

# Evaluation of the Youth Sector Development Fund: early findings

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**GHK**

This research report was commissioned before the new UK Government took office on 11 May 2010. As a result the content may not reflect current Government policy and may make reference to the Department for Children, Schools and Families (DCSF) which has now been replaced by the Department for Education (DFE).

The views expressed in this report are the authors' and do not necessarily reflect those of the Department for Education.

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# Executive Summary

## 1 Introduction

GHK Consulting was commissioned by the Department for Education (DfE) to conduct the national evaluation of the Youth Sector Development Fund (YSDF), a £100 million programme which seeks to raise the capacity of youth Civil Society Organisations (CSOs) to deliver more and higher quality services for vulnerable or disadvantaged teenagers. The programme has a series of distinctive features, including a combination of grant funding and support for capacity development, provided by a Managing Body Consortium<sup>1</sup> which is also responsible for programme management.

The evaluation explored the extent to which the YSDF had achieved its objectives of increasing the capacity and long-term sustainability of participating CSOs, and the reach and impact of their work with young people. The study sought to evaluate the four areas of the programme, namely:

- The Integrated Support Programme (ISP) – to identify the impact of the support for capacity development and sustainability on the participating CSOs;
- Business Models – to explore whether participation led to more effective and sustainable CSO business models, and increased the breadth and quality of services for young people;
- The Commissioning Environment - to identify the extent to which the CSOs have become more commissioning ready and better able to engage with funders, and explore the barriers and key drivers for successful engagement; and
- Service Users – to identify the characteristics of the young people accessing YSDF services, and the impact of these services for them.

The evaluation methodology is described in detail in the main report, but included the review of programme documentation and management information (MI); case study fieldwork with 15 Round 2 and Round 3 CSOs; and interviews with Managing Body representatives and a range of national stakeholders. The evaluation was intended to run between January 2009 and the programme end in March 2011, although the decision was taken to complete the study early in October 2010. This means that while it is not possible to provide firm conclusions on the overall impacts of the YSDF, the report provides many examples of positive experiences and impacts to date and useful learning for future initiatives.

## 2 The YSDF Programme and the Current Context

The YSDF programme comprises a series of distinctive features, including:

- Three distinct funding rounds targeting large, medium and small sized CSOs respectively;
- Targeting the youth sector to deliver positive and preventative activities, focusing on disadvantaged young people aged 13-19 (or to 25 with Learning Difficulties and Disabilities (LDD));
- Taking a grant funding approach to support new/expand existing service provision, tapered in the final year to incentivise CSOs to secure replacement funding; and
- Complementing the grant funding with a comprehensive business support package, including bespoke consultancy, networking and training events - but perhaps most innovatively Mentors in Round 2 and embedded Business Advisors in Round 3.

Participation in YSDF is on the basis of three rounds of competitive tendering:

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<sup>1</sup> The Managing Body Consortium is led by Ecorys and includes Business to Business, Catch 22 and PrimeTimers.

- The Pathfinders – targeting five larger CSOs, who received a total of £27,116,000 between April 2008 and March 2011;
- Round 2 – targeting medium sized CSOs with turnovers of between £1 million and £5 million, and featuring 13 CSOs<sup>2</sup>, who received just over £24 million between December 2008 and March 2011; and
- Round 3 – targeting smaller ‘grass roots’ organisations with turnovers of less than £1 million, focusing on Friday and Saturday night provision and featuring 25 CSOs between April 2009 and March 2011.<sup>3</sup>

The **economic and policy context** in late 2010 is very different to that when the YSDF programme originated - following the economic downturn, a change in government, and the establishment of the Conservative-Liberal Democrat Coalition. While each of these factors have implications for the achievement of financial and operational sustainability amongst the participating CSOs’, particularly given the tapered final year funding, it is still too early to quantify their effects. Currently youth sector CSOs face both opportunities and challenges:

- With **opportunities** including the continued move towards an increased role for the civil society sector in delivering public services contracts, the new coalition’s commitment to the Big Society agenda and the role of CSOs therein, and potential opportunities around the ‘contracting out’ of youth services by local authorities; and
- With **challenges** including uncertainties around funding in the light of public sector cutbacks, and whether local authorities will, in practice, avoid organisational restructuring and seek to retain jobs ‘in-house’ rather than contract out services.

Inevitably there will be increasing scrutiny of value for money, a requirement to demonstrate cost effectiveness (even where outcomes are difficult to measure) and an increased emphasis on delivering more at the same cost.

### 3 Support for Capacity Development

#### 3.1 The YSDF Offer

The Managing Body provides a combination of ‘core’ support and a bespoke Integrated Support Programme (ISP) to improve business models and the commissioning readiness of participating CSOs. The support available is detailed in Section 3 of the main report, and summarised as Figure 1 below. Key features of the ‘core support’ include:

- **Account Managers** – employed by the Managing Body, who provide a support and a performance management function. The case study CSOs described establishing close working relationships with their Account Managers, aiding their progress through the programme and identifying and addressing development issues.
- **Development Facilitators** (Pathfinders and Round 2) and ‘**YSDF Champions**’ (Round 3) – employed by each CSO to provide a single point of contact with programme, and having sufficient authority to drive change forward. In practice this role was often taken by two people, e.g. Chief Executives for management/strategic issues and project managers for operational matters.

The main capacity development support is provided through the **Integrated Support Programme (ISP)**, underpinned by diagnostic reviews to identify and prioritise areas for development. The ISP, which was revised for the Round 3 CSOs based on their specific needs and lessons from Round 2, comprised:

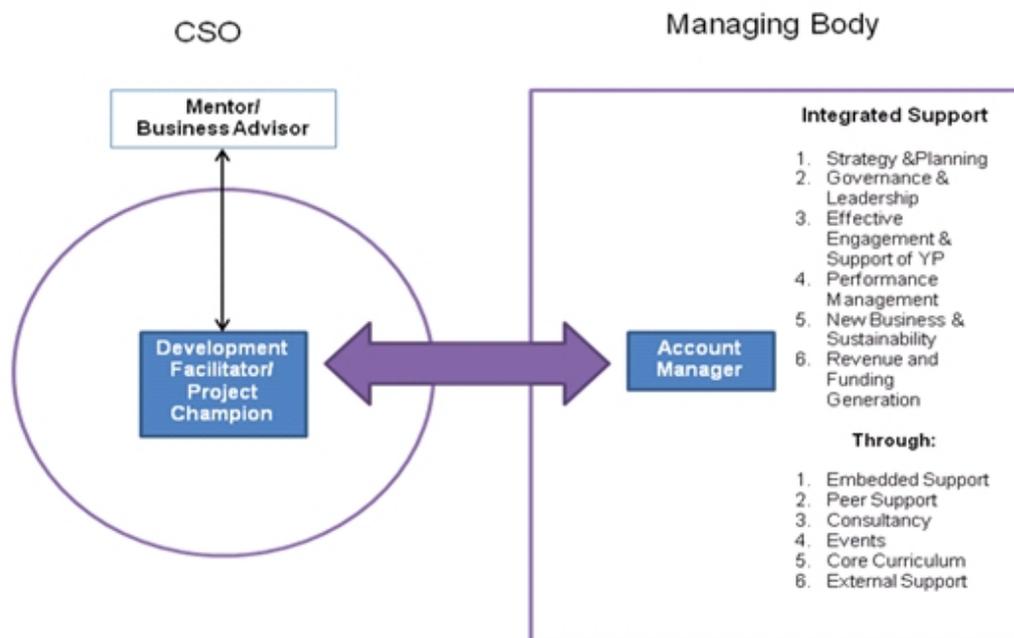
- **Bespoke consultancy support** – individually tailored interventions to address identified development needs, and available to all three Rounds. This element was highly valued by CSOs, most of which felt it had provided the greatest impact of all the support

<sup>2</sup> The grant for one Round 2 CSO ended in December 2009, but support under the programme continues.

<sup>3</sup> Delays meant that funding only commenced in July 2009.

received. The emphasis of support has changed over time from human resource issues towards marketing, communication and income generation. Early experiences showed that some CSOs lacked the capacity to absorb the support offered, emphasising the importance of a scheduled and measured approach. *Average spend per CSO to date - £10,315.*

**Figure 1: YSDF Support Structure**



- A **Business Mentor** – providing confidential coaching and guidance to Development Facilitators in the Pathfinder and Round 2 CSOs, with a direct focus on developing the individual rather than the organisation. *Average spend per CSO to date - £2,148.*
- A **Business Advisor (BA)** – introduced to provide embedded support for the Round 3 CSOs. The BA combines the Business Mentor role with hands-on practical support, with the Round 3 CSOs also being able to access bespoke consultancy if required. The Round 3 case study CSOs were very positive about their BAs, and the trust and positive working relationships developed with them. *Average spend to date per CSO - £19,352.*
- A **Core Curriculum** – the Core Curriculum consists of a programme of training to address common needs across the CSOs. Feedback on the core curriculum was, on the whole, positive, with some sessions proving to be particularly popular. However the “one to many” training format means it is inevitable that the core curriculum “won’t please everyone.” Consequently mixed views were expressed about its content and potential impact. *Average cost to date per CSO - £2,567.*

The Managing Body provided a range of **additional support** to the CSOs, including:

- **Networking Events** – a programme of quarterly networking or ‘peer exchange’ events for CSOs from all three Rounds of the programme.
- A **Commissioning Checklist** – a self-assessment or facilitated diagnostic tool focusing on commissioning, and resulting in an action plan identifying new support needs.
- **Financial Health Checks** – delivered by specialist advisors exploring financial systems, cashflow and income sources, and reporting on financial robustness and key risks.
- **Support for Exit Planning** – to help develop sustainability strategies towards the end of the programme, and in the early stages of delivery at the time of the final study fieldwork.

### 3.2 Impact of the Integrated Support

Although the study was completed early, there was considerable evidence that the capacity development element of YSDF was leading to positive improvements and impacts for the participating CSOs. While many considered that YSDF had accelerated development plans that were likely to have been achieved anyway, there were also examples amongst the case study CSOs of entirely new capacity development, for example around new business models, which was unlikely to have resulted in its absence. In addition, examples were identified amongst the case studies where the range of support available had exceeded initial expectations, and led to some CSOs broadening their ambitions in terms of capacity enhancement.

A range of capacity development impacts were identified across the participating CSOs, resulting from the support received. The impacts on CSO business models are grouped by themes below, and mapped closely to the areas of development identified in the initial diagnostic reviews:

- **Human resources** – including the recruitment of over 160 new staff (to June 2010), including extra delivery staff and new posts such as HR managers, researchers and business development staff. These developments were paralleled in many cases with the introduction of new or improved HR policies, systems and practices – including staff development frameworks, performance management systems and appraisal processes;
- **Leadership and governance** – including improved governance structures and practices (e.g. ensuring they reflect the stakeholder community and ensuring clear responsibilities), the review of Board structures and roles, and resulting in revised and enhanced CSO strategy and direction;
- **Funding and business planning** – including better financial planning and reporting capabilities, and improved business planning leading to the production of new business plans and better forward planning;
- **Marketing and public relations** – through external profile raising, the development of enhanced and new links with funders, and new or improved marketing and communications strategies – in many cases leading to new opportunities being identified;
- **Commissioning** – including improved commissioning readiness, the recruitment of specialist business development staff, and efforts to diversify funding sources. Programme MI shows that both the number of bids submitted and contracts secured had exceeded profile – with new contract awards amongst the case study CSOs ranging from below £10,000 to over £120,000; and
- **Evidencing success** – efforts to improve overall commissioning readiness included support to improve data collection to evidence outcomes achieved. Here impacts included the introduction of new MI systems and data collection approaches, the impacts of which are only now becoming apparent.

It is important to note that for many CSOs YSDF support is experienced as a combined process and having a cumulative effect, the benefits of which were often emerging in the last round of case study fieldwork. However the case study CSOs considered that the ISP, and the BA in the case of Round 3 CSOs, had led to the greatest, and most immediate, impacts on capacity and capability. These components of the support were also the most costly in terms of spend per CSO to date, although given the stage of the programme the cost data provided above should be interpreted with care.

While the CSOs reported impacts on both their commissioning readiness and in terms of new links with potential commissioners, it was clear that the current financial environment and the impact on reduced public expenditure will influence the extent to which they will be able to secure contracts in the future.

## 4 Service Delivery – Progress and Impacts

YSDF funding has enabled the CSOs to scale up delivery by recruiting new staff, and extending geographical and thematic coverage. A wide range of organisations and delivery approaches have been funded across the programme, including social enterprises, sport providers, mobile/outreach provision and music/arts providers alongside enhanced youth club provision.

**Service delivery is progressing well against the throughput targets, engaging over 57,000 young people** across the programme to end June 2010 (145% of profile). The case study projects were engaging with the expected target groups, including those Not in Education, Employment or Training (NEET/at risk of being NEET), in/at risk of involvement with gangs, ex-offenders/those at risk of offending, homeless young people, substance misusers, rurally isolated young people and those in/at risk of anti-social behaviour (ASB).

The young people receiving YSDF provision are also achieving a range of **positive impacts**, including (to the end of June 2010, and nine months before the end of the programme):

- **9,641 progressing to positive destinations** against a profile of 10,670 (90%). Positive destinations reported for young people in the case study CSOs included further education (e.g. E2E provision and apprenticeships), employment and work placements (in sectors from construction to hairdressing), and volunteering opportunities (in a range of areas from sports coaching to the arts).
- **21,363 examples of increased positive factors/soft outcomes being achieved** – compared to a profile of 20,547 (104%). These included improved:
  - Key work skills – such as team working, problem solving and vocational skills;
  - Attitudinal skills – including increased confidence, motivation and self-esteem, and raised personal and career aspirations;
  - Personal skills – such as improved attendance, emotional and social skills, and engagement with project activities; and
  - Practical skills – such as managing personal relationships and raised awareness of issues such as drug misuse and sexual health.

These soft outcomes were seen as important building blocks for the young peoples' further progression, as well as being achievements in themselves.

- **10,157 young people completing training/achieving qualifications** – against a profile of 9,815 (103%). Where accredited training was offered, this included vocational training (e.g. full or part qualifications in construction, landscaping, hair and beauty and video production) and certificates in team work and sports coaching.
- **1,641 young people being trained as peer mentors or youth workers** – against a profile of 1,555 (106%). These included young people taking a mentoring role in their projects on a formal and informal basis – with several case study examples being based on their experiences as mentees and wishing to take this role forward in future.

