



# Maximising Impact: The Implications for Governance

29<sup>th</sup> March 2017





# GET INFORMED

Social investment for boards



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New Fetter Place, 8-10 New Fetter Lane, London, EC4A 1AZ  
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GET INFORMED is a campaign to help support charity trustees and non-executive directors of social enterprises to better understand the opportunities and risks of using social investment.



*"As with any other aspect of charity strategy, trustees should feel confident to make bold and even radical decisions on social investment as long as they comply with their duties and responsibilities in reaching the decision and they know they have the information they need."*

**Sarah Atkinson**

Director of Policy & Communications,  
Charity Commission



**CHARITY COMMISSION**  
FOR ENGLAND AND WALES

## The GET INFORMED campaign offers:

- Events
- Peer networks
- Free resources and materials on social investment
- Case studies of various Board perspectives
- Mentors to build knowledge
- Board facilitated sessions
- Media and communications



## **Meet the faces of the campaign**



**Carolyn Clifton**  
Chair,  
Ambition East Midlands



**Mike Parker**  
Chair,  
Street League



**Lisa Hilder**  
Trustee,  
Preston Road  
Women's Centre



**Roger Goodyear**  
Co-Chair,  
Portsoy  
Community Enterprise



**Beverley Pass**  
Co-Chair,  
Women's Aid



**Bryan Portman**  
Chair,  
Family Action



**Helen Thomson**  
Chair,  
Sheffield Futureshapers



**David Holmes**  
CEO,  
Family Action





**Alice Maynard**

Former Chair,  
Scope



**John Pulford**

Chair,  
Creative Kernow



**Azina Bulmer**

Vice-Chair,  
The Works



**John Barnes**

Treasurer,  
Dementia Adventure



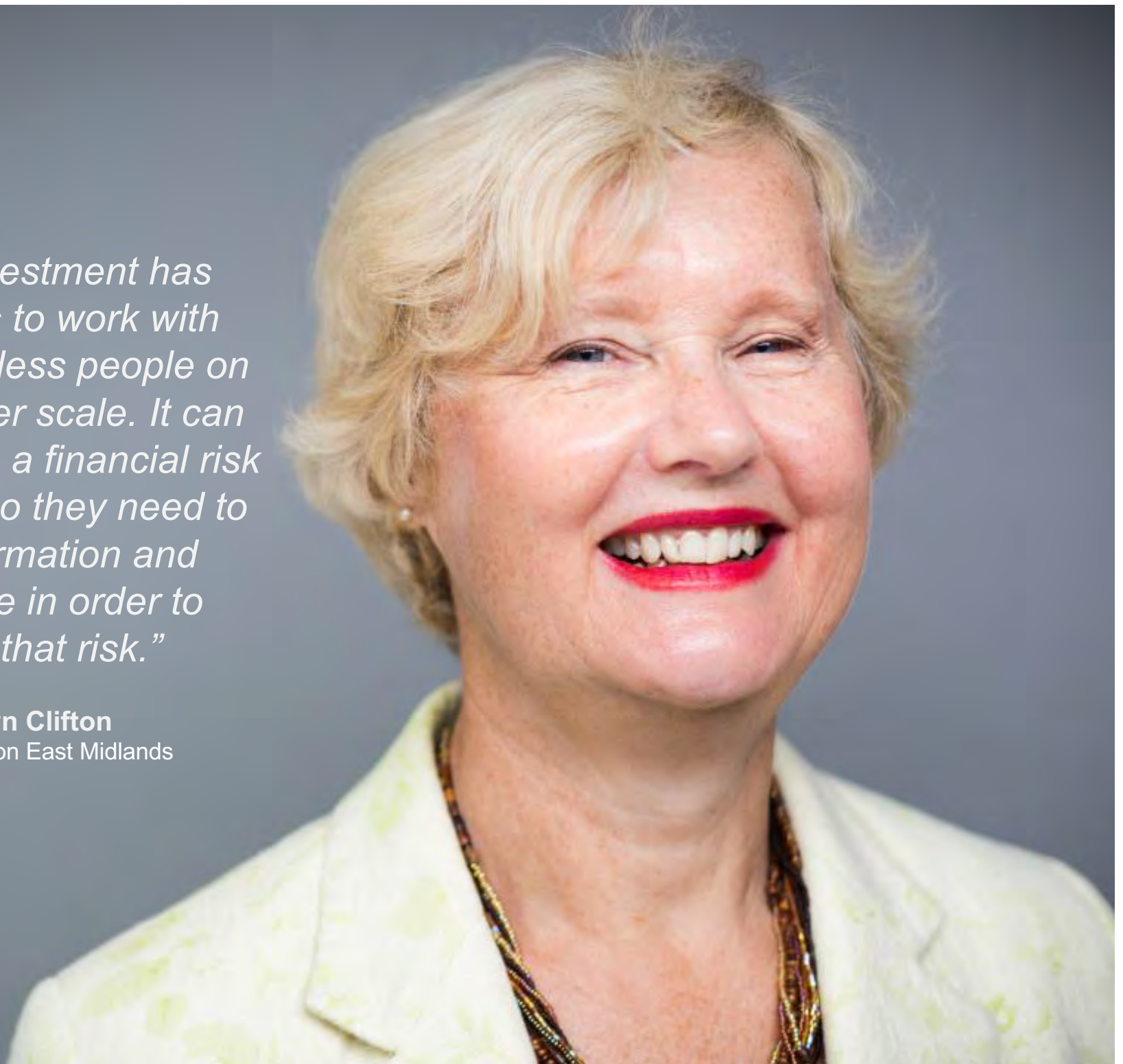
This could be  
**YOU!**

David Holmes  
CEO,  
Family Action



*“Social investment has enabled us to work with young homeless people on a much larger scale. It can potentially be a financial risk for boards, so they need to have information and confidence in order to assess that risk.”*

**Carolyn Clifton**  
Chair, Ambition East Midlands



*“In the current public service environment, money is tight and innovation can be difficult to achieve. If you can get the right deal for your charity and choose your financial product well, social investment can provide a route to innovation and offer the opportunity to test ground-breaking ideas.”*

**Bryan Portman and David Holmes**  
Chair and CEO, Family Action





