand the fundamentals of data as a currency and integrate this in to each and every interaction we have. This will enable us to create relationships with the people that are based on the authenticity of purpose, supported by the data of proof. Yes, there have been some instances where the sector has not done as well as it could and betrayed that trust. But this only serves as a lesson as to how fragile the world of trust and legitimacy are. It shows how crucial it is that we define all that we do in terms of social outcomes and *impact*, however that is defined.[21]

And we need to ensure innovation is values-driven to secure the best outcomes for humanity

Everyone these days wants to *innovate* and we have Innovation Labs popping up everywhere. My own personal opinion is that the real ideas don't come from bean bags and refrigerators full of beer and mineral water, they come from the combination of necessity and invention. From *ingenuity*.

'We must preserve what we value today in order to provide future generations with as many options and choices as possible.'

Ingenuity is about being clever, original, and inventive, and applying ideas to solve problems and meet challenges. Above all ingenuity includes a sense of imagination and play. One of the ways we can become more ingenious is by imagining how the world around us could be, and nowhere is there more inspiration than in the world of science fiction. As Cory Doctorow says*, 'Science fiction predicts the present, and inspires the future.'*

Most of those who have invented the technologies around us have always been avid readers of science fiction and we now live in a world that its writers have been dreaming up for centuries. The technologies upon which we so increasingly rely have been sitting in the labs for decades, but what has happened is that they have coalesced and been let loose in the wilds of human society. It is not the technologies that determine what happens next, it is the humans. But as far as science fiction is concerned I believe that we are approaching an event horizon, a point from which we can no longer see what lies beyond because we are reaching the limits of what we can imagine[22]. Things are changing very quickly. As Futurist Gerd Leonhard says*, 'Never in human history has the present been so temporary.'*

But whatever the future holds for us is being determined right now, and this means we need to ensure that we learn as much from the past as we can while we still remember it. Executive Director of the Long Now Foundation Alexander Rose believes[23] that preserving the elements of what we value today is crucial in order to provide future generations with as many options and choices as possible.

It's time for brave leadership in the sector

With all of this in mind, the fundamental question facing each of us is: what role do we want to play? and how do we steer our organisations through the disruptive times ahead? There is no doubt this will be difficult.

[21] Rowland-Campbell, A. 'Philanthropy in the quantified age', on Intersticia website, 17 August 2015.

[22] Royal Diadem Magazine, 'The post-human movement', 23 April 2017.

[23] See BBC interview: www.bbc.co.uk/programmes/b08nqc4j

I believe that the greatest contribution we can make is to focus firmly on the people who are the ultimate beneficiaries of technology. To become true servant leaders[24], and be those who are prepared to step up and lead the brave conversations that need to occur.

This requires taking a long hard look at how we run our lives, and ensuring that we take the time to step back and recalibrate, to focus on continuous, challenging and adaptive learning, and harness our imagination to become more ingenious.

As leaders we can not leave this to other people. It is the role that each and every one of us must take on ourselves, regardless of age, stage or position. Beyond any need for skills and capabilities what we need most is to take on the philanthropic mantle and put our humanity first.

'What we need most is to take on the philanthropic mantle and put our humanity first.'

About the author

Anni Rowland-Campbell is Director of Intersticia, a philanthropic foundation in Australia. She has had an eclectic career spanning the arts, government and corporate worlds, which she now brings together in the work she does as an independent philanthropist, Trustee of the Web Science Trust (UK) and Advisor to New Philanthropy Capital. Anni currently focuses on promoting digital literacy in the charity sector, specifically through educational and leadership development activities with boards and senior managers.

[24] See www.greenleaf.org for more on servant leadership.

PUTTING PEOPLE WITH LIVED EXPERIENCE IN THE LEAD

Darren Murinas, CEO, Expert Citizens

The idea of ‘user voice’ is gaining traction, but there is a long way to go

In the past two years, more organisations have started to understand that you need to work with people with lived experience. At the moment, user voice is quite trendy. It’s a bit of a buzzword.