An important emerging finding from the case study CSOs was that YSDF services were filling gaps in local provision - reflected in the level of demand for their services, particularly in rural areas but also for inner city CSOs. Young people in particular noted that these CSOs were providing them with something constructive to do, often in areas where there was little existing, and an inconsistent history of, youth provision. There was also emerging evidence that YSDF services were diverting young people away from negative behaviours, and reflected in wider local statistics where they were available. For example in one CSO area a reduction in ASB, and improved relations between the police and local young people, was attributed to the activities of a Round 3 case study CSO.

Finally, one of the aims of YSDF was to support CSOs to better involve young people in decision making, with the case studies providing some examples of new participatory models

or existing approaches being enhanced. On the whole, however, examples of formal participative mechanisms tended to be amongst CSOs already strong in this area.

## **5 Conclusions and Learning**

### **5.1 Conclusions**

At this point in the programme both the service delivery and capacity development aspects of the YSDF programme appear to be progressing well – with the numbers of young people engaged being well ahead of target and positive outcomes being reported. Engagement with the different elements of the ISP has been strong, with the majority of CSOs using different elements of the support programme and examples of positive impacts resulting.

The evaluation focused on four main areas, which structure our conclusions below.

#### ***The Integrated Support Programme***

The YSDF programme has confirmed the need, and the appetite, for capacity development services among small and medium sized CSOs. It has shown itself to be distinctive by combining grant funding with a comprehensive package of tailored support, particularly in terms of the range, intensity and depth of support available. The Managing Body Consortium has been effective in providing high quality support, challenge and advice to the participating CSOs, with the model allowing ready access to high quality consultants and advisers. The Consortium has also shown itself to be responsive to the different needs of the CSOs, for example through the revised Round 3 support.

In terms of the different elements of the support available:

- The ISP challenge function was crucial in achieving change, and while balancing support and challenge can be difficult the Managing Body fared well.
- The different elements of the support package also provided important learning:
  - The Development Facilitator role provided a useful lead contact and champion function, although Account Managers and Business Advisors often needed to engage with more than one person in each CSO.
  - The Round 2 Business Mentor was innovative, and while benefits to date are centred on the CSO staff involved they are likely to influence change at the CSO over time.
  - The Core Curriculum provided a coherent and cost efficient means of delivering training compared to the Round 2 model, and led to CSOs receiving a greater volume of training.
  - Finally, the Round 3 Business Advisor role was highly valued by the CSOs, and offered a series of immediate benefits. Satisfaction with the individual BAs and their role was high across the Round 3 case study CSOs.

Across the support available, the Bespoke Consultancy Support and the Business Advisor role were considered the most effective in developing capacity and capability. In combination the different support elements have led to a range of positive benefits and impacts for participating CSOs, including:

- **Impact on Business Models** – with evidence that organisational impacts had been achieved even at this point in the programme, which included more effective approaches to human resource management, enhanced external profiles and links with existing/new funders, the generation of income from new sources, and increased potential to better evidence their success. Where CSOs were already well established and poised for growth, the ISP was timely and helped introduce change at a heightened scale and pace. In other less well established CSOs, the ISP provided an opportunity to review their development strategies, address areas of weakness, and in several case studies raise their aspirations regarding what could be achieved. The investment of YSDF in new staff, and training and support to develop or enhance human resource systems and practices,

yielded some of the more immediate tangible gains. However large scale recruitment within a finite grant programme carries a risk to sustainability, in terms of losing valuable staff and the skills they have gained. This was particularly significant in Round 3 CSOs, where the tapered funding kicked in relatively early on, making this approach perhaps more applicable in longer term capacity building programmes.

While too early to be conclusive on the final capacity development impacts of YSDF, and the sustainability of the participating CSOs, the case studies suggested that many positive steps have been made and real change achieved, although the current economic and public sector context will be a crucial influence.

- **The Commissioning Environment** - the YSDF has helped CSOs to raise their profile with commissioners and increase their capabilities to bid for funding, although many of the case studies were already well known to commissioners in their areas. There was emerging evidence among some CSOs of positive change in the way opportunities are identified and responded to - including recruiting staff with business development or research roles and developing new/enhancing existing links with commissioning bodies, particularly local authorities. The extent to which the YSDF has helped CSOs respond more effectively to tenders is not clear at this point, and while most have met or exceeded their profiles for submitting tenders concerns are high regarding further funding opportunities in the context of cuts in public spending.
- **Impact on Service Users** – the case study fieldwork showed that CSOs were engaging with young people with a wide range of characteristics and needs, and that the programme appears to be engaging with its intended target groups. It also suggested that the CSOs had engaged more disadvantaged young people as a result of YSDF – offering added value, particularly in rural areas, with few alternative opportunities. Many CSOs are exceeding their throughput targets, and reporting outcomes including progression to positive destinations and increased protective factors/soft outcomes. The extent to which organisational changes resulting from the capacity development and the grant funding translate into improved service quality will only become clear towards the programme end. At this point, benefits linked to the enhanced professionalism of the workforce, for example through improved safeguarding policies and training, are areas where more immediate service user benefits are most likely.

## 5.2 Learning and Policy Implications

The evaluation has identified a series of learning points to inform policy and practice in the context of the emerging priorities of the new Coalition Government. These included:

- Confirming the often unique role that CSOs can play in providing public sector, and particularly youth, services;
- Establishing the support needs of CSOs in delivering youth services, in line with findings from previous research and including ‘internal organisational management’ issues (such as human resources, financial management systems, governance and funding) and ‘external relationship management’ (such as marketing and public relations; the ability to evidence success, and commissioning);
- Showing that capacity development can work, but that transformational change takes time and is costly to achieve. Significant investment is required to provide high quality, responsive and tailored support, which is then embedded in the receiving organisation;
- At the same time, CSOs must be committed to change, based on an awareness of the potential benefits, and be prepared to dedicate the time required. The YSDF model of a diagnostic review, followed by the ongoing involvement of a hands-on “critical friend” with a support and challenge function, appears to be effective.

### Lessons for the Future

Any near future approach to meeting the development needs of CSOs must be set in the context of public expenditure cuts, and the need to ‘deliver more for less’ in youth services.

While public expenditure is likely to decline in real terms, the Government has signalled that opportunities for CSOs to deliver public services are likely to grow, although resources on the scale of YSDF are unlikely to be available in the near future.

However it is clear from the YSDF experience that capacity development with the potential to be 'transformational' is costly. The report suggests a series of potential options based on the elements of the YSDF approach which appear to have been effective, including.

- **The offer of 'taster' sessions** and a free diagnostic review, followed by a series of chargeable tailored support sessions. This would rely on CSOs seeing the benefits and being prepared, and able, to pay.
- **A 'backing winners' approach** – a targeted 'honey pot' approach may be more effective than distributing small amounts of support more widely. This would make impact more likely, but would rely on appropriate and accurate targeting.
- **Selection through competition** - the YSDF approach could be replicated to allocate development funding. This would help ensure that applicants are committed to change, and have the potential to achieve it. Other criteria to establish 'investment readiness' include the ambition to grow, evidence of demand for services and potential funding opportunities, sufficient capacity/capability to absorb any support offered, and the CSO's ability to evidence that what it delivers works.

The key question in considering future capacity support options is who could and should pay for it? We suggest that CSOs themselves, local authority commissioners, private investors, and central government all have a role to play, and should be prepared to invest in a stronger and healthier CSO sector capable of delivering cost-savings to the public purse.

# 1 Introduction

## 1.1 Introduction

GHK Consulting was commissioned by the Department for Education (DfE) to conduct the national evaluation of the Youth Sector Development Fund (YSDF). The evaluation was originally scheduled to run from January 2009 to the programme end in March 2011, although the decision was taken to complete the study early in October 2010. A first Interim Report was published in 2009<sup>4</sup>, and this second and final report provides an update on progress and impact with Rounds 2 and Round 3 of the programme, including reference to the progress made by the Pathfinder organisations. The report sets out the early findings from the programme to provide practical recommendations for future policy development.

The report will be of interest to the Department for Education, the Cabinet Office, and the Office for Civil Society – as well as Civil Society Organisations (CSOs) and commissioners working in the youth sector more widely, including those engaged in the Commissioning Support Programme.

## 1.2 The Evaluation – Aims and Objectives

The overall aim of the evaluation was to investigate the effectiveness of the YSDF in increasing the capacity and long-term sustainability of CSOs<sup>5</sup>, and in turn the reach and impact of their work on service users. In terms of scope, the evaluation focused primarily on CSOs participating in Round 2 and Round 3 of the programme, although this report also includes a discrete section on the YSDF Pathfinders which draws on the findings from their own evaluation activities.<sup>6</sup> This can be found in Annex 4.

The study sought to explore four key areas, namely:

- **Integrated Support:** to identify the impact of the support provided by the Managing Body Consortium on the capacity and sustainability of the participating CSOs, including supporting the CSOs to more effectively collect management information and evidence their success to potential 'buyers' of their services.
- **Business Models:** to explore the extent to which the YSDF has supported CSOs to develop sustainable business models, and helped them extend the breadth and quality of services to the young people they work with.
- **The Commissioning Environment:** to explore the extent to which the programme has helped CSOs to become more commissioning ready, and better able to engage with local authorities and other potential funders during the process - including identifying the main barriers to and drivers of successful engagement.
- **Service Users:** to explore the characteristics and needs of the young people participating in CSO services, and the impact of YSDF supported services on their outcomes. Of key interest here is an assessment of the impact of YSDF on the ability of participating CSOs to grow their provision and to improve its quality.

As the study was completed early, this report represents a consolidation of the evaluation findings to date. Consequently it has not been possible at this point in the programme to provide firm conclusions on the effectiveness, or otherwise, of the YSDF approach and model overall. However, as subsequent sections suggest, there are many positive findings to report, and examples of impacts both for CSOs and the young people they work with.

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<sup>4</sup> GHK (2009) *Evaluation of the Youth Sector Development Fund: First Interim Report*, DCSF <http://www.education.gov.uk/research/data/uploadfiles/DCSF-RR169.pdf>

<sup>5</sup> Previously referred to in our First Interim Report as Third Sector Organisations (TSOs.)

<sup>6</sup> All monitoring data described in this report refers to the Pathfinder, Round 2 and Round 3 CSOs only.

### 1.3 The Evaluation Methodology

Annex 2 provides a detailed description of the evidence base and methodology used for the evaluation, with a summary being provided here. The evaluation took a theory of change approach, in terms of mapping out the problem the programme sought to address; the activities it employed in doing so; and the outcomes these activities were designed to achieve. For more information about our theory of change approach, see the Interim Report.<sup>7</sup> The overall evaluation draws primarily on the programme level Management Information provided by the Managing Body and qualitative data produced from GHK fieldwork, which consists primarily of in-depth case study research with fifteen Round 2 and Round 3 CSOs. Specifically since the Interim Report, we have completed a number of evaluation activities which inform this final Early Findings report. These include a continuation of the in-depth review of all key documentation relating to the funded CSOs; in-depth longitudinal case study fieldwork with 15 case study CSOs; interviews with key Managing Body and DfE stakeholders; an analysis of CSO produced quarterly Management Information; and a review of the Pathfinder evaluation outputs.

### 1.4 Summary of First Interim Report

The Interim Report, produced in July 2009 and focusing on the set-up and early implementation of Round 2 of the programme, concluded that:

- Good progress had been made in terms of establishing the individual projects and setting up the support infrastructure provided by the Managing Body.
- There was a clear ‘appetite’ among the Round 2 CSOs for the support services provided by the Managing Body, and they were ‘buying in to’ the capacity development component of YSDF. This was particularly encouraging as it suggested that the overall YSDF model had the potential to be both innovative and effective.
- However, it was clear at this stage that not all the CSOs had the capacity to immediately absorb the level of input required to fully participate in the support elements of the programme. In some cases the Round 2 CSOs were struggling to recruit to key posts, and the Managing Body, at least in the initial stages, was experiencing difficulties collecting basic MI from many of the CSOs.
- While it was too early in the programme to identify significant impacts across the projects, several examples of emerging benefits were identified amongst the project case studies. These focused mainly on strengthening and developing business systems with the support received via the Managing Body. There was also evidence that projects had started to take steps towards improving their commissioning readiness, in terms of establishing contacts with commissioners and submitting new tenders.
- Based on these early and emerging findings, several learning points were identified:
  - The integrated Support Programme had been focused more on the ‘business development’ of the CSOs than on their ‘commissioning readiness’;
  - The Account Manager role needed further clarity;
  - The Mentor/Mentee role needed further guidance; and
  - There was a need to review the time inputs for the Development Facilitator role.

### 1.5 Report Structure

This remainder of this report is structured as follows:

- Section 2 describes economic and policy context within which the programme is set, making reference to the recent change in Government and the implications for service commissioning and youth provision.

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<sup>7</sup> See <http://www.education.gov.uk/research/data/uploadfiles/DCSF-RR169.pdf>

- Section 3 describes the rationale for, and key features of, the YSDF programme, describing the key components of the support structure developed and introducing the CSOs participating in each round of the programme.
- Section 4 explores the progress and impact of the capacity development aspect of the programme, drawing on the case study fieldwork, Managing Body interviews, and review of Management Information and associated documentation.
- Section 5 explores progress with the service delivery aspect of the programme, again drawing on the case study fieldwork, Management Information, interviews with the Managing Body and a review of the case study CSOs' own impact data.
- Section 6 presents our conclusions and recommendations, and sets out the key learning from the programme to date.

The report also contains five annexes:

- Annex 1 provides a glossary of the acronyms used in this report;
- Annex 2 provides a list of references used in this report;
- Annex 3 provides the evidence base and methodology followed in the study; and
- Annex 4 reviews the progress made by the five Pathfinder CSOs, drawing on their own evaluations which are still in progress.
- Annex 5 presents the Round 3 core-curriculum programme.

## 2 The Economic and Policy Context

### Summary Points

- The economic and policy context in late 2010 is very different to that when the YSDF programme originated in 2007 - following the economic downturn, a change in government, and the establishment of the Conservative-Liberal Democrat Coalition. While each of these factors have implications for the achievement of the participating CSOs' sustainability ambitions, particularly given the tapered final year funding, it is still too early for these to be quantified. At this point youth sector CSOs face both opportunities and challenges.
- The opportunities include the continued move towards an increased role for the civil society sector in delivering public services contracts, the new coalition's commitment to the Big Society agenda and the role of CSOs therein, and potential opportunities around the 'contracting out' of youth services by local authorities.
- The challenges include uncertainties around funding in the light of public sector cutbacks, and whether local authorities will contract services out or seek to retain capacity internally.
- Inevitably there will be increasing scrutiny of value for money, a requirement to demonstrate cost effectiveness (even where outcomes are difficult to measure) and an increased emphasis on delivering more for less cost.