*“Social investment has provided us with the working capital needed to grow and meet the needs of the charity. Boards need to better understand the various options available and how social investment can support their charitable mission.”*

**Azlina Bulmer**  
Vice-Chair, The Works



*“Social investment has provided a cushion to cover periods of stress, giving Street League the confidence to grow in a balanced and measured way. There’s a need to constructively articulate the way other organisations could develop the means to use social investment.”*

**Mike Parker**  
Chair, Street League






*“Social investment was the only means by which our organisation was able to acquire property and double our workspace for creative people. It has helped us develop a sustainable business model through an investment which was beyond the risk criteria of high street banks.”*

**John Pulford**  
Chair, Creative Kernow




A portrait of John Barnes, a middle-aged man with short, light brown hair, wearing a blue and white striped shirt. He is smiling slightly and looking towards the camera. The background is a solid, light blue-grey color.

*"We are currently exploring social investment options as we look to expand and improve our holiday provision by designing and building Dementia Adventure holiday centres of excellence. We are both excited and cautious about this and plan to build our confidence and readiness to take on social investment."*

**John Barnes**

Treasurer, Dementia Adventure

# Faces of the campaign

- 1 Portsoy Community Enterprise
- 2 Preston Road Women's Centre
- 3 Family Action
- 4 The Works Skate Park
- 5 Furnistore
- 6 Ambition East Midlands
- 7 Krowji Arts Centre (ACT Cornwall)
- 8 Futureshapers
- 9 Women's Aid
- 10 Dementia Adventure
- 11 Streetleague
- 12 Association of Chairs / Scope
-  Nationwide







## How to get involved or find out more

To register your interest and find out more about the  
GET INFORMED campaign visit:

[www.bigsocietycapital.com/get-informed](http://www.bigsocietycapital.com/get-informed)

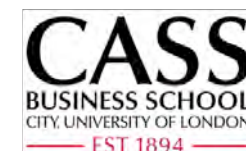
For more general information on investment and finance  
for charities and social enterprises, please visit:

[www.goodfinance.org.uk](http://www.goodfinance.org.uk)

## GET INFORMED is a joint initiative led by Big Society Capital in partnership with:



*Supporting charity and non-profit chairs*



## GET INFORMED is supported by:





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# Building on E3M's previous work on governance