I’m not too keen on the terminology of ‘user voice’ or ‘service user’. A lot of organisations even drop the ‘service’ part and refer to people as ‘users’, and to me it’s quite derogatory. It suggests that those in the services are using the people who provide these services. If you’ve been caught up in addiction previously, the term ‘user’ would have a meaning to you. I don’t think we have to label people as ‘users’—actually they’re people with names. ‘Co-production’ is another example of language as a barrier. The idea is good, but the ‘co’ part still suggests that it’s still ‘us’ and ‘them’.

‘People question whether service users know what they’re talking about. Well, yes they do. They’re on the end of these decisions and live them every day.’

A lot of this work is often still quite tokenistic. It can be lip service at times. There’s still a big question about whether organisations really are putting people with lived experience in the lead. They might be present sometimes, but are these people are really shaping, designing, and developing what that organisation does? I don’t always think so.

Too often, organisations are getting people with lived experience to contribute to the agendas of others. They’re not always given voting rights, for instance. There’s still a big question about how you can identify people with lived experience who can help your organisation and go on to empower them. Real power-sharing is trickier. Organisations need to start enabling the people they work with to set agendas and make decisions. That is supporting and empowering people.

Sometimes people with lived experience have to get this done themselves, because the organisations they want to get involved with don’t believe in them. There can be a lot of fear, people questioning whether service users know what they’re talking about. Well, yes they do. They’re on the end of these decisions and live them every day.

Being person-led is a new direction for many organisations, and this takes time

Engagement and involvement takes people on a journey. But they are still too often being led and not empowered to take things in a different direction. It isn't easy. I've been a trustee for Lankelly Chase[1] for the past two years, and it's only now that I'm comfortable doing it. That's partly because I've received a lot of support from Lankelly Chase. Sometimes organisations, I think, give out all these pages of board papers and expect everyone to turn up having understood them all rather than thinking how they can make that context more welcoming.

We know it takes work for organisations to get to a point where they're better at welcoming people with lived experience of the issue they're working to tackle. Expert Citizens[2] we've built up a reputation for giving our ideas about how services could be improved and be better for multiple needs citizens. One of our main projects now is an evaluation tool we call Insight. This assesses how services work with people with multiple and complex needs. There are four levels: welcoming, listening, learning, and leading. At the first level, a service can be welcoming to people with lived experience. Then it can listen to them, and even better learn from them and make changes. The fourth level is putting these people in the lead.

It's an appreciative evaluation—we recognise that money is often tight for these things and we try to focus on what's going well as a platform for development. So, it's not the case that if you're at the first level, welcoming, that your service is rubbish. It's all about how you can improve things, how you can make them better and more inclusive for people with lived experience of the issue.

In doing the evaluation we interview frontline staff in those organisations, the people the organisations work with, senior managers, and partners. We then complete a report for the organisation. We see the process as one that builds up over, say, a two-year period. You could have an evaluation every six months, and hopefully you'd move up through the levels. This is a cost effective approach for organisations to take the temperature of their organisation and how inclusive it is of people with lived experience of multiple needs.

'We challenge the idea that people with lived experience are "hard to reach" or that they "don't engage". Actually, sometimes we don't try hard enough to ask them.'

Peer-led research is a key idea for us. We partnered up with VOICES[3] and local health researchers to investigate how homeless people access GP surgeries. We found that half of surgeries won't accept homeless people, despite their obligations through NHS England guidance. We produced cards for homeless people explaining their rights, and that surgeries should see them. At the same time, we were able to find out some of the reasons why surgeries turn people away, and to improve that service for homeless people. Our research got a lot of media attention and interest from local Clinical Commission Group's, who recognised that surgeries need to do something about this. It also received support from NHS England.

We've also worked on anti-social behaviour in the city centre, for instance, and we were commissioned by Stoke City Council to work on their homeless strategy review. It was a 75-page report. If you're out of the street, you're not going to read that. So we drew out the key themes and questions and presented those. We posed three or four key questions with craft materials and other stuff around a table—only using first names—and tried to break down barriers and get input from people with lived experience.