The Interim Report identified the underlying assumptions underpinning the development of the YSDF. Government policy has traditionally sought to promote a constructive relationship with CSOs and encouraged the commissioning of services from them where this delivered best value. YSDF is one of a number of programmes that seek to employ both grant funding and business support to equip voluntary and community organisations with the skills and capacity required to deliver socially beneficial outcomes. In this Section we revisit the policy context for the YSDF, highlighting significant policy developments and research findings from other similar support programmes to set into context the potential learning from YSDF for future policy and practice.

### 2.1 The Economic Context

Between 1997 and 2010, Government policy emphasised the need to reform public services through the involvement of a diversity of providers, the choice agenda and latterly the proposals for personalisation of services and individual budgets.<sup>8</sup> In response, CSOs have grown in terms of both the number of organisations and the level of activity.<sup>9</sup> A significant proportion of the growth over the past decade has been driven by state funding, through grants and a growing role in the delivery of public services. In 2007/08, the latest year for which data are available, charities had an income of £35.5 billion. Of this, around £13.3 billion (38%) was received from public sector sources. The average year-on-year growth of income from the public sector (adjusted for inflation) was 9%, while total income has grown at 6%. Although voluntary income has continued to grow in absolute terms, its relative worth had by 2006-07 fallen to less than 41% of total revenue. Conversely, earned income from contracts and sales of goods and services rose over the same period from 39% of total revenue to 51%.<sup>10</sup>

<sup>8</sup> The Future Role of the Third Sector in Social and Economic Regeneration: Final Report, HM Treasury and Cabinet Office (2010)

<sup>9</sup> Estimates of Government Funding to the Third Sector: Experimental Statistics 2010, NCVO Report for ONS. In 2000, general charities still obtained 50% of their total income under the 'voluntary' heading, half of it from individuals and the rest in the form of grants and corporate donations.

<sup>10</sup> UK Civil Society Almanac 2010, NCVO and Guidstar

Civil society has proved remarkably resilient in the face of the credit crunch and recession. However there is no doubt that the recession has had an impact, with the impact on different organisations differing, often due to their location and size of organisation. The following trends can be inferred:

- Organisations have seen a significant rise in demand for services, particularly employment services and debt advice.
- There is widespread concern and even anxiety— justified or otherwise – that local authorities will cut funding to civil society organisations (i.e. that they will be ‘first in the firing line’, with statutory and in-house services protected as cuts are made to services and funding).
- Other financial pressures caused by rising costs as well as a potential fall in donations (i.e. there is evidence that donations do not necessarily fall during a recession, although they slow down as people become more selective about the causes to which they donate).<sup>11</sup>

While still too early to understand the ultimate effect of the recession on the civil society sector, research undertaken by the Clore Social Leadership Programme on behalf of the Work Foundation seeks to understand the differential impact of the recession on different types of organisation, based on research undertaken on previous recessions.<sup>12</sup> The interim findings were that:

- Size matters: while medium sized organisations receive 40% of their funding from statutory sources, small and micro organisations are significantly more reliant on individual giving. Micro organisations only receive 5% of their income from statutory sources while generating 62% from individuals.
- Sector matters: CSOs involved in employment and training receive over 70% of their income from statutory sources, compared to organisations involved in religious, international and environment related activities which generate over half of their money from individual sources.
- Place matters: there are significant regional differences between organisational dependence on statutory funding. CSOs in Yorkshire and the Humber, East Midlands and Wales are particularly dependent on government and lottery funding.
- The private sector is a relatively small contributor: despite increasing budgets for Corporate Social Responsibility activities, CSOs only receive 5% of their total income from the private sector.

The lesson of past recessions is that all charities do not fare equally badly; indeed, some do not fare badly at all. Much may depend on the organisation's profile in respect of income generation and asset base. And the overarching trend of this decade - the rise of ‘earned’ income, eclipsing traditional voluntary income - is critical.

## 2.2 Coalition Priorities

Part way through the YSDF programme, we saw the coming to power of a new Conservative-Lib Dem Coalition. This has led to a shift in emphasis in a number of key policy areas, most notable of which has been the review of public expenditure. We have also begun to see the introduction of a number of new policies relating to the voluntary and community sector and youth provision. These are described in turn below.

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<sup>11</sup> Source Charity Commission: In the recession of 1991 to 1993, two thirds of voluntary and charitable organisations reported an increase or no change in income, with only one third reporting a decrease

<sup>12</sup> Mapping the Third Sector: A context for social leadership - A report prepared for Clore Social Leadership Programme, The Work Foundation, 2010

### **2.2.1 A review of public expenditure**

The 2010 Comprehensive Spending Review (CSR) signalled a significant reversal in the increase in Government expenditure since 2000. The Government announced plans to reduce its debt by approximately £113 billion per annum by 2014-15 (around 6.3% of GDP in that year). Of this around £84 billion per annum (73%) will come from cuts to public expenditure and the remaining £29 billion per annum will be achieved through tax increases.

Total spending will remain broadly unchanged at around £370 billion per year. However, once inflation and other adjustments, such as rising debt interest payments, are taken into account, spending on public services in real terms will be around 10 percent lower than currently by 2015. With some budgets, such as health, maintained in real terms (although this takes no account of reductions in other areas, such as adult social care), other departments face much larger cuts. In real terms, the Department of Communities faces the largest cuts, with a decline in real expenditure of over 60 percent by 2014-15. Business, Innovation and Skills, as well as the Justice Department and Home Office, also face substantial cuts in real terms. Overall, the Department for Education (DfE) faces budget cuts of three per cent by 2015. Crucially, for youth services, the department's non-schools budget will be hit particularly hard with a reduction of 12 per cent, and administration costs at the DfE will have to be reduced by 33 per cent. The Office of Civil Society has been allocated £470m of funding over four years, including a one-year £100m transition fund for charities delivering frontline services<sup>13</sup>, and a Community First Fund for small organisations in deprived areas which will provide start-up funding for community groups.

In the short term, CSOs that provide services to the public sector will 'share in the pain', as some existing contracts will be terminated and payment terms will be renegotiated, leading to tighter margins and the potential loss of jobs. Corporate funders are under pressure to reduce or withdraw funding and donations from individuals are down. CSOs seeing no increase in their budgets will continue to experience rising costs.<sup>14</sup> But in the longer term, there may be more encouraging signs for the sector. The government has declared its intention to open up public service provision to competition and to increase the level of independent provision (notably in areas such as moving people off benefits and into work). The government will seek to establish the extent of services across the public sector to be delivered by independent providers, such as the voluntary and community sectors and social and private enterprises. That will in due course mean additional business for civil society organisations, provided they can accept the risks associated with an outcome-based approach to paying for services.

### **2.2.2 The Big Society**

The Coalition government is still committed to increasing the involvement of the voluntary and community sector in public services. Indeed, it is central to the government's Big Society plans. These were first outlined by the Conservative party in the run-up to this year's general election. The formal launch of the Big Society programme took place at an event in Downing Street with community activists and leaders on 18 May 2010. The Prime Minister said he wanted his vision of a 'Big Society' to be one of the legacies of his Government.

*'Today is the start of a deep and serious reform agenda to take power away from politicians and give it to people. That's because we know instinctively that the state is often too inhuman, monolithic and clumsy to tackle our deepest social problems. We know that the best ideas come from the ground up, not the top down. We know that when you give people and*

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<sup>13</sup> The Spending Review highlights the potential increase in the opportunities and funding available to civil society organisations in the medium and longer term and includes a Transition Fund to help organisations prepare for these opportunities in the short term.

<sup>14</sup> Managing in a Downturn: survey results (2008 and 2009), analysis and key messages, PricewaterhouseCoopers for the Institute of Fundraisers and Charity Finance Directors' Group

*communities more power over their lives, more power to come together and work together to make life better – great things happen’.*<sup>15</sup>

Lord Wei, a Government Adviser on Big Society, sought to define the principles informing the Big Society agenda. In his maiden speech in the House of Lords, he described the agenda in the following terms:

*‘The Big Society describes a set of policies to give more powers to people closer to where they live, help increase the capacity and resources of civil society to take up such powers and encourage a sense of collective progress and momentum, since it can be hard to ‘bowl alone’...civil society is now, more than ever, being asked about what role it wants to play in shaping our collective social future, in driving long-term change and solving entrenched problems’.*

The thesis advanced by the new Government is that, even after significant increases in spending on public services, many of the same social problems remain. Part of the answer, they suggest, lies in a larger role for voluntary organisations in the delivery of public services and the encouragement of social enterprise.<sup>16</sup>

As summarised in Table 2.1 below, the aim of the Big Society is to move from a default position of ‘central design and government provision’ to one in which individuals and communities, wherever possible, have the means to solve problems close to where they live. The means of achieving this are:

- Encouraging people to be more involved in their communities through the promotion of ‘mass social action’;
- A stronger civil society sector, allowing people to contribute more effectively to locally determined priorities; and,
- Ensuring that people are better able to shape governmental policy and delivery, through more transparent decision making and the provision of information.

The new National Citizen Service (NCS) is a flagship initiative supporting the Government’s vision for building the Big Society. It will act as a gateway to the Big Society for many young people, supporting them to develop the necessary skills and attitudes to engage more with their communities and become active and responsible citizens. It is expected that around 10,000 young people will benefit from the NCS experience in the 2011 pilot year.

The programme is expected to promote:

- A more cohesive society by mixing participants of different backgrounds.
- A more responsible society by supporting the transition into adulthood for young people.
- A more engaged society by enabling young people to work together to create social action projects in their local communities.

The NCS Summer 2011 pilots will take place from June to September. It is anticipated that the programme will last for around 7-8 weeks. A minimum of ten days and nights will be spent on a residential basis away from participants’ homes to ensure social mixing and to give the participants the opportunity to develop life skills and resilience, such as managing a budget and cooking meals.

The pilots will consist of five distinct phases of activity, taking place in the following order:

- Phase 1: An introductory phase in which expectations will be set and relationships built between participants and staff.

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<sup>15</sup> Launch of the Big Society programme, 18 May 2010

<sup>16</sup> Building the Big Society, Cabinet Office, 2010

Table 2.1 The Big Society – an overview<sup>17</sup>

| <b>Organisation / Group</b>          | <b>Role</b>   | <b>Key Themes</b>   | <b>Implementation</b>  |
|--------------------------------------|---|---|--|
| Government                           | <ul style="list-style-type: none"> <li>▪ Protecting the vulnerable and ensuring essential services</li> <li>▪ Facilitating the design of other services with partners</li> </ul>                    | <ul style="list-style-type: none"> <li>▪ Reduced state provision providing only 'core' services</li> <li>▪ Social justice, taking extra steps where necessary to empower communities</li> <li>▪ Increased accountability, reinvigorating local accountability, democracy and participation</li> <li>▪ Transparency, letting local people know how their tax money is spent</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Review of the welfare system to ensure it effectively targets the most vulnerable</li> <li>▪ Communities First Fund, targeted towards the most disadvantaged, providing micro funding to existing charities and social enterprises</li> <li>▪ A Localism Bill (November 2010) to give communities the right take over state run services</li> <li>▪ A new 'right to data' to enable the public to request government data-sets</li> </ul>   |
| Social, public and private providers | <ul style="list-style-type: none"> <li>▪ Collaborating in the design and delivery of complementary services</li> <li>▪ Developing innovative service models for 'harder to reach' groups</li> </ul> | <ul style="list-style-type: none"> <li>▪ Enhance public sector markets, examining opportunities for involvement by private and voluntary sectors in service delivery</li> <li>▪ Leadership by frontline providers, including decisions on commissioning</li> <li>▪ Funding based on social investment, giving and philanthropy (not just statutory funding)</li> <li>▪ Creating a level playing field for the voluntary sector</li> </ul> | <ul style="list-style-type: none"> <li>▪ Increasing opportunities for private sector and civil society organisations</li> <li>▪ Focus on social investment, charitable giving and philanthropy, including a 'Big Society bank' to provide capital</li> <li>▪ Improved local commissioning, with payment by results and more long term contracts</li> <li>▪ Pooling of funding in local areas and the design of services around people (i.e. the optimal impact at the right time)</li> </ul>   |
| Citizens and neighbourhood groups    | <ul style="list-style-type: none"> <li>▪ Participating in the design and delivery of services</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Formation of neighbourhood groups, mutuals and cooperatives, including the new right for public sector workers to form employee owned cooperatives</li> <li>▪ Charitable giving philanthropy to replace public sector spending where possible and appropriate</li> <li>▪ Increasing corporate social responsibility and volunteering</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Formation of neighbourhood groups, mutuals and cooperatives, making it easier to establish, removing barriers</li> <li>▪ New right for public sector workers to form employee owned co-operatives, seeking to give the freedom to innovate</li> <li>▪ Further encouragement for charitable giving</li> <li>▪ A campaign to encourage local action, time banks and other forms of association</li> <li>▪ Encouragement for volunteering, including a new National Citizens Service, Social Action Day and training for community organisers</li> </ul> |

<sup>17</sup> Sources: Building the Big Society', Lord Wei's presentation to the Institute for Government (July 2010); 'Big Society, Not Big Government', Conservative Party policy document (march 2010) and Draft Structural Reform Plans drawn from across Government

- Phase 2: Full-time residential team building programme away from participants' local community, with a focus on teamwork and outdoor physical challenges (one week).
- Phase 3: Full-time residential programme based in participants' home communities, with a focus on developing new skills and serving groups in the local area (one week).
- Phase 4: Participants to design a social action project in consultation with the local community (one week).
- Phase 5 onwards: A period of 30 hours social action on a part-time basis, a fair/event to encourage participants to get involved in ongoing social action or volunteering activities in their area and a celebration and graduation event for participants and their guests. It is anticipated that as a final challenge young people will play a full and active part in this celebration.

NCS will also include an alumni programme, including training sessions and reunion events, to build on the enthusiasm and relationships generated by NCS. In the longer term, the programme is also expected to include opportunities for outstanding NCS graduates to take part in a programme of social action projects in developing countries.