- Governance for Good Seminar 14/9/2014 and Publication 2015
- Themes:
  - **Beyond governance theory** - to real issues despite applied theory
  - **Duty to change/invest/risk** - not just to maintain/preserve/safeguard
  - **Governance is dynamic** - with institutional phases, changing needs
  - **Stakeholder roles fundamental** - user, employee, member, community
  - **Balance** - purpose/commerciality; formality/practicality/priority

Time	Description
09.30	Welcome and opening remarks
	'Get Informed' - Geetha Rabindrakumar, Big Society Capital
	'Setting the scene' - Julian Blake, BWB
	Agenda etc - Paddy Radcliffe
	<b>Maximising Impact:</b> Street League case study and discussion
11.15	Break
	<b>Investment and Risk:</b> Fusion Housing case study and discussion
12.30	Lunch
13.20	<b>Governance - what good looks like:</b> Family Action case study plus BWB input
	<b>Maximising impact - exploring governance implications 1:</b> Role and purpose, Process and structure
15.00	Break
	<b>Maximising impact - exploring governance implications 2:</b> The People Dynamic, Board development
	Reflection and planning
	Wrap up
17.00	Close



# Maximising Impact - Case Study

Mike Parker  
Matt Stevenson-Dodd



STREET  
LEAGUE

@Matt\_SD  
@Street\_League



A photograph of four young men standing on a soccer field. They are all wearing black soccer jerseys with the 'STREET LEAGUE' logo and a Nike swoosh. The man on the far left is pointing towards the center. The man in the center is holding a white soccer ball with blue and red patterns. They are all smiling and looking towards the right. In the background, a soccer goal is visible. A teal diagonal graphic element is in the bottom right corner.

To see an **END** to youth  
unemployment in the UK

Our Vision



# Our work should be difficult...

- Is 100% success a good thing?
- Should we talk more about what we don't get right?



“WE’VE HELPED MORE  
THAN 116,000 YOUNG  
PEOPLE SINCE WE WERE  
FOUNDED”

“We have worked with over 38,000 people”

*“It has proved impossible to reconcile Kids Company’s claims about its caseload with evidence from other sources. The evidence is that the figures were significantly over-inflated.” –*  
PUBLIC ADMINISTRATION AND CONSTITUTIONAL AFFAIRS COMMITTEE



# LAST YEAR WE WERE NOT ABLE TO HELP 109 YOUNG PEOPLE

AND WE DISCOUNTED 48 OUTCOMES

We've had the best year we've ever had, but before we tell you about our highlights and successes we want to tell you what we didn't do well.

During 2015/16, we were not able to help 109 young people.

When we meet young people through our engagement activity we have detailed conversations about their barriers, aspirations and circumstances affecting their lives right now. One hundred and nine young people we met through our outreach programmes joined a Street League Academy. We believed that when they signed up that they were ready to undertake the Academy programme and would end up with an outcome. However, for a number of reasons they ended up dropping out and totally disengaging from Street League without an outcome.

We don't think this is good enough and are doing everything we can to understand why we sometimes can't help people. We don't always know why they leave us, though we do seek to capture this information through withdrawal forms and exit interviews, but even still a proportion of young people do not tell us.

#### Scenarios include:

- A young person's friend may leave the programme in the early days of the Academy and they leave with them
- Sometimes a young person may struggle with aspects of the content of the course, this could be with Maths / English for example. Although some young people leave for this reason, often we are able to re-engage them on a different programme we offer
- Occasionally we are told that a young person's family do not support them being on the course, usually this is if the household's benefits are affected by this. A young person will then disengage
- The Jobcentres are hugely supportive of our

programmes, however in some locations they do not deem a Street League Academy to be "actively seeking work" and therefore pull a young person off an Academy if another opportunity comes along

Next year we are seeking to capture more robustly and learn from our data as to why young people drop off the Academy.

**335 young people weren't ready for an Academy yet.** Sometimes young people who we meet aren't quite ready at that time in their life to undertake a Street League programme.