[1] lankellychase.org.uk

[2] www.expertcitizens.org.uk

[3] www.voicesofstoke.org.uk

In each case, we challenged the idea that people with lived experience are ‘hard to reach’ or that they ‘don’t engage’. Actually, sometimes we don’t try hard enough to ask them. Another way to think about ‘hard to reach’ is that the organisation saying that has ‘insufficient skill’. With Expert Citizens, we’ve been there ourselves, and the people we’re trying to engage might even know one or two of us. We have a connection that a university researcher or Council officer wouldn’t, and that’s important.

There needs to be a focus on creating a partnership of equals

I think a key strength for us at Expert Citizens is that we are part of a pre-existing partnership. We have partners from the City Council, the Police, Staffordshire Fire and Rescue, CCGs, and other charities around the table. Working at the board level has definitely opened doors, and we’ve been building those relationships for over four years. It is a partnership of equals.

It’s crucial that we’re supported by these local partners. We see our work as based in relationships of honesty, and explain to commissioners that hearing the voices of people with lived experience is good for them even if it’s sometimes uncomfortable. It’s also sometimes useful to let them think it was their idea! More seriously, it’s about trust and about building relationships with a whole range of people.

‘We explain to commissioners that hearing the voices of people with lived experience is good for them even if it’s sometimes uncomfortable.’

We’ve not always been successful in our bids to make things happen. Some doors have stiffer hinges than others, but we keep knocking and pushing. I think it’s really important to be positive. We’re always learning and ask for feedback to keep conversations and relationships going. We’re all working on the same side just from different perspectives. For us the outcomes are about saving lives.

I’ve talked about some of the barriers and some of the opportunities of involving people with lived experience. We now need to recognise the next steps. There’s a lot more work to be done. We have come quite a long way from three or four years ago but it’s time to start looking at the future. How can we raise the bar even further?

About the author

Darren Murinas is chief executive of Expert Citizens CIC, an independent group of people who have all experienced multiple needs using their experiences to improve systems and services. Darren has featured on BBC Radio 4, the Guardian Social Care Network and the Big Lottery Fund website, and he has given evidence to a Parliamentary Select Committee. Darren is also a trustee of Lankelly Chase and has made an enormous contribution to the Big Lottery funded programme VOICES.

CARRY ON, CROCODILES: HEALTHY DISAGREEMENT CAN HELP CHANGE BROKEN SYSTEMS

Maff Potts, Camerados & Charlie Howard, The Owls Organisation

Charlie Howard and Maff Potts both lead innovations that insist we think differently about how people and institutions relate to one another. Here, they are in conversation with Michael Little, the curator of The R Word.

Maff: At the Association of Camerados[1] we are thinking about the things that help people live a richer life, not necessarily things like a job or a home or a hostel. We believe it is friends and purpose that make a difference in this life. How do you create friends and purpose? Here is the newsflash: instead of asking people how you can help them, you ask them to help you. The technical term is 'mutual aid'. To me it's friends and purpose.

Charlie: I work across a number of organisations, initiatives, and government departments illustrating what can happen if you build solutions *with* people instead of *for* them. We say we involve service users in service design, but too often that means consulting them on what we have already decided to do. I want to build things with people. That is what I have tried to do at MAC-UK[2], Owls[3] and in our testing of the Problem Solving Booths. And it is what I see, Maff, in your experiments with Public Living Rooms in Blackpool, Oxford, Sheffield, Camden, Brooklyn and so on.

'My kind of innovation forces me, forces people, forces the system to work in a new way.'

I suppose a difference between you and I is that I am working with 'the system'. People come to work in public systems for the right reasons. People with mental health difficulties come to the NHS. It is a behemoth. You cannot ignore it, you cannot work outside of it. My kind of innovation forces me, forces people with mental health difficulties and forces the system to work in a new way. Failure for me is people saying 'Charlie Howard did this'. I want them to say 'the NHS did this'.