The NCS is a useful example of the new Government's approach to Civil Society, with particular emphasis placed on programmes that address issues of localism, decentralisation and social responsibility:

- Addressing socio-economic factors underpinning 'social breakdown' and building social capital, building a culture of greater personal as well as social responsibility;
- Top-down targets and investment are seen to have failed to produce better outcomes, requiring a change of tactics - devolving power, choice and control to frontline professionals and communities;
- The expectation of 'more for less' in a tough economic climate (i.e. better outcomes and more added value).

### **2.2.3 Implications for Commissioning: Payment by Results**

Youth services face enormous challenges – how to deliver more for less, through more innovative and responsive forms of programme delivery. The previous government tended to emphasise 'outcome-based commissioning'. This involved measuring the impact of what end users achieve after engaging with services by establishing a measurable relationship between the outcomes to be achieved and the outputs and processes put in place to deliver them. It became central to thinking across the statutory and civil society sectors through, for example, Every Child Matters.

For local authority commissioners, this placed an increasing emphasis on competitiveness and performance management. When commissioning youth services, local authorities now tend to follow (in broad terms) a more structured 'commissioning cycle' comprising:

- The identification of needs;
- Planning - including pre-tender dialogue;
- Sourcing - increasingly through competitive bidding processes;
- Delivery - through a contract or Service Level Agreement; and
- Performance management and review.

However, in terms of commissioning from the CSO sector, the following issues emerged from our interviews with commissioners:

- public sector commissioners tended to believe that a fully developed market for youth sector services had not been achieved and that there were only a small number of competent organisations;

- as a result, they tended to rely upon CSOs who were well known to them and had an established track record;
- there has been some rationalisation of contracting arrangements across local authorities, partly to avoid duplication, with a movement towards larger contracts;
- the frequency, level and depth of commissioning activity varied significantly between CSOs;
- the approach taken by local authorities to commissioning services varied considerably, although most had formal agreements or networking arrangements in place;
- very few had an established strategic dialogue about their needs or the ability of the civil society sector, or any other sector, to deliver public services (i.e. as a result very few CSOs felt that commissioners understood their skills, competences and capacity); and,
- at a sub-national level, the public sector rarely provided in-depth tailored capacity building support to the CSO sector.

Such challenges will become increasingly to the fore, as greater emphasis is placed on payment by results as part of the coalition Government agenda. Before the General Election, the then Shadow Chancellor George Osborne told a summit of civil society leaders that:

*'We have seen public sector productivity falling since 1997. So our...benchmark is to reform public services to deliver better value for money. Our reforms will change that, by increasing diversity of provision, extending payment by results, giving more power to consumers and improving financial controls'.*

Payment by results has now become something of a coalition mantra, prompted by a thesis that commissioning decisions had become too influenced by process rather than impact.

It is expected that civil society organisations will have more opportunity to win government longer-term contracts but it will also be expected to deliver much greater productivity and scale. Youth sector civil society organisations involved in public service delivery can expect longer contracts, of up to ten years, but also payment-by-result models. Recent speeches by Ministers have also suggested the need to incentivise private sector investment in civil society through the encouragement of payment-by-result bonuses and social impact bonds.

Social Impact Bonds have become an increasingly significant element of programmes that seek to address persistent social problems, most notably in criminal justice. This approach provides a new way to invest money in social outcomes, by commercial investors or foundations, with Government backed payments linked to outcomes achieved in improving the lives of the group. For example, a pilot bond administered by enterprise consultancy Social Finance is expected to fund the work of a consortium of civil society organisations in Peterborough. They will work with about 3,000 prisoners over a six-year period to reduce re-offending, with the investors only receiving a return on its investment if the project hits Government targets to reduce reoffending. Depending on results, investors will be able to make a profit of up to 13 per cent.

Several fields have been proposed for bonds of this kind, including investment in early year's programmes, NEETs, youth or young adult offending, care leavers and investments in health prevention and improvement. It is hoped that effective partnerships will enable the public and private sectors and civil society to support and benefit from improved performance. This will require widespread recognition and techniques for appropriate risk sharing and gain sharing. Common concerns expressed within the youth sector include:

- measurement (ensuring that metrics are not vulnerable to economic downturns or policy changes); and
- the appropriate handling of risk (with public, private and civil society organisations taking responsibility for the risks they can manage i.e. civil society organisations responsible for

service delivery risks, rather than risks associated with changes in socio-economic conditions).

#### **2.2.4 Implications for Youth Provision**

Against this wider economic backdrop and the push for a Big Society, there has been little indication yet of a commitment to youth sector provision. The Government's coalition agreement contains no reference to youth policy, except for the proposal of a summer-long National Citizen Service for 16-year-olds (outlined above). Also, following a review of planned spending commitments following the General Election, the Department for Education announced that it would no longer be proceeding with the planned Youth Sector Support Framework Agreements. Since 2008, the previous government had been developing these Agreements, which attempted to streamline the way in which youth sector programmes were commissioned.

In recent speeches, Ministers have indicated the direction of travel for youth policy. Key themes include:

- a view that society has changed in recent decades, as families have become less extended and communities more fragmented;
- the forging of a new relationship and partnership between youth sector voluntary, private and statutory sectors, with social entrepreneurs, charities and others collaborate in the design and delivery of complementary services and initiatives;
- this means a shift away from interventions led by arm's-length bodies and central government programmes, which are considered to have reduced the capacity of local communities to act, with greater emphasis on volunteering, which is expected to provide opportunities for learning and developing skills;
- the expected announcement of neighbourhood grants for the UK's poorest areas, with funding made available to charities and social enterprises to work with new and existing groups in the most deprived and broken communities; and,
- the establishment of 'National Centres for Community Organising' that will train thousands of independent community organisers who can then, in turn, help communities to tackle the individual social challenges they face.

It is already clear from local authority planning that significant cuts to this area are likely. Youth services have expanded considerably in recent years, so there may be some scope to cut non-statutory services such as preventative services, mentoring schemes and restorative justice schemes.

### **2.3 Research Evidence**

YSDF is one of a range of support programmes available to the voluntary and community sector. We highlight here research evidence from key programmes, where evaluation evidence is available, to provide some useful comparative lessons.<sup>18</sup>

#### **2.3.1 Futurebuilders**

Like the YSDF, Futurebuilders seeks to increase the contribution of CSOs to service delivery, improving the social outcomes for service users. A vehicle for providing venture capital style funding, when organisations are unable to sufficiently access investment markets, loans and support are made available with payments recycled and reinvested by Government. A recent evaluation of Futurebuilders concluded that:<sup>19</sup>

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<sup>18</sup> Comparisons with the YSDF findings are explored in Section 3.1

<sup>19</sup> Futurebuilders Evaluation (Final Report), Centre for Regional Economic and Social Research, Sheffield Hallam University, 2010

- It had been effective, in terms of income growth, at selecting strong organisations, notably those which have already built capacity but are seeking to grow further, and those which still require organisational development support.
- In terms of value for money, it is 'broadly comparable' to other social investment organisations and management costs appear lower than comparable organisations.
- Investments were found to be largely additional, and investee organisations were found not to be displacing existing services.
- Children and young people were one of three public service delivery areas that accounted for 82% of applications to and 84% of investments by the fund. Confirming the findings of the interim evaluation of the YSDF, this evaluation found that:
  - practice has been variable in the capturing and monitoring of benefits for service users;
  - investment places different demands on organisations (i.e. governance, financial management, marketing, user involvement and risk management), and is not necessarily a replacement for grant funding; and
  - organisational development needs to take account of internal organisational management (i.e. financial management) and external relationship factors (i.e. relations with funders).

### **2.3.2 ChangeUp**

ChangeUp is a programme of capacity building focused on the infrastructure of civil society organisations. Evaluation findings (reported in December 2009) based on a review of impact and outcomes achieved in the first funding period (April 2004 – March 2008) suggested that:<sup>20</sup>

- The rationale for intervention which could bring about radical change to weak infrastructure support arrangements was uncontested;
- Although the programme had never been intended to provide core funding to frontline organisations, this expectation, which was widespread at a local level, often led to disappointment as the funding available failed to cover the full costs of service delivery;
- The most significant impacts on local infrastructure organisations are identified in terms of better collaboration, efficiency savings, more appropriate services, improved standing with the statutory sector, greater funding opportunities, improved access to other non-ChangeUp funding and increased stability; but
- These impacts were slow to emerge, patchy in their achievement and not always attributable to ChangeUp. Indeed in some areas this has undermined local confidence in the overall ChangeUp approach.

### **2.3.3 Local Authority Commissioning Pathfinders**

A study of the Local Authority Commissioning Pathfinders, commissioned by the former Department for Children, Schools and Families (DCSF), sought to measure the impact and effectiveness of the processes involved in commissioning school places and school improvement.<sup>21</sup> This had a number of findings which are of relevance to our understanding of the YSDF programme. These are set out in Table 2.2 below.

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<sup>20</sup> Evaluation of ChangeUp 2004 to 2008, The Third Sector Research Centre (with BMG Research, GuideStar Data Services and Sustain Consultancy), 2009

<sup>21</sup> Local Authority Commissioning Pathfinders Study, SQW Consulting for DCSF, 2010

**Table 2.2: Factors Influencing Commissioning**

| <b>Critical success factors</b>   | <b>Problems and barriers to be aware of</b>  |
|---|--|
| View school commissioning as part of a wider commissioning process  | Different procurement rules and processes across agencies can hinder joint-commissioning   |
| A formal commitment to outcomes-based commissioning as a way of working   | Where partners operate in a number of local authority areas, with different approaches to commissioning, relationships can be complicated and confusing  |
| Involve people with previous experience of commissioning, e.g. via Sure Start   | Different guidance and approaches to commissioning from DCSF and Department of Health concerns and confuses local partners   |
| Support geographic groupings of (secondary and primary) schools to share information, learning, good practice and act as a sounding board | Different interpretations of what 'commissioning' means, e.g. some partners see it as a synonym for procurement, while others see it as a broader process involving setting priorities, making the in-house /outsourcing decision to bring change etc. |

DCSF also published an analysis of providers' views and experiences of being commissioned by local authorities and their Children's Trusts partners. The survey was completed by 1,500 public, private and civil society sector providers of services for children, young people and families. Conclusions reached include:

- A level playing field between providers in the public, private and civil society sectors has yet to be achieved, with CSOs being least likely to agree that there was a level playing field and most likely to perceive their own sector as being disadvantaged;
- There were mixed views among providers about their experience of the commissioning process, with most having some involvement in assessing user needs but less involvement in planning or designing services;
- Providers were critical about the clarity of tendering documents, but agreed that contracts had improved; and
- At the time of the survey, most providers were optimistic about the sustainability of their services.

### 3 The YSDF Programme

#### Summary Points

The YSDF programme comprises a series of distinctive features, including

- Targeting support towards large, medium and small sized CSOs respectively through three distinct funding rounds;
- Specifically targeting the youth sector to deliver positive and preventative activities, particularly in relation to youth crime – targeting the most disadvantaged young people aged 13-19 (or to 25 with Learning Difficulties and Disabilities (LDD));
- Taking a grant funding approach to support the provision of new/expansion of existing services, tapered in the final year to incentivise CSOs to encourage sustainability; and
- Complementing the grant funding with a comprehensive package of business support, including Account Managers, Development Facilitators, bespoke consultancy and networking and training events - but perhaps most innovatively the use of Mentors in Round 2 and embedded Business Advisors in Round 3.

Participation in YSDF is on the basis of three rounds of competitive tendering:

- **The Pathfinders** – targeting larger CSOs, featuring five CSOs receiving a total of £27,116,000 between April 2008 and March 2011;
- **Round 2** – targeting medium sized CSOs with turnovers of between £1 million and £5 million, and featuring 13 CSOs, who received just over £24 million between December 2008 and March 2011; and
- **Round 3** – targeting smaller ‘grass roots’ organisations with turnovers of less than £1 million, and focusing on Friday and Saturday night provision, featuring 25 CSOs and running between April 2009 and March 2011.

Responsibility for programme management and support delivery lies with a **Managing Body**, a consortium led by Ecorys and including Business to Business, Catch 22 and PrimeTimers. A combination of ‘core’ support and an Integrated Support Programme (ISP) is offered, with key features of the ‘core support’ including: The Account Manager; Development Facilitator or Project Champion; and Networking Events.

Key features of the ISP include:

- **Bespoke consultancy support** – mainly for Round 2 CSOs but also open to Round 3 and Pathfinder CSOs;
- A **Business Mentor** – for Round 2 and Pathfinder CSOs
- An embedded **Business Advisor** – for Round 3 CSOs; and
- A **Core-Curriculum** – introduced for Round 3, but with Specialist Workshops open to Round 2 and Pathfinder CSOs.

The Managing Body also provided a range of additional support to the CSOs, including a Commissioning Checklist, Financial Health Checks and help with Exit Planning – with the latter having just started at the time of the final case study visits.

Having set out the changing policy context, this section now describes the YSDF programme. The section first revisits the rationale for the programme in light of new political priorities, setting out the key features that make it distinctive. This is followed by an overview of the three programme funding rounds and an introduction to the participating CSOs, before describing the structure and role of the Managing Body and the different elements of the Integrated Support Programme.

### 3.1 Rationale and Approach

The YSDF programme is a grant giving and capacity development programme targeted towards youth sector CSOs in England. YSDF was borne out of a desire by the previous government to boost the capacity of youth CSOs to deliver more and higher quality youth provision, particularly on behalf of local authorities. Specifically, the decision to run the YSDF programme was informed by the Feinstein, et al., (2006) research and the PWC report (2006)<sup>22</sup>. Feinstein et al. (2006) showed that young people who engaged in structured activities had better outcomes later in life. After accounting for class, they were more likely to be happy, have good qualifications, earn a decent living and be in stable relationships. The research also showed that young people who attended unstructured youth clubs (and which attracted the more disadvantaged young people) were more at risk of negative outcomes. The PWC (2006) report estimated that charities funding of youth work equated to £53.5 million per annum. It noted that while CSOs deliver a significant amount of activities across most areas of publicly funded provision, the sector played only a limited role in providing youth services. The sector's capacity to respond to opportunities would be increased by addressing concerns about performance management and accountability. Central Government could, potentially, play a role by providing longer term funding to facilitate more strategic planning of service delivery and enable greater investment in capacity building of services on the ground. Within this context, the YSDF programme was concerned with building the capacity of youth sector CSOs to more effectively compete for contracts and become more sustainable.

As we have seen, a new Coalition Government took office part way through the YSDF programme. Despite a marked departure from previous Government policy, the initial rationale for the programme continues to be relevant to the current political climate and chimes with many of the Coalition's priorities, particularly regarding the Big Society.