#### Here are some examples of why:

- A young person has significant drug / alcohol issues
- Specialist and extra learning needs beyond the scope of our expertise
- Circumstances in their lives make it difficult to be able to commit to an employability programme at this point.
- A young person reveals they are currently in a legal / judicial process
- Another agency and partner we know is more able to work with the young person for a period of time before the young person joining at a later date

During 2015/16, 335 out of 492 young people who engaged with sport, social or outreach sessions just weren't ready to undertake our Academy yet, and so haven't progressed into any outcomes this year.

We will continue to work with any young person who wants to engage with Street League, and will often signpost them to other organisations who may be able to help them with specific issues.

# 109

YOUNG PEOPLE STARTED  
AN ACADEMY BUT  
DROPPED OUT WITH  
NO OUTCOME

# 335

WE ENGAGED  
THROUGH SPORT  
OR SOCIAL BUT  
DID NOT JOIN OUR  
ACADEMY OR GAIN  
AN OUTCOME YET

# 48

OUTCOMES  
WERE REJECTED  
IN OUR AUDIT  
PROCESS

We don't just count any outcome - it has to be audited

Last year we removed 48 outcomes from our overall total, refusing to accept credit for outcomes that did not satisfy our rigorous internal audit process.

Although we are not audited externally for employment outcomes, it is very important to us that we only claim the achievement of outcomes when we can legitimately provide evidence and can stand up to external audit.

#### The audit process looks at:

1. Starter registration forms
2. Individual Action and Learning Plan
3. Positive leaver form comprehensively completed.
4. Evidence in the form of a Payslip from the employer to verify the young person is now in a job outcome. Evidence from an educational institution to verify the young person is in an education outcome

\*For an employment outcome to be valid, there is an expectation that the job is at least 16 hours/week.

\*For an education outcome to be valid, there is an expectation that the course is at least 6 months.



# IMPACT & ANALYSIS

We're very proud of what we've achieved using the power of Sport over the past year - FY15/16 was by far the most successful year Street League has ever had.

**492**  
participated in sport or social engagement (no employability)

**335**  
engaged but did not join an Academy or gain an outcome yet

**157**  
went into an outcome from sport or social engagement

**1,281**  
total outcomes

(Includes 132 young people who started a Street League programme in 2014-15 but gained an outcome in 2015-16)

Street League engaged with  
**2177**  
young people during 2015-16

**1685**  
joined a sport and employability Academy

**992**  
went into an outcome

**584**  
still receiving support from Street League

**109**  
started an Academy but dropped out with no outcome

"Street League have shown the power of sport to transform young lives. They are a leading example of how much 'sport for impact' can achieve. Through our partnership since 2009 we've worked with them to develop cutting-edge approaches to measuring the things that really matter, like the challenges their young people face when they enrol and how many of them get into, and stay in, employment, education and training once they've left."

Andy Ratcliffe, CEO Impetus - The Private Equity Foundation

## Here's a selection of our impact over the past 12 months:

- 1,281 young people supported into work, training or education from April-15 to Mar-16
- 42% (1,281/903) growth in outcomes compared to the previous year, continuing our 30-40% growth rate year on year for the past four years.
- 59% (992/1,685) of young people who started an Academy Programme this year moved into employment, education or training.

## How do we prove our impact?

We believe in complete transparency and a robust approach to impact measurement. As a result we have developed our Three Golden Rules.

### Three Golden Rules:

- We will never overclaim what we do.
- All our percentages are backed up by sample sizes.
- All our outcomes are backed by auditable data.

## Measuring and proving impact has become essential for all charities.

The progress of everyone who participates in our programmes is closely monitored to ensure we are doing all we can to help a young person achieve their goals, to make sure we're achieving the maximum social impact, and also to enable us to meet the strict criteria laid down by the payment-by-results contracts we hold with local authorities.

As a result, we have pioneered the development of advanced tracking systems that enable us to form a detailed picture of an individual's performance during the whole time they spend with Street League and, most importantly, how they have benefited after leaving our programmes.

### Comprehensive Monitoring & Evaluation System

- We use a system called Hanlon which tracks all programme data, allowing us to produce regular progress reports and analyse performance against key indicators
- As part of each young person's Individual Learning Plan (ILP), they undertake baseline assessments before the

start of each Academy, then again at weeks three, six and nine of the Academy.