Maff: I admire that. It's brave to try and change a system like the NHS. I have tried it too. If I look back I see 22 years of being mired in treacle working with people who are constrained into always finding a reason why something isn't possible. Plus systems are always changing. So when you do manage to get something off the ground, when something looks like it will happen, it gets stymied. A new Minister or a new CEO comes in and reinstates the status quo. So there is a bit of me that wants to clean off the treacle, free up the arms and throw bombs. I now work outside of the system, doing things before saying to them 'catch up or not, it's up to you'.

'I now work outside of the system, doing things before saying to them "catch up or not, it's up to you".'

[1] camerados.org

[2] www.mac-uk.org

[3] www.owls.org.uk

So I don't want to hurt systems. But I don't like what systems do to innovation. Here in Camden we have just set up our fifth Public Living Room a space for people to live, a space that gives them half a chance to be a Camerado, a space to find friends and purpose. If it gets commissioned by a system it will become a Health and Well-Being Centre and instead of walking in off the street you will be referred via the Camden Gateway, which to many people is another name for a waiting room without an exit.

Charlie: I have had my frustrations as well. Of course I have. But it doesn't sound altogether right to me what you're saying about the system damaging a model. Recently I was working with a major health Trust here in London testing out our Problem Solving Booths. These booths are a couple of chairs with a cardboard label saying 'Helper' over one and another topped with the 'Helped' label. People sit in the chairs and talk about their problems. In many respects it's another form of mutual aid like the Camerados Living Room. Except this one was run by the health trust. I found it gave the trust permission to do things quickly and overnight. One of their targets was 'community engagement' and I said 'wouldn't this help you meet that target?'. And off they went.

They adapted it. It was helping people in the community talk about their problems. But it was also helping the people in system recognise the stress they are under, and how this stress undermines their work. When I tried the model with the police recently I found it got them talking to young offenders in a different way, which got them to think about crime prevention in a different way. You never know which way this stuff is going to go.

'You're not allowed to disagree with people anymore. Yet disagreement seems to me to be at the heart of great innovation.'

Maff: I like you saying 'that doesn't sound altogether right to me'. Why are we expected to agree with each other? We probably do agree on 90% of what needs to be done. But often when we meet we are like a couple of crocodiles snapping at each other. You're not allowed to disagree with people anymore. Yet disagreement seems to me to be at the heart of great innovation.

Charlie: It is a paradox that modern systems foster huge amounts of competitiveness between NGOs, in other words another form of 'crocodile' behaviour, but in that context it tends to stifle ideas and innovation. It doesn't create any real space for co-production for example. If I had a magic wand I would reward co-production every time, even when it didn't lead to anything systems would recognise as concrete. The best thing we did at MAC-UK was to design a football team that never happened. The design process was as good a response to mental ill-health as the proposed innovation.

'If I had a magic wand I would reward co-production every time, even when it didn't lead to anything systems would recognise as concrete.'

Maff: I have certainly learned a lot from you on co-production. I guess the thing that people tend to forget is the 'co' in co-production. It's not a matter of leaving it to the users. If we left the living rooms to local users we might end up with something that looks like a conventional community centre. We are looking to inject a 'wow' factor. And we are trying to hold a line about how members of society support each other: that the best way we can help someone is to ask them to help us.

Charlie: Yes, I think that is the right way to think about co-production. We can think about 'co' in lots of ways. We have a duty to build ideas and solutions together, pooling our respective knowledge and expertise. I also think the 'co' goes beyond community. It has to do with services too. What are your thoughts Michael? Is there any sense to this?

Michael: I think the conversation captures a lot of the dilemmas we face in this work; harnessing the power of the system without being swallowed up by it; using the know how of people looking for help without being reduced to clichéd responses; being prepared to disagree strongly without that being taken personally.

'You're not intervening, you are changing a space so that people encounter each other in a different way, producing different results.'