The YSDF programme approach, particularly when compared with other capacity building programmes, is distinct and innovative in a number of key ways:

- Firstly it is targeted on supporting large, medium and small sized CSOs through a series of distinct funding rounds;
- Secondly it is targeted specifically on the youth sector to deliver positive activities with preventative approaches, particularly in relation to youth crime;
- Thirdly it takes a grant funding approach but which is tapered in the final year to incentivise CSOs to secure replacement funding and to encourage sustainability; and
- Finally, it combines revenue funding with tailored integrated support, which includes a Managing Body, the use of Account Managers and CSO nominated Development Facilitators; but perhaps most innovatively the use of Mentors in Round 2 and embedded Business Advisors in Round 3.

Up to £100 million was available for the programme from April 2008 to March 2011. Its original aim was to support CSOs which provided positive activities addressing the key issues set out in the previous administration's youth development targets, i.e. reducing NEET levels, crime, illicit drug use and teenage pregnancy. There was also a clear emphasis placed on the CSOs to facilitate and support the role of young people in influencing YSDF-funded service design and delivery. The target age group for service users was 13-19 years (up to 25 for those with Learning Difficulties and Disabilities (LDD)). The key driver though for the YSDF – perhaps even more so now - is to develop the CSOs to become more commissioning-ready, and hence more sustainable. The tapering of the grant funding available in the final year, combined with the Integrated Support Programme, was intended

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<sup>22</sup> Feinstein, L., Bynner, J., and Duckworth, K. (2006). Young people's leisure contexts and their relation to adult outcomes. *Journal of Youth Studies*, 9 (3), 305-327; Price Waterhouse Coopers (2006) *DfES Children's Services: The Market for Provision of Positive Activities for Young people*, DfES.

to stimulate more sustainable delivery models. Underpinning this was the pragmatic need to ensure that any such programme could be delivered within the Comprehensive Spending Review time period – hence the need for all Rounds of the programmes to complete by March 2011 – even those Round 3 CSOs only joining the programme in July 2009.

The following section provides an overview of the three rounds of the programme and the YSDF management and support arrangements building on, and highlighting the key changes introduced since, the Interim Report.

### 3.2 The YSDF Funding Rounds

The YSDF programme comprises three funding rounds: a Pathfinder round (April 2008-March 2011) for larger CSOs; a second funding round for medium sized CSOs (December 2008-March 2011) and a third round of funding for smaller ‘grassroots’ CSOs (April 2009-March 2011). As highlighted in the previous report, each funding round has a different focus and remit, while a series of key common principles underpin all three:

- Only CSOs working with the most disadvantaged young people (aged 13-19 or up to 25 with LDD) and with a focus on youth issues which were policy priorities at the time (e.g. preventing young people being drawn into crime or substance misuse; reducing youth homelessness; reducing the number of young people not in education, employment or training; and reducing teenage pregnancy) were eligible;
- CSOs had to demonstrate that they were either: expanding or replicating highly innovative approaches; embedding and demonstrating quality practices and approaches; becoming more commissioning ready; developing innovative and alternative sustainable funding strategies and sources; further developing innovative solutions to working with young people; and/or applying proven methodologies to a larger client group;
- All receive grant funding, paid quarterly in advance and allocated on a tapered not for profit basis (i.e. the proportion of grant funding decreases in the final year of YSDF funding). Grant funding is for revenue costs only and does not cover capital expenditure;
- The grant funding is complemented by a comprehensive package of business support, described in detail below, with the stipulation that CSOs work with the Managing Body and demonstrate a desire to achieve a step change in the way they operate; and,
- Payment is made against an agreed delivery and payment profile drawn up by the Managing Body for each of the CSOs. This has three categories of performance measures (see Figure 3.1 below), and while quarterly payments are made in advance on-going payment is subject to levels of spend, income and performance against these measures. If CSO performance falls below 50% a review is conducted with the CSO to plan actions, including agreeing changes of approach to improve performance, intensifying support from the Managing Body, and, if no recovery of performance may be achieved, scoping reduced costs. There is flexibility in the system to allow for amendments to delivery plans if raised and agreed in advance with the Managing Body. Any grant monies that remain unspent by the CSOs are recovered and returned to DfE.

#### Figure 3.1: Delivery Payment Profile Measures

- A. Expanding or replicating (innovative or proven) approaches to working with the most disadvantaged young people.
- B. Developing sustainable funding strategies, including becoming commissioning ready.
- C. Embedding and disseminating high quality practices (across the sector).

Each programme Round, and the participating CSOs, are described below.

### 3.2.1 The Pathfinders (April 2008-March 2011)

In March 2008, five CSOs were awarded YSDF Pathfinder status with a total funding allocation of £27,116,000 (see Annex 4 for a more detailed overview of the Pathfinders). A key intended role for the Pathfinder CSOs was to disseminate learning to other organisations from the subsequent funding rounds. The five Pathfinder CSOs are introduced below.

**Figure 3.2: The YSDF Pathfinders**

- **Kids Company** YSDF funding is helping Kids Company become a centre of excellence, enabling them to disseminate informed educational packages for service users and providers, and continue their direct wrap-around delivery to young people.
- **UK Youth:** YSDF funding is being used to set up 10 Youth Achievement Foundations which will provide non-formal alternative learning and support services, based on UK Youth's established curriculum to support young people at risk of exclusion/NEET.
- **Fairbridge:** The YSDF is funding the expansion across Fairbridge's regional teams to achieve optimum operating capacity and delivery in their 11 offices, enhance and develop the quality of support to young people, enabling them to raise their aspirations and change their lives. Fairbridge is also developing a tracking model to map long term outcomes for young people.
- **Advocacy Partners Speaking Up:** The YSDF is providing funding to help 7,000 disabled young people make the transition into adulthood with the confidence, skills and independence to achieve. This includes replicating and growing existing services, disseminating toolkits and applying proven methodologies.
- **LEAP Confronting Conflict:** The YSDF funding will grow the organisation's impact regionally and nationally by replicating successful programmes for disadvantaged young people with proven outcomes. Leap is also using YSDF funding to tackle rising youth conflict, crime and violence by developing more skilled young leaders.

### 3.2.2 Round Two (December 2008-March 2011)

Thirteen CSOs were awarded second round YSDF funding in December 2008. Medium sized CSOs were targeted for this Round, defined as having annual turnovers of between £1 million and £5 million. It was felt important that the CSOs would be of sufficient size to be able to absorb the scale of funding on offer. In line with Government priorities at that time, Round 2 had a specific focus on CSOs concerned with preventing young people from committing crime, becoming involved in anti-social behaviour, gun or gang crime, and in particular those working with young offenders to prevent re-offending. Just over £24 million was distributed to support positive activities for over 18,000 young people, across 46 local authority areas. The Round 2 CSOs are introduced below.

**Figure 3.3: The 13 Round 2 CSOs**

- **Bolton Lads and Girls Club:** YSDF is funding a creative programme of emotional and practical support and 1:1 ENHANCE mentoring for 400 young people in Years 10 and 11 of five Bolton schools who are NEET/at risk of NEET.
- **Brathay Hall Trust:** YSDF is funding a 12 week community based programme including group work and ongoing support, a 5 day residential course for personal development, and a leadership programme for vulnerable and disadvantaged young people aged 13 – 19.
- **Coventry and Warwickshire YMCA**<sup>23</sup>: YSDF is funding targeted provision for 3,000 young people involved or at risk of being involved in crime and anti-social behaviour through; outreach work, music events, life skill programmes delivered in schools; sports/leisure provision; and support and resettlement of young people leaving prison.

<sup>23</sup> For Coventry YMCA the YSDF grant ended in December 2009, but support under the programme continues.

- **London Youth:** YSDF is funding capacity building, outreach work, personal development and employability training for 1,000 young people (13-19) in or at risk of joining gangs.
- **NIA Project:** YSDF is funding signposting, intensive behavioural support, group work and accredited qualifications for 928 young people at risk of committing violent crime.  
**Oakmere Community College:** YSDF is funding an increase in provision, new positive activities around sailing and diving, as well as new outreach work, working with 1,500 young people who are NEET/at risk of NEET including LLDD, ex-offenders, homeless, and substance abusers.
- **Pupil Parent Partnership:** YSDF is funding personal development, peer mentoring, accredited training for those who are NEET/at risk of NEET, and the expansion of existing services and development of networks.
- **Renew Leeds Ltd:** YSDF is funding IAG and support, young people's conflict resolution and outreach work with disadvantaged and disengaged young people.
- **Salford Foundation:** YSDF is funding 33 new staff to extend and develop existing services to include work based learning and training opportunities, personal development, peer engagement and outreach to 1,800 additional young people.
- **The Salmon Youth Centre in Bermondsey:** YSDF is funding additional school clubs, tailored support including mentoring, adventure activities and residential sessions, and alternative education including DoE, Youth Achievement Awards and ASDAN to young people at risk or who are NEET/at risk of NEET.
- **V6/Single Homeless Accommodation Project:** YSDF is funding life skills courses, media training/reality TV project, counselling, literacy and numeracy support, and work placements for 1,050 young people who are NEET/at risk of NEET.
- **Wheatsheaf Trust:** YSDF is funding an integrated pathway to access services from consortium members for 700 young people at risk of being NEET, engaging in offending/criminal and risk taking behaviour and disengaging with the community.
- **Youth at Risk:** YSDF is funding education, employment and community coaching for 2,050 vulnerable young people in schools, and training for community delivery agents.

### 3.2.3 Round Three (July 2009-March 2011)

The total funding available for the third round was between £400,000 and £600,000 for each CSO. CSOs with an annual turnover of less than £1m were eligible to bid. In terms of the tendering and recruitment process, the third round allowed lessons from the Round Two process to be applied. The main changes made for the Round 3 tendering process were:

- The application form was amended to allow for the collection of more of the information found to be required and collected later with the Round 2 projects. This was key as time for the Round 3 projects is short;
- The guidance note was made clearer, based on issues raised by Round 2's, with more detail on the requirements for programme participation and set expectations accordingly;
- Financial information and guidance was amended, to include troublesome issues from Round 2 such as apportionment; and
- Holding workshops early in the application process – which were also useful for finding out where CSOs may not want to apply, so saving time and effort all round. Overall it was felt that the workshops led to better quality applications for Round 3, although it was recognised the differences between each Round made comparison difficult.

Another difference in the Round 3 process was the involvement of a Young People's Panel as summarised in the box below.

#### Young People's Panel – Role in the Round 3 Tendering Round

The Round 3 application forms featured a specific section which would be reviewed by young people. Once the applications were received, and the 'top scorers' selected, the young people reviewed the specific section of the application form as well as looking across the whole application in detail.

The young people offered a range of insights into the CSOs' proposals. These included feeling they were being patronised in the proposals, that some were not being as inclusive (one example by gender and another around LLD) as they could be, and being keen on examples where young people's inputs to the applications were transparent.

The views of the young people did not change the overall directions of the assessment, but were most powerful when their views aligned with those of the wider panel – for example around innovations.

Due to commence from April 2009, but with a delay of 3 months, the third round of funding began in July 2009. A total of 25 CSOs were successful and have received overall a total of just under £10 million. The focus of this Round was on CSOs providing positive activities for young people on Friday and Saturday nights. An emphasis was also placed on preventative approaches, reducing the numbers of young people involved in a range of negative behaviours, including youth crime and ASB, and increasing the number of young people acquiring broader social and emotional skills from engagement in high quality provision outside formal learning. Figure 3.4 provides an overview of the Round 3 CSOs.

#### Figure 3.4: The 25 Round 3 CSOs

- **Ashington Joint Welfare Scheme.** YSDF is funding 639 young people to engage in a wide variety of music, arts, and physical activities focused on Friday/Saturday nights, but also offering new activities after schools and at weekends. Activities include: drop-in, gym, football league, DJ decks, photography, aerobics, girls group, ladz group.
- **Berkshire Association of Clubs for Young People.** YSDF is funding 508 young people to take part in positive activities on Friday and Saturday nights in five youth clubs in deprived areas of Berkshire including a new youth cafe, and a mobile DJing project with intensive support and training for offenders and those at risk of offending.
- **Cardigan Centre.** YSDF is funding 630 young people to participate in positive activities including arts, football, media and drama in local community and sports venues on Friday and Saturday nights to young people with individual support provided flexibly according to young people's needs.
- **Creative Industry in Salford.** YSDF is funding 400 young people to take part in an intensive 12 week programme of film making, radio, music, theatre and digital imaging to improve key transferable skills, during weekday evenings and weekends. Target groups include NEET (16-19 primarily), young people who are offending or at risk of offending, young people with drug and alcohol issues, young people with disabilities, carers and young parents.
- **Hangleton & Knoll Project.** YSDF is funding the engagement of 496 disadvantaged young people from an area of high multiple deprivation in positive evening and weekend activities including sports, recreational activities, a music project, development of a youth forum and an IT skills training.
- **Headliners UK.** YSDF is funding 1,900 young people to participate in positive activities focused on multi-media journalism such as video, audio, print and photography to capture and broadcast local stories and improve community relations.
- **Heartbeat Communiversity.** YSDF is funding 520 young people targeted throughout out-reach to participate in sports, music, dance, drama, fitness and volunteering sessions on Friday and Saturday nights.
- **Ignite Trust.** YSDF is funding 488 disadvantaged young people to take part in sports, performing arts, workshops, and mentoring on Friday and Saturday nights. Key activities include an open sports programme and closed sports academy teams,

performing arts project, sexual health and relationships group, evening socials, mentoring, intensive support, and a parenting group for young parents.