### Audited Outcomes

- Each of our 1,281 outcomes passed our internal four-stage audit process.
- Each of our outcomes can be individually attributed to unique beneficiaries and requires relevant evidence to be input onto Hanlon
- We have an integrity rating for each individual outcome and strive to improve the overall integrity rating annually
- For example, for a member of staff to record a young person as an 'Outcome Achieved' they would need a pay-slip or letter confirming start date/employment from the employer or a letter from a college confirming the young person had started the course etc.

### Balanced Scorecard and management information Packs

- Quarterly Balanced Scorecards and management information packs provide managers with a snapshot of performance against engagement, delivery, contract

outcomes, aftercare and progression outcomes

- Traffic light system used, which enables each team to see how they are progressing overall against targets, individually in specific areas (such as outreach, engagement etc.), and nationally
- The Balanced Scorecard has improved programme and data quality, as each manager needs to ensure that they are on top of reporting for the scorecard to be accurate
- It also enables us to flag up any areas of concern and to see what is (or isn't) working well at a specific regional level, which can indicate national issues (for example late payments of contracts)

### Full Data Set - No sampled data

- Every young person has an individual record of their journey with Street League
- All interactions are recorded on Hanlon
- We also record when we are unable to make contact with a participant to ensure data transparency



- 1) Never over-claim what you do
- 2) All percentages must include actual numbers to avoid being misleading
- 3) All outcomes are backed by proof which can be externally audited.

**Our 3 Golden Rules**  
For Reporting Outcomes

Three red 3D blocks with white text. The first block shows the number '8', the second block shows the number '0', and the third block shows a percentage symbol '%'. They are arranged horizontally to read '80%'.

80%

(8/10) or (8000/10000)

# Impact and Governance at Street League

- #CallForClarity campaign discussion
- Board members views on impact
- Impact reporting to Board.
- Commercial v Impact



Thank You  
@Matt\_SD  
@Street\_League



STREET  
LEAGUE

# Table discussion



## A 'starter for 10'...

- How happy are you with your impact?
- What gets in the way of maximising impact?
- To what extent does maximising impact drive your decision making?
- 20 minutes followed by feedback in plenary.