I also see in this conversation themes that are likely to dominate innovation in the next decade. Mutual aid you have mentioned, that is what you are both working on. But I also see innovation without intervention. Neither Owls nor the Association of Camerados is intervening with their respective innovations. Instead you are changing the context in which people live with each other. You have to let that sentence marinade a little to let its radical potential infuse. You're not intervening, you are changing a space so that people encounter each other in a different way, producing different results.

I also see you opening up civil society. Neither of you think in terms of the 'Third Sector'. You think much more broadly, bringing in family, friends, neighbours, and you think beyond that again to bring in strangers. Nearly everybody coming to a Problem Solving Booth or a Public Living Room starts off as a stranger to each other. To me this is another radical departure, a setting off point to completely change what we mean by public systems and the so-called Third Sector. So carry on, crocodiles.

About the authors

Dr Charlie Howard is a Clinical Psychologist, social entrepreneur, strategic advisor and keynote speaker. She has worked as a Clinical Psychologist in the NHS, private and community sectors for over 12 years. Charlie founded MAC-UK in 2008, was CEO until May 2014, and continues to be involved in an ambassadorial capacity. She is now director at the Owls Organisation, established to gather and test new ideas driven by people to find solutions to enable mental well-being.

Maff Potts set up Camerados in 2015 to work with and support people who the existing system have failed. He has been instrumental in creating culture change in homelessness nationally: he ran the Government's programme to modernise homeless centres, writing the policy and committing £170m; and co-created a social enterprise competition with the Big Issue and PwC that launched 34 new social business in the homeless sector. Maff has also worked front line and ran the largest homeless services in the country for The Salvation Army as well as being CEO of award winning organisation People Can.

About NPC's State of the Sector programme

Over the last 15 years NPC has worked with charities, funders, philanthropists and others to support them to deliver the greatest possible impact for the causes and beneficiaries they exist to serve. We started the State of the Sector programme to explore new approaches from the sector that offer a way forwards.

In our first paper, *Boldness in times of change*, we argued that wider social, demographic, funding, policy and technological trends are shifting the sands on which the sector is built.

Charities taking charge brought together an ambitious programme of quantitative and qualitative research over a period of 6 months, looking at whether the sector is transforming in order to meet this changing world.

Flipping the narrative is the third and final product of this research. It showcases approaches and ideas from leaders across the sector who are taking bold, innovative action to transform the way they deliver impact. It is a springboard, a rally cry to the sector, and a source of ideas and motivation to transform and move forward.

We will feed all of the insights from this research into our work over the coming months and years. We will use them to drive the sector to be bolder, more ambitious, and more impactful in its approach to building a better world.

We are immensely grateful to our supporters on the State of the Sector programme—PwC, Barrow Cadbury Trust, Ecclesiastical, Odgers Berndtson and Cripplegate Foundation—for their input, expertise and ideas over the course of the research.

TRANSFORMING THE CHARITY SECTOR

NPC is a charity think tank and consultancy. Over the past 15 years we have worked with charities, funders, philanthropists and others, supporting them to deliver the greatest possible impact for the causes and beneficiaries they exist to serve.

NPC occupies a unique position at the nexus between charities and funders. We are driven by the values and mission of the charity sector, to which we bring the rigour, clarity and analysis needed to better achieve the outcomes we all seek. We also share the motivations and passion of funders, to which we bring our expertise, experience and track record of success.

Increasing the impact of charities: NPC exists to make charities and social enterprises more successful in achieving their missions. Through rigorous analysis, practical advice and innovative thinking, we make charities' money and energy go further, and help them to achieve the greatest impact.

Increasing the impact of funders: NPC's role is to make funders more successful too. We share the passion funders have for helping charities and changing people's lives. We understand their motivations and their objectives, and we know that giving is more rewarding if it achieves the greatest impact it can.

Strengthening the partnership between charities and funders: NPC's mission is also to bring the two sides of the funding equation together, improving understanding and enhancing their combined impact. We can help funders and those they fund to connect and transform the way they work together to achieve their vision.

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