- **Kings Cross Brunswick Neighbourhood Association.** YSDF is funding 565 disadvantaged young people to participate in new activities, primarily on Friday and Saturday nights, in the Kings Cross area, including sports, gym, music, technology, film-making, street dance, T-shirt design and outdoor pursuits, with embedded support and training in conflict resolution, mediation and anger management, alcohol and substance misuse, stop and search awareness.
- **LEAP training.** YSDF is funding 150 young people to engage in outdoor activities and residentials, focused on outreach in disadvantaged estates on Friday/Saturday nights.
- **Liverpool Lighthouse Ltd.** YSDF is funding 610 disadvantaged young people to participate in Friday/Saturday night arts based youth provision, including parcour, street dancing, digital media, rap, DJing, new media and graffiti and dance events.
- **Make a Difference MaD.** YSDF is funding 1000 disadvantaged young people to engage in activities carried out on Friday and Saturday including: skate workshops & skate jams, fashion recycling workshops, a legal graffiti wall, a 'dry' nightclub, DJ workshops, street dance workshops, rehearsal space & gig nights for young musicians & bands, film nights, cookery workshops, sporting activities including 'midnight' football, netball, basketball & hockey leagues.
- **Mobex North East.** YSDF is funding 546 young people in three-week programmes of outdoor pursuits tailored to needs and interests of disadvantaged young people delivered on evenings and weekends and school holidays, with particular emphasis on reduction of anti-social behaviour and crime. Activities include climbing, navigation, canoeing and sports leadership.
- **Norwich City FC Football in the Community.** YSDF is funding 1,280 disadvantaged young people to participate in evening multi-sport programmes focused on reduction of ASB and progression to mainstream sports and youth provision with integrated health/drugs/alcohol/ sexual health workshops.
- **Romsey Mill Trust.** YSDF is funding 500 disadvantaged young people including those with autistic spectrum conditions and young fathers and those in deprived estates, to take part in positive activities on Friday and Saturday nights including urban music, motor mechanics, social enterprise, outdoor residentials and sports.
- **Soft Touch Arts Ltd.** YSDF is funding 390 young people to participate in arts, sports, street dance, and graffiti via detached and centre-based sessions on Friday and Saturday nights, with additional support to young people with particular needs.
- **Somerset Rural Youth Project.** YSDF is funding 2,250 young people to participate in mobile rural provision offering positive activities including music, arts, sports/healthy living and active citizenship.
- **Sound it out Community Music.** YSDF is funding 525 disadvantaged young people to participate in sessions on Friday and Saturday afternoons and evenings, with music industry specialist training and open access music performance and recording and 'open mic' nights.
- **Sporting Futures.** YSDF is funding 1,280 young people to engage in community sports activities such as boxing, football, basketball, free running, power stilts and indoor rowing, on Friday and Saturday nights, with one-to-one life coaching and routes into volunteering and sports leadership, apprenticeships and employment opportunities.
- **Supporting Contemporary Adolescence CIC.** YSDF is funding 2,400 disadvantaged young people to engage in activities delivered via adapted buses ("Wos Up" Warrior trucks) during "twilight" hours (6pm – 1am) including street soccer, stomp dancing, capoeira, basketball, DJing, sound production, drumming, digital photography, healthy living, be safe sessions, money matters workshops, radio, web design.
- **Trelya.** YSDF is funding 311 young people to participate in positive activities in ASB hotspots to include sports, digital media, recording, dance and drama, film making,

community action and outings on a Friday and Saturday night.

- **West Yorkshire Youth Association.** YSDF is funding 630 young people to engage in 30 street based sport / art / film / music group project programmes.
- **Wheelbase.** YSDF is funding 273 young people at risk of crime, to take part in a motor maintenance programme over evenings, weekends and school holidays. Young people are offered a minimum 75 hours workshop-based activity. Numeracy, literacy and life skills are embedded within the training.
- **Young Gloucestershire.** YSDF is funding 1,100 young people to participate in positive activities around music and performing arts on Friday and Saturday nights to achieve a 10% reduction in ASB and number of young people harmed by substance misuse or violence on these evenings.
- **Young People Cornwall.** YSDF is funding 1,800 disadvantaged young people from deprived urban and isolated rural areas to engage in a range of positive activities on Friday and Saturday nights including music, arts, cooking, healthy eating, outdoor provision, sports, film, photography, volunteering advice and guidance, peer support and training.

### 3.3 The Managing Body

The YSDF delivery structure is led by the Managing Body, which reports directly to the DfE and is responsible for the delivery and management of the programme. The Managing Body comprises a consortium led by Ecorys and including Business to Business, Catch 22 and PrimeTimers.<sup>24</sup> The consortium continues to work together well, having successfully overcome two senior staff changes while continuing to work in a “highly collaborative” manner based on what one stakeholder described as “*an open and creative approach to problem solving.*” The specific role of the three consortium partner organisations has been to contribute to the management of the programme and to development and delivery of the Integrated Support Programme. Key tasks for which the Managing Body consortium are responsible include: managing the tendering/ selection process for each of the three funding rounds; undertaking diagnostic and other reviews; the performance management of the CSOs; sourcing/providing the full range of integrated support; and the wider dissemination of learning from the YSDF programme. As discussed more fully in Section 4, the time required for all these tasks was more than anticipated.

The Integrated Support Programme (ISP) is central to the programme, and its aims of improving business models and the commissioning readiness of the participating CSOs. The ISP features a series of components, which were amended for Round 3 of the programme, and include tailored consultancy support, the allocation of an independent mentor for the Round 2 and Pathfinder projects, and dedicated Business Advisors and a core-curriculum programme for the Round 3 CSOs. Key to the delivery of the programme at the individual CSO level is the role of the Account Manager, as described below

#### 3.3.1 The Account Manager Role

The role of the Account Manager is pivotal to the success of YSDF, yet is one of the most challenging roles within the Managing Body. Unlike most grant management roles, the YSDF Account Manager is responsible for both ensuring compliance and facilitating support. As the primary interface between the Managing Body and the CSO, successful delivery of this role requires an ability to performance manage the CSOs, including monitoring risk and to challenge/support the CSO with respect to the key YSDF objectives. The Account Managers in particular have a key role to play in overseeing and monitoring the various support inputs to the CSOs. For Round 2 CSOs this means liaising with the Mentors and the individual consultants, and for Round 3 meeting regularly with the Business Advisors and encouraging CSO attendance at the core curriculum.

<sup>24</sup> See GHK (2009) for a detailed overview of the respective organisations.

Since the previous Interim Report, which set out the detail of the Account Manager role, this role has been enhanced. While continuing to performance manage the CSOs and provide them with or broker support, changes have been introduced to their role which affects all three funding rounds. These changes suggest a shift in emphasis away from support towards compliance monitoring, and include the creation of an additional management post (Deputy Programme Manager) to formally line manage and support the Account Managers. Other changes include the introduction of a more formal risk assessment tool for use as part of Account Managers' quarterly CSO visits; the undertaking of more rigorous monitoring visits, including the enhanced verification of reported expenditure and income; additional on-going training for Account Managers including on finance, compliance issues and HR; and a review of the grant agreements for each funding round to identify changes needed to strengthen the authority of the Managing Body and the Account Managers.

Currently a team of six Account Managers are responsible for the 43 YSDF Pathfinder, Round 2 and Round 3 projects, as well as having responsibilities for other projects. Of the six, three are working full time; two part time, and one is also the Deputy Programme Manager. Each Account Manager is allocated ten CSOs (pro-rota for those working part time), which are distributed across the team with most having a mixture of CSOs from at least two funding rounds.

### **3.3.2 The Diagnostic Review Process**

The diagnostic review process is a key element of the wider 'capacity development' approach followed under YSDF, as it in effect 'sets the agenda' for future support and other developmental inputs by identifying and prioritising CSO needs at the individual level. The outputs from the reviews consequently inform individual development plans for each CSO, identifying areas where support should be prioritised.

The Round 2 and Round 3 CSOs followed slightly different approaches to their initial diagnostic work. In the case of the Round 2 CSOs, the diagnostic reviews were undertaken prior to the allocation of their Account Managers, which while considered to miss an opportunity, still led to accurate and representative reviews resulting. Two issues were identified, however, with the Round 2 process:

- The diagnostics tended to be stronger on the area of business strengths and weaknesses than on commissioning readiness – leading to the development of a 'commissioning toolkit' to ensure this area is covered; and,
- A tendency for the resulting proposals for support packages to be more intensive than expected, raising issues of the CSOs capacity and capability to handle them. This led to the Account Managers being more involved with the Round 3 diagnostic process and the development of support plans.

For Round 3, CSOs were supported by their Business Advisors, and in some cases their Account Managers, in conducting their own diagnostic reviews. This, the increased involvement of the Account Managers, and the provision of clearer information in advance on the role of the Managing Body and the Integrated Support Programme, led to what was considered an improved approach to diagnostic reviews.

### **3.3.3 The Development Facilitator Role**

For Round 2, the Development Facilitator is a nominated member of staff within each of the CSOs to act as the project champion and main point of contact for the Managing Body. Although not in name, the function of a "YSDF Champion" has also been adopted for the Round 3 CSOs, with the Managing Body seeking to establish a single lead contact within each organisation to link with the Business Adviser and the Account Manager.

It was initially anticipated that the Development Facilitator role would sit with the CSO project manager in most cases, rather than with the CEO. However in practice, across both Rounds 2 and 3, the Managing Body (and in particular the Account Manager) has tended to engage with two key people depending on the issue in question, namely the project manager and the

CEO. For example, several Account Managers described how the project manager may be the main contact for operational matters, with the CEO needing to be involved in key decisions and often being the main contact for governance issues and development. The need for CEO involvement is particularly apparent where a project manager has been newly recruited, and has not developed the necessary authority to move change forward.

**3.3.4 Networking Events**

The Managing Body also provides a discreet networking facility through the facilitating of quarterly networking or ‘peer exchange’ events. These are open to all participating CSOs and provide opportunities to share experiences and learning. As Table 3.1 below shows, the events have so far been generally well attended and responses largely positive, although suggestions for improvement have focused on providing more opportunities to network.

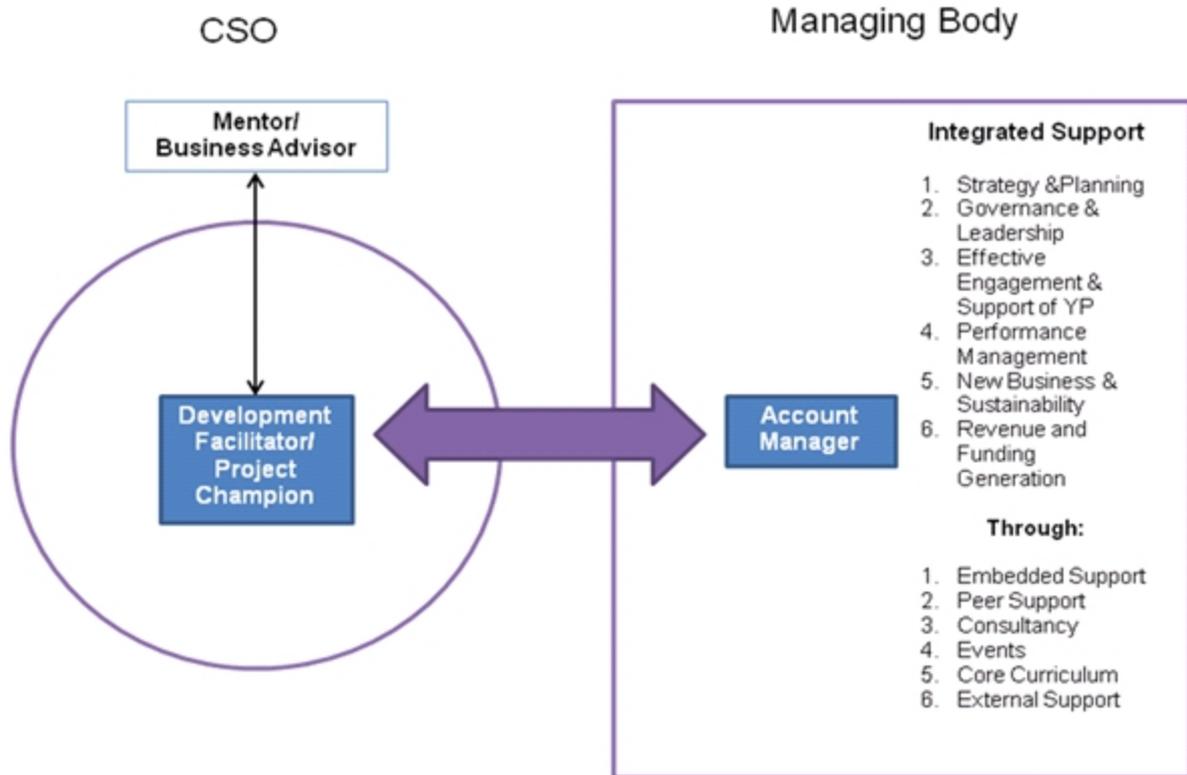
**Table 3.1: YSDF Network Events**

| <b>Event Details</b>  | <b>Attendance</b>  |
|---|--|
| <p><b>Getting to Know You &amp; Good Practice, 17<sup>th</sup> September 2009, Birmingham</b><br/> <i>Topics covered:</i> Speed networking; the GHK evaluation; good practice discussion groups.</p>  | <p>The first network event, attended by 70 individuals representing 41 Round 3 and Round 2 CSOs.</p> |
| <p><b>Private Sector Funding: 3<sup>rd</sup> December 2009, London</b><br/> <i>Topics covered:</i> Loan finance and other bank funding; raising funds from individual and corporate donors; communication strategies; social investors.</p> | <p>Attended by 24 Round 2 And Round 3 CSOs. The PFs made a number making presentations.</p>          |
| <p><b>Hear by Rights Tuesday 23<sup>rd</sup> March 2010, London</b><br/> <i>Topics covered:</i> Hear By Rights, Young Advisors, Young Inspectors Programme; group discussions on CYP participation.</p>                                     | <p>Attended by 36 individuals from 21 CSOs across all tree funding Rounds.</p>                       |

**3.4 The YSDF Support Structure**

The Managing Body facilitates the Integrated Support Programme. The Interim Report described the support structure available for the Round 2 CSOs, and their early engagement and take-up of the services provided by it. Figure 3.5 below provides a useful overview.

**Figure 3.5: The YSDF Support Structure**



### **3.4.1 The Round 2 and Pathfinder Delivery Model**

For Round 2, and Pathfinder, CSOs capacity development support is provided through and supported by a combination of a CSO based development facilitator, a series of bespoke consultants and a business mentor:

- The programme of demand-led consultancy support - featuring a series of tailored interventions to address the key development issues facing individual CSOs identified in the initial diagnostic reviews.
- The establishment of a 'Development Facilitator' within each CSO - with a member of staff acting as the main contact with the programme and with the necessary authority to drive change within the organisation.
- A mentor made available to each CSO – to act as a personal coach and to provide guidance to individual Development Facilitators, sourced through Primetimers but independent of the Managing body.

While some core support was available regarding issues such as IT and Equality and Diversity, the bulk of the support for Round 2 and Pathfinder CSOs is provided on a 'one to one' basis tailored to the specific needs of the individual CSO. This consultancy support featured the allocation of specialist consultants (sourced mainly but not exclusively from the consortium organisations) to individual CSOs, following requests outlining their individual support needs. These requests are informed by the diagnostic reviews and facilitated by the Account Manager, to ensure that the support is tailored to the needs of the particular CSO, and while varying between the CSOs focused in the early stages on human resources, marketing, and business planning. Examples of the type of support provided across the programme are summarised in Figure 3.6 below.