# Investment and Risk



NUMBERS  
FOR GOOD



# E3M Governance Seminar Fusion Housing SIB Case Study

29<sup>th</sup> March 2017



# Context - Fair Chance Fund overview

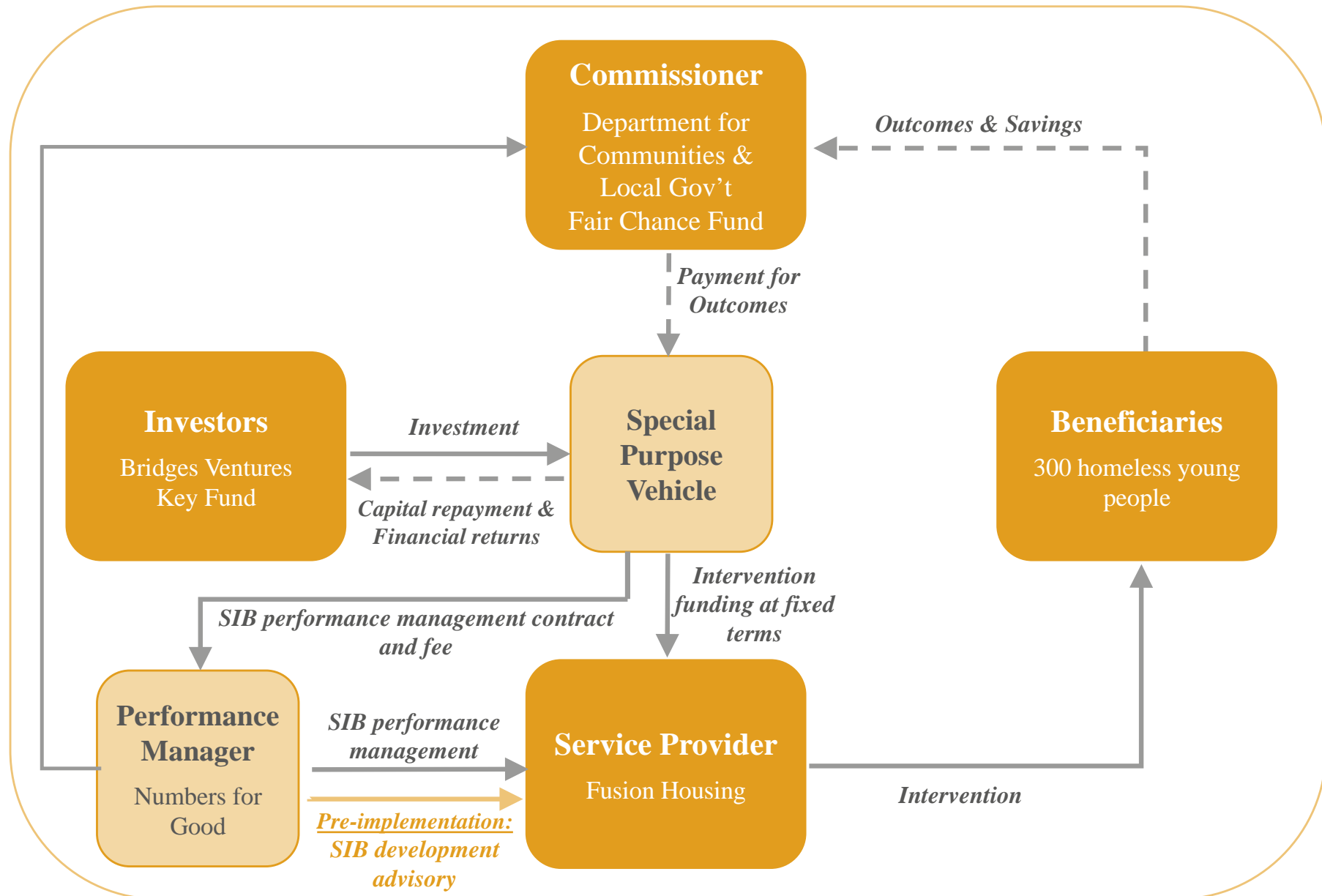
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A £15mn payment by results programme which aims to improve outcomes for 1,600 young, homeless people whose needs are not addressed adequately by existing services

- 3 year term, launched January 2015
- Funded by DCLG (£10mn) & Cabinet Office Social Outcomes Fund (£5mn)
- Seven projects selected
- Single outcomes tariff list, with a (maximum £17k per participant payable)

Fair Chance Fund – Maximum Outcome Tariffs	
<b>Assessment fees:</b> <ul style="list-style-type: none"><li>• Initial assessment fee: (£500)</li><li>• Second assessment fee: (£500)</li><li>• Third assessment fee: (£200)</li></ul>	<b>Education / Training:</b> <ul style="list-style-type: none"><li>• Entry into education / training: (£500)</li><li>• First entry level qualification: (£1,500)</li><li>• Achievement of National Qualifications Framework (NQF) Level 1 qualification: (£2,500)</li><li>• Achievement of first NQF Level 2 qualification: (£3,500)</li></ul>
<b>Accommodation:</b> <ul style="list-style-type: none"><li>• Move into accommodation: (£500)</li><li>• Accommodation sustained for 3 months: (£1,500), 6 months: (£1,500), 12 months: (£1,500), 18 months: (£1,500)</li></ul>	<b>Employment / volunteering:</b> <ul style="list-style-type: none"><li>• 6 Weeks volunteering: (£500), 13 weeks: (£500), 20 weeks: (£250), 26 weeks: (£250)</li><li>• Entry into employment: (£500)</li><li>• 13 Weeks part-time employment: (£3,000), 26 weeks: (£2,000)</li><li>• 13 Weeks full-time employment: (£4,500), 26 weeks: (£3,500)</li></ul>

# Fusion Housing - Fair Chance Fund SIB structure



# Table discussion



## ‘Starter for 10’...

- Do we take enough risks in order to maximise impact? Do we invest enough?
- What stops us from investing for impact?
  - Readiness to invest?
  - Ability to manage risk?
  - Understanding of the options available?
- 20 minutes followed by feedback in plenary.