**Figure 3.6: Examples of Tailored Consultancy Provided**

### **Examples of Tailored Consultancy Provided**

The following broad topic areas have featured as part of the integrated support provided across the three Rounds of the programme to date:

- HR – including developing HR systems, updating existing or developing new HR policies, supporting staff training needs assessment and managing volunteers;
- Management competence and leadership – including training for managers and staff;
- Involving young people in organisational and project management, and evaluating the impact of services on young people;
- Market research and competitor review, brand development and service pricing;
- Marketing and promotion – including reviewing existing marketing and promotion approaches, and the development of new materials;
- Support for developing and introducing new IT systems – including a human resources database and for collecting monitoring and impact data;
- Income generation and commissioning – including increasing commissioning readiness, exploring the local commissioning environment, and identifying potential funding opportunities;
- Progressing towards/achieving quality standards for youth work;
- Reviewing organisational aims, objectives and vision statements;
- Strengthening governance, management and planning arrangements;
- Exploring new business models, including franchise and social enterprise approaches;
- Business plan development and review, and developing integrated planning systems;
- Intellectual property rights; and
- Safeguarding.

The first report found that there was considerable interest in, and engagement with, the bespoke consultancy support offered amongst the Round 2 CSOs. However, in many cases the CSOs had to scale back their initial plans for support take-up for capacity reasons, often while they awaited new staff to be recruited. Nevertheless levels of support use were high.

Latest data on participation rates for the bespoke consultancy support for up to end of August 2010 show that support use remained high, with Round 3 CSOs also taking up some of this support alongside inputs from their Business Adviser (see below). All five Pathfinders had taken advantage of the consultancy support available, to differing extents in terms of the number of discrete packages of support provided. The individual Pathfinders explored between four and seven packages of support each, with each completing between one and five packages.

The scale of uptake was far higher for the Round 2 CSOs, with 110 packages of support in total being explored. The individual Round 2 projects explored between five and fifteen packages of integrated support, and received between four and eight each - between three and eight of which were completed. As would be expected, use of consultancy services by the Round 3 CSOs was less than for the Round 2 projects, given their later start and the role of the Business Advisor. See Table 3.2 below for an overview of the total number of support packages received by funding Round.

**Table 3.2: Uptake of Bespoke Consultancy Support Packages to end August 2010**

|              | <b>Completed</b> | <b>On-going</b> | <b>Deferred</b> | <b>Total Number</b> |
|--------------|------------------|-----------------|-----------------|---------------------|
| Pathfinders  | 12               | 4               | 11              | 27                  |
| Round 2 CSOs | 56               | 17              | 37              | 110                 |
| Round 3 CSOs | 15               | 12              | 5               | 32                  |

Across all three Rounds there appeared to be a variety of reasons for why consultancy services were not taken forward or deferred, often relating to the capacity to implement but also depending on the specific circumstances of the CSO involved. In many circumstances, the original support identified was subsequently re-scoped pending changes within the organisation's development and external factors. These were then restarted as new re-prioritised items of support, remaining responsive to changing needs of the CSOs, for example:

- Amongst the Pathfinders support was not taken forward either because the specific support was no longer required by the CSO, or was not felt by the CSO to be a priority area for them.
- Activities amongst the Round 2 CSOs were, in the early stages at least, most commonly not taken forward or put on hold due to limited capacity to manage the intervention. However other examples were identified where their development issues were addressed through other routes (e.g. network or workshop events, or covered in an earlier package of support), or where the support was considered to be no longer required (e.g. in one case where a CSO found it was able to progress a complicated merger with another organisation with its own resources).
- Amongst the Round 3 CSOs, reasons for not taking an offer forward included staffing capacity constraints, and one case where the finances to invest in the purchase of equipment to accompany wider systems development were not available.

Expenditure on bespoke consultancy support provided to all three Rounds to the end of August 2010 was £340,416, which covered completed and ongoing assignments. As would be expected, the costs of individual consultancy interventions varied considerably dependent on the individual needs of the CSOs as determined from their organisational diagnostics. For instance one CSO received support for developing an HR policy costing £300, compared to support including the development and implementation of a new HR strategy (policies, systems and practices) for one of the larger organisations costing £15,000.

Table 3.3 below sets out expenditure to date for each of the three programme Rounds to the end of August. The table also provides the range of expenditure per CSO (as maximum and minimum figures), and an average spend per Round.

**Table 3.3: Spend on Bespoke Consultancy Support Packages to end August 2010**

|              | <b>Total Spend</b> | <b>Spend per CSO</b> | <b>Average Spend per CSO*</b> |
|--------------|--------------------|----------------------|-------------------------------|
| Pathfinders  | £68,056            | £1,200 to £26,090    | £13,500                       |
| Round 2 CSOs | £238,575           | £4,000 to £31,000    | £18,300                       |
| Round 3 CSOs | £33,785            | £250 to £5,400       | £2,252                        |

\* Where the CSO had used the bespoke consultancy services

Spend on mentoring support received to date for the Pathfinder and Round 2 CSOs is set out in Table 3.4, which shows that engagement across the Round 2 CSOs has been more intensive on an individual basis than with the Pathfinder CSOs.

**Table 3.4: Spend on Mentor Support to end August 2010**

|              | <b>Total Spend</b> | <b>Spend per CSO</b> | <b>Average Spend per CSO</b> |
|--------------|--------------------|----------------------|------------------------------|
| Pathfinders  | £5,800             | £545 to £1,630       | £1,160                       |
| Round 2 CSOs | £32,860            | £5,620 to £1,270     | £2,528                       |

While the Core Curriculum introduced for the Round 3 of the programme was primarily aimed at the Round 3 CSOs, both the Pathfinder and Round 2 CSOs were also able to attend some of the workshop events provided. These costs are provided in the section below.

### **3.4.2 The Round 3 Delivery Model**

With the launch of Round 3, the support model was amended, based on lessons from Round 2 and the requirement to cater for a larger number of smaller CSOs with similar generic needs. These changes included:

- The introduction of the Business Advisor role – replacing the mentor role from Round 2 with a single embedded Business Advisor in each CSO, supplemented if expertise is required by bespoke consultancy support.
- The introduction of a ‘core curriculum’ – following a ‘one-to-many’ approach through a training programme to meet the needs of the Round 3 CSOs; and
- The continuation of the Development Facilitator role through identified ‘Project Champions’ in each of the Round 3 CSOs.

As described above, the Round 3 CSOs were also able to access the consultancy support element of the support programme where required.

### **The Core Curriculum**

The core curriculum was introduced for Round 3 of the programme and was designed to address common areas of need identified from the initial diagnostic reviews and subsequent development plans. The main areas of need identified are set out in Figure 3.7. This formed the basis of the Core-Curriculum training schedule, which is summarised below in Table 3.5 and set out in full in Annex 5. In addition to the core-curriculum, the Managing Body also organised a series of ‘launch pad’ events for the Round 3 CSOs and ‘Specialist Workshops’ open to all the funding rounds. The latter covered core topics such as young people’s engagement and participation, quality, Intellectual Property, Legal Trading Status, Mergers & Acquisitions and Partnerships.

**Figure 3.7: Main Areas of Support Needs Informing the Full Core Curriculum**

- Commissioning
- Business Development/Diversification & Income Generation/Bid Writing
- Networking
- Business Model/Strategic
- Planning
- Governance
- PR, Marketing & Sales
- HR & People
- Processes & Structure
- Financial Reviews and Processes
- Young people Engagement
- IT Applications
- Quality & Performance
- Monitoring & Evaluation
- Social Return On Investment (SROI) – impact and monetary value
- Partnerships

- Communication
- Toolkit Development
- Social Enterprise Development

The core curriculum is delivered through group sessions, which can cover several topics. While attendance at the core-curriculum is not mandatory, it is actively encouraged via the Account Managers. Participation in the sessions is expected to require preparation in advance by the CSO, with the potential for follow up bespoke support to be provided where needed. In addition each Business Advisor is informed of the sessions their CSOs attend, with a view to helping them embed lessons from the training. They are not, however, expected to attend the sessions themselves.

The focus of the core-curriculum was initially on building organisational capacity in terms of people and infrastructure. For the latter stages of the programme the focus is on exit planning and income generation, such as tendering processes and sales pipelines. The core-curriculum is seen by the Managing Body as an evolving process, with flexibility in the programme to include additional sessions as new needs emerge. The curriculum is pitched to CSOs as a cumulative learning process, rather than a series of one-off topics, with Table 3.5 setting out the six workstreams covered.

**Table 3.5: The Six Work Streams of the Core-Curriculum (in order of delivery)**

| Topic (lead deliverer)               | Aim  | Content   |
|--------------------------------------|--|---|
| People (BtoB)                        | To ensure the CSOs have the people to deliver effectively.   | Employee management skills (appraisals, coaching, performance management, developing a team, handling difficult employees) and managing the employee infrastructure (HR processes, employment law, HR policies and procedures). |
| Performance Management (C22)         | To ensure the CSOs are correctly managing their projects with the quality and impact that is expected.                       | Quality, impact assessment and management information.  |
| Financial & Business Management (PT) | To ensure the organisation has “fit for purpose” business planning and financial management systems in place.                | Budgeting and business planning, full cost recovery, pricing, cashflow.   |
| Income generation (BtoB)             | To ensure the CSOs are concentrating on the development of funds to substitute the loss of YSDF grant funding in April 2011. | Commissioning, PR, Private sector, Branding, Pitching, Business Development skills, presentations skills.   |
| Strategic Management (PT)            | To ensure the CSOs have the most appropriate legal structure and governance.   | Strategy, Governance, Trustees.   |
| Young People Engagement (C22)        | To ensure YP are effectively engaged.  | Participation models; Sources of funding; innovation in design; measuring success.  |

Source: Managing Body Paper: *YSDF Managing Body approach to supporting CSOs and developing sustainable business models*

Mindful of lessons from the Round 2 experiences, the Managing Body were careful to plan the core curriculum to minimised disruption for participating CSOs as far as possible. This included ensuring that the scheduling of core curriculum events did not clash with other key dates for youth CSOs, or that sessions were not running at peak times such YSDF claim deadlines. There has also been flexibility about who the CSOs can send, and while it is generally expected that either the Development Facilitator or CEO attend the sessions are also open to other staff members to ensure the most appropriate individuals can attend.

Latest information for up to end August 2010, shows that a total of 12 training sessions in total had been delivered, including 10 through the core-curriculum, all which were well attended. While attendance was, as expected, most common amongst the Round 3 CSOs (all of which had attended multiple sessions), each of the Pathfinder and all but one of the Round 2 CSOs had also attended at least one workshop event. The two early 'specialist workshops' provided for Pathfinder and Round 2 projects – on human resources and intellectual property rights, were each attended by six projects (one Pathfinder and five Round 2 projects for the HR, and two Pathfinders and four Round 2 projects for the IPR).

The ten Core Curriculum workshops (including four Specialist Workshops attended by projects from all three Rounds) were generally well attended. See Table 3.6 below and the fuller table in Annex 5.

**Table 3.6: Participation Rates in the Core-Curriculum: Up to End August 2010**

| <b>Training Topic</b>   | <b>CSO Attendance</b>       |
|---|-----------------------------|
| Management Information Systems                                  | 19 R3 CSOs                  |
| Marketing and Communications to get more funding                | 17 R3 CSOs                  |
| Managing the employee infrastructure                            | 17 R3 CSOs                  |
| Income Diversification – developing alternative funding sources | 17 R3 CSOs                  |
| Young People Engagement & Participation                         | 3 PF; 6 R3 CSOs; 19 R3 CSOs |
| Leadership and management skills                                | 13 R3 CSOs                  |
| Understanding the Changing face of Commissioning                | 3 PF; 3 R2 CSOs; 12 R3 CSOs |
| Safeguarding  | 4 PF; 6 R2 CSOs; 14 R3 CSOs |
| Financial and business management- Residential                  | 13 R3 CSOs                  |
| Partnerships and Collaborations                                 | 3 PF; 5 R2 CSOs; 9 R3 CSOs  |

In total some 268 individuals attended the different core curriculum/Specialist Workshop events, comprising 29 individuals from the Pathfinders, 52 from Round 2 and 187 from the Round 3 CSOs. At the time of writing additional core curriculum events were arranged to November 2010, covering topics such as tendering, governance and strategic management and fundraising.

Table 3.7 below shows the expenditure on the Core Curriculum to the end of August 2010 for the Round 3 CSOs, and the Pathfinder and Round 2 CSOs attending the Specialist Workshops.

**Table 3.7: Spend on Core Curriculum/Specialist Workshops to end August 2010**

|              | <b>Total Spend</b> | <b>Spend per CSO</b> | <b>Average Spend per CSO*</b> |
|--------------|--------------------|----------------------|-------------------------------|
| Pathfinders  | £5,995             | £466 to £2,163       | £1,191                        |
| Round 2 CSOs | £12,536            | £466 to £1,615       | £1,045                        |
| Round 3 CSOs | £89,301            | £1,416 to £6,682     | £3,572                        |

*\* Where the CSO had accessed Core Curriculum/Specialist Workshop provision*

As with the bespoke consultancy support, the costs of individual workshops varied, ranging from £190 for the first Management Information System workshop to £579 for the Changing Face of Commissioning workshop, and over £800 for the residential event on Financial & Business Management.

### **The Business Advisor Role**

The Business Advisor provides the main source of business resource to the Round 3 CSOs, reporting to the CSO CEO and their Account Manager. They are expected to provide around 70% of the consultancy needs of their CSO, working with a range of staff within the CSO on a weekly or at least monthly basis, either on-site or remotely. Following an agreed work plan,

based on the outcomes of the diagnostic review, the Business Advisor provides tailored support that is linked to the core curriculum programme.

Prospective Business Advisor skill sets and areas of expertise were matched against the needs analysis of each CSO and allocated accordingly. As a general rule, and to ensure swift initial matching, allocations were made on the basis of each Business Advisor being able to meet around half the development agenda set for each CSO. Their proximity to the CSO was also an important determining factor. Business Advisors have on the whole been sourced through the consortium, with some external staff being sourced and recruited through the consortium’s extended networks.