# Process for this afternoon



- ‘What good looks like’
  - David Holmes
  - Julian Blake
- Key areas for discussion
  - Role and purpose
  - Process and structure
  - The people dynamic
  - Board development



# E3M Governance Seminar

## Governance – what does good looks like? And how can we be sure?!

**David Holmes CBE**

29<sup>th</sup> March 2017





# Context

- My Governance journey as a CEO, Board member, Trustee and Chair
- Governance for uncertain times
- Governance in a time of austerity
- Balancing the immediate with the strategic
- Balancing agility with reflection
- Balancing investment with impact
- Balancing activity with mission

# Role and purpose of the Board

- Creating space to think about the future as well as the immediate present
- External input
- Wisdom
- Scrutiny and challenge
- Holding the CEO and leadership team to account
- Generous leadership

# Process and Structure

- What is on the Board agenda?
- Using time at the Board well
- Who has a grip on the detail?
- Ensuring the Board knows the organisation
- Trustee involvement outside Board meetings
- Decision making at Board level
- The role of the Chair

# People and Dynamics

- Support vs Challenge
- Getting underneath the skin of organisations
- Modelling effective leadership
- Consider relationships with the Board and within the Board



# Board Development

- Who is around the table?
- Identifying skills gaps
- A focus on individual contribution
- Avoiding groupthink
- Temperature checks and reviews
- Measuring Board effectiveness



Early Years



Children &  
Families



Adult Mental Health  
& Wellbeing



Grants

[www.family-action.org.uk](http://www.family-action.org.uk)

# What good looks like



- Theory known. But form being reached for, not a reality. Nothing new/nothing perfect.
- Assume: Board with requisite balance, capability & commitment (otherwise composition an issue).
- Issues relating to minimising distortion from/maximising dynamism towards Purpose.

# Role and Purpose



- Only Role – facilitating delivery of public benefit Purpose, viably & sustainably
- Ensure ongoing Board capability/infrastructure/resources/proportionate process, to deliver Purpose
- Ensure ongoing strategy implementation to deliver Purpose
- Support & scrutinize Executive on delivery of Purpose
- Ensure ancillary public/regulatory accountability/transparency
- Duty to avoid Purpose distortion: by process, un-dynamic governance, conservative instincts, personal factors, collective inefficiencies
- Duty to review/change/invest/risk.



# Process and Structure



- Means to deliver/serve Purpose; risk management re. form over substance
- How to ensure productive establishment, development, strategy, scrutiny, accountability?
- Board/Executive principles – macro/micro; prioritisation; focus; agenda & meeting management
- Board/Executive methodology – clarity – Carver/Policy Governance – reporting framework clarity, ownership, level, standard, format; whole Board scrutiny; separate skills/committee work; clarity of delegation
- Balance of consideration time, discussion, assumption testing against decision imperative.

# The People Dynamic



- Ongoing attention to balance/capability/commitment assumption – review, rolling recruitment objective - judgement & process
- Institutions require clear, functional, Purpose driven relationships
- Board membership a civic duty not a personal interest
- User/employee/member/wider stakeholder engagement/consultation – institutional elements other than Board & SMT.

# Board development



- For Board - civic duty, not personal interest promotes change over lack of dynamism
- Is every member fulfilling/still fulfilling a distinctive role
- Is every member clear on Purpose and process
- Does the culture allow each member to participate – counter-effect of dominant voices, consensus assumptions, non-use of dissenting challenge.

# Role and purpose of the Board

- How clear is the role and purpose of your board?
  - Internal role? External role?
- What is the unique contribution that the board makes to the success of the organisation?



# Process and structure



- To what extent are the right topics on your board agenda? Is appropriate time allocated for their discussion?
- The process and content of board papers - help or hindrance?
- Are decision-making processes clear?
- How well do committees/advisory panels support the board?

# The people dynamic



- To what extent does the board understand and exhibit the behaviours needed for its effective operation?
- How constructive are the key relationships?
  - Within the board?
  - Chair and Exec?
  - Board and exec, staff, other key stakeholders?

# Board development



- Does the board have the right experience, skills and capabilities to support the aims of the organisation?
- Are succession plans in place?
- To what extent is board performance assessed?

# Reflections and planning



- Reflecting on discussions today:
  - What is your key reflection/take out?
  - What's the ONE THING you are going to do/do differently?
  - What's the next step/action.
- Conversations in pairs/threes
- 20 minutes.