The nature of the support provided by the Business Advisor is designed to shift over time from a ‘doing’ role at the outset towards more of a ‘mentoring’ role to help build capacity and sustainability within the organisation. For each completed piece of work, there is an expectation that the Business Advisor completes a full handover to ensure that the learning is embedded within the organisation.

The Business Advisor role therefore encompasses delivery as well as mentoring and advice to suit the requirements of the CSO. The Business Advisor day allocation is tapered from four days per month per CSO at the start to two days per month by the end of the funding period – as illustrated in Figure 3.6 below.

**Figure 3.6: The Business Advisor Role: Tapered Support**

*How the role is expected to change over the period of engagement (based on the spectrum from counselling, through mentoring to advising and doing)*

| Role       | Start/Finish |
|------------|--------------|
| Doing      | 40%/10%      |
| Adviser    | 40%/20%      |
| Mentor     | 15%/50%      |
| Counsellor | 5%/20%       |

Source: Business Advisor Brief

A key part of the Business Advisor role is to link with the Account Manager to facilitate and/or contribute to the analysis of CSO support needs, and identify any additional needs either as they are identified or where they are not covered by the core curriculum. Where gaps are identified, or particularly specific skills required, the Account Manager can also source additional bespoke consultancy support. The spend on the Business Advisor role by the Round 3 projects to the end of August is shown in Table 3.8.

**Table 3.8: Spend on the Business Advisor Role, Round 3 CSOs to end August 2010**

|              | Total Spend | Spend per CSO     | Average Spend per CSO |
|--------------|-------------|-------------------|-----------------------|
| Round 3 CSOs | £483,804    | £6,600 to £31,650 | £19,352               |

**3.4.3 Additional Support Measures**

Finally, the core support available to all participating CSOs has also been supplemented by a number of additional tools and activities introduced by the Managing Body since the Interim Report. These are provided across all three funding rounds, and include:

- The introduction of a new **Commissioning Checklist** - developed by Catch 22 prior to Round 3 and delivered to the 2nd Round and Pathfinder CSOs on a self assessment basis, with support from a 'critical friend' provided by Catch 22. This was then delivered to the Round 3 CSOs, with their Business Advisors taking the 'critical friend' role. The checklist is a diagnostic tool focused on the commissioning process, and requiring CSOs to measure themselves against high performing organisations and where they want to be.

Completion of the checklist leads to the development of an **action plan**, for which additional support was available, and which helps identify any specific support needs.

- The offer of a new **Financial Health Check** - led by Prime timers and delivered via specialist financial health check advisors. Existing finance tools are used focusing on financial robustness and income generation, with the process being designed to give CSOs a report on their financial sustainability and to identify key risks. Through a review of published and management accounts and interviews with key personnel, the advisors assess a range of areas including income sources, cashflow and financial systems.
- The provision of **support aimed at strengthening safeguarding arrangements** and, where relevant, child protection policies - Catch 22 led on the design, delivery and targeted follow up activity in this area, which included a facilitated Specialist Workshop open to all CSOs on 'vetting and barring regulations and new enhanced CRB checks'.
- The provision of dedicated **sales pipeline support** - led by Business to Business, with CSOs being provided with a sales coach (comprising four and a half days of support to help improve approaches to securing additional funding). Round 3 (and most recently Round 2) CSOs are now encouraged to track potential contracts on a monthly basis.
- The provision of support with **exit planning for post 2011** – facilitated by the Business Advisor and reviewed by Account Manager, CSOs are under-going focussed discussions on their exit planning processes which will map out sustainability strategies in detail. The Managing Body has been keen to emphasise that while they can play a supportive role, these plans need to be owned by the CSOs themselves as decisions taken will impact on future as well as current organisational priorities.

Spend on the additional support measures to the end of August 2010 is provided in Table 3.9 for each programme Round. This shows that the greatest spend to date overall in terms of the additional support has been for the exit planning process, although as every CSO on the programme has been involved in this process, average spend per CSO is in line with other additional support which not been taken up by every organisation.

**Table 3.9: Spend on Additional Support Measures to end August 2010**

|              | <b>Commissioning Checklist</b> | <b>Commissioning Action Plan</b> | <b>Financial Health Check</b> | <b>Safeguarding</b> | <b>Sales Pipeline</b> | <b>Exit Planning</b> |
|--------------|--------------------------------|----------------------------------|-------------------------------|---------------------|-----------------------|----------------------|
| Pathfinders  | £1,650                         | £11,100                          | --                            | £780                | --                    | £2,500               |
| Round 2 CSOs | £11,100                        | £17,700                          | £9,615                        | £2,145              | --                    | £14,600              |
| Round 3 CSOs | --                             | £7,200                           | £22,825                       | £4,875              | £30,388               | £55,500              |
| Total        | £12,750                        | £36,000                          | £32,450                       | £7,800              | £30,388               | £72,600              |

## 4 Capacity Development: Experiences and Impacts

### KEY FINDINGS

- CSOs described close working relationships with their **Account Managers**, which aided their progress and allowed development issues to be identified and addressed. However changes in Account Manager could be unsettling, and some felt they were increasingly focused on contract management rather than support.
- The **Development Facilitators** (Round 2) and '**YSDF Champions**' (Round 3) aimed to provide a single contact in the CSO with the authority to drive change. In practice this role was often taken by two individuals, raising issues for targeting of support provision, although these appeared to have been addressed in the case study CSOs.
- The **networking or 'peer exchange' events** were well attended, with generally positive feedback. However discussions with CSOs found they were not hugely valued, and many felt they were too focused on the plenary sessions with limited time for networking.
- The **bespoke consultancy support** was highly valued by CSOs in all three Rounds, and was commonly considered to provide the greatest impact of all the support received. Early experiences suggested that some CSOs lacked the capacity to absorb the support available, emphasising the importance of a scheduled and measured approach.
- The **Business Mentor** provided coaching and guidance to Development Facilitators, with a focus on developing the individual rather than the organisation. The matching process between CSOs and mentors was key and worked well, leading to positive benefits.
- The **Business Advisor (BA)** combines the mentor role with hands-on practical support, with a range of skills and experience matched to the Round 3 CSOs' needs. The case study CSOs were very positive about the BA role, with their embedding 'within' the CSO being considered key to developing trust and positive working relationships.
- Attendance at the **Core Curriculum sessions** has been high, with feedback being generally positive, although views on effectiveness varied. As expected with any generic curriculum approach, some CSOs questioned the 'level' of the content.

Although completing before the end of the programme, the study identified many examples of positive **capacity development impacts**, grouped under the following themes:

- **Human resources** – including recruiting a range of new staff and introducing new or improving existing HR policies and systems;
- **Governance** – including improved structures and impacts on CSO strategy and direction;
- **Funding and business planning** – including the development of new business plans and planning capabilities;
- **Marketing and public relations** – through profile raising, improved links with existing/new funders, and improved marketing and communications strategies;
- **Commissioning** – including establishing new links with potential funders, improved commissioning readiness and recruiting specialist staff, leading to new contracts secured;
- **Evidencing success** – including developments to improve data collection and the introduction of new MI systems and data collection approaches.

### 4.1 Introduction

Having described the characteristics and key components of the YSDF programme, this section explores the capacity development aspects in detail, focusing on the experiences of the Managing Body in providing and the participating CSOs in receiving the development support provided to date. Based primarily on the fieldwork with the Managing Body and the case study CSOs, the section provides examples of support provided in the context of the individual CSO and the impacts achieved to date or expected in the future. While the early

completion of the evaluation means that in many cases impacts have yet to be fully realised, we can report on emerging impacts and what the likely sustainable changes might be.

While the different elements of the Integrated Support Programme (ISP) have played a central role in the YSDF 'capacity development offer', the grant element of the programme can also influence capacity enhancement. This is most commonly achieved through the funding of new staff and/or new roles within the CSOs – either by increasing the overall staffing pool to allow for a greater volume of delivery, or, of more relevance here, by allowing new posts to be established and new skills to be introduced which increase both capacity and capability. In recognition of the role played by the grant income in raising capacity, this section also explores how the funding of new staff has made a contribution to impacts.

The Interim Report explored initial experiences of the ISP amongst the Round 2 CSOs. With models of integrated support now embedded across the programme, and an emergent track record of delivery, we are now able to present findings on the outputs achieved, including the extent to which this support is, or is likely to, increase the capacity of the CSOs. A range of data has been drawn upon in this section, but primarily:

- The quarterly monitoring information collected by the Managing Body from each CSO to the end of June 2010. While the specific data collected will vary by project, a series of 'high level' measures were developed at the programme level to capture progress and impact, which we also refer to; and
- Qualitative research data generated through the case study fieldwork with the fifteen CSOs, including interviews with strategic and delivery project staff, Mentors and Business Advisors, and key commissioners to explore areas of capacity and capacity development.

This section first explores the core elements of support delivery (i.e. the Account Manager role, the diagnostic review process and the CSO-based Development Facilitator role), followed by the integrated support elements i.e. the tailored consultancy support, the Mentor role, the core-curriculum and the Business Advisor role. It then describes the extent to which the support inputs have led to tangible benefits for the organisations, situating this within an understanding of baseline capacity and drawing on specific examples from the case studies.

## **4.2 Experiences of Core Elements of the Support Structure**

This Sub-section explores CSOs' and the Managing Body's experiences of engaging with and delivering the different elements of support structure. It identifies key lessons emerging from the Account Manager role, the organisational diagnostic review process and the CSO-based Development Facilitator role.

### **4.2.1 *The Account Manager Role***

The new supportive structures put in place for the Account Managers (as described in Section 3), including line management and additional training, have been welcomed by the Account Managers. Dedicated Account Manager meetings outside of the Monthly Management Meetings have been particularly valued in terms of allowing common issues to be identified and discussed more fully, and for training needs to be identified and met.

The Account Managers interviewed felt their allocation and case load worked well. Nevertheless, participation in YSDF has taken more management time than had been expected both by CSOs and by the Managing Body. Although the guidance for the Round 3 tendering process included additional information on what to expect in terms of commitments to the programme, it was still clear that the Round 3 case studies did not always have an early understanding of the capacity development aspect of YSDF and the reporting expectations, and in turn the implications for staff time. Consequently a number of the case studies felt ill-prepared for what was felt by many to be a time-intensive programme.

## Case Study Examples - Views on the Account Manager Role

Views on the Account managers, and the effectiveness of their role, varied between the case study CSOs. The majority found them to be helpful, in both their support and contract management roles, describing how they were:

*“always available and willing to help”*

*“well informed ... very credible - he’s been there and done it ... and he always makes the effort to attend any special days we hold”*

*“very responsive – usually, and sometimes he is a bit stretched .... But he knows his stuff and is useful for bouncing ideas”*

However several CSOs reported that they perceived the Account Manager role, or had seen it move more towards, contract management. As two described:

*“My experience of the AM role has been centred around monitoring”.*

*“We often get requests [from our Account Manager] for information late and very close to the deadline [...] for the financial reporting we were told only days before the deadline what the report heading requirements were, yet these turned out to be fairly standard so why last minute?”*

However one of the Account Managers proposed the opposite view, describing how:

*“When I first came into the job I thought it would be a monitoring role, but it is much more support focused. My role is to act as a sounding board, crisis management, linking CSOs to the support offers including the core curriculum and to Managing Body personnel including finance”*

Finally, several CSOs across Rounds 2 and 3 described how their Account Manager had helped push them along and take action. But it was important that they did not overstretch the CSOs, as one illustrated:

*“There has been a big expectation that we should take up every single opportunity that has been offered to us, which we have found a little overwhelming and somewhat inappropriate. We think we need to do some consolidation, rather constantly looking for the next thing, it’s not all about us, it’s not all about the YSDF, it’s not all about trying to jump onto every opportunity...we’ve got to pace ourselves.”*

Similarly, the performance management role continues to be more intensive for the Managing Body than expected, requiring greater inputs from the CSOs than planned initially. CSOs are expected to comply with a number of reporting mechanisms including monthly narrative reports; quarterly claim packs (including MI showing progress against agreed delivery targets and financial spend); written examples of impact; annual audits of MI plus additional requirements on a range of issues. One such example was the support provided to CSOs around safeguarding, where the need was identified for strengthened safeguarding arrangements and improved child protection policies in some CSOs. The Managing Body did not expect that safeguarding issues would arise (*“we took it as a given”*), which has meant that requirements for CSO inputs have increased over time over and above the Managing Body’s own expectations. While the ability to change and adapt as the programme develops is a real strength of the Managing Body, the introduction of new tools has meant that both CSO and Managing Body staff have had to absorb these additional costs. For some Account Managers this has meant that more of their time than expected is taken up with non-client facing activities.

A number of references were made to the early tendering and contract negotiation phase by the Round 3 case studies in particular. Case study experiences of this were largely positive, with some finding the process extremely helpful and constructive. The pro-active support provided by the Account Manager was cited by some as particularly valuable. Others however found the process to be time intensive and directive.

In terms of on-going relations between the CSOs and the Account Managers, the interviews with CSOs, Account Managers and other Managing Body staff suggest that:

- **Expectations of the Account Manager role have changed over time**, contributing to a lack of clarity and additional demands on the role. Some CSOs experience their relationship with their Account Manager as increasingly process driven, with the emphasis of their relationship being contract management rather than support. This is inevitably a reflection of the shift in emphasis placed on compliance (see Section 3). However the support function of the Account Manager role is still viewed as important, given the increasing focus on the organisational impacts of YSDF. Indeed, most of the case study CSOs have an expectation of this support role; with Account Managers continuing to act as a sounding board and a link between CSOs and the support offers including the core curriculum. One Account Manager, for example, explained how she used her role to give pro-active support to her Round 3 CSOs in terms of developing their systems for collecting quantified outcomes. She has looked at and provided comments on their databases, and has shared useful information and learning between her CSOs. Overall, however, the changing expectations of the Account Manager role have placed perhaps more demands on this role.
- **Changes to the Account Managers, in terms of additional demands and staff turnover, have been unsettling for some CSOs**, particularly those with higher support needs. While the staff turnover is to some extent inevitable in a long term programme, with the departure of three Account Managers and the promotion of another to Deputy Programme Manager, there have also been a number of changes to the allocation of Account Managers' case loads. In some cases CSOs have had three Account Managers. This was also at a time when additional work was required of the Account Managers to undertake the Round 4 assessments, which affected their capacity to work with their CSOs. While there were many cases amongst the CSOs where the handover between Account Managers was handled effectively, a number of case studies highlighted how contact with their Account Managers was limited during the hand-over period – as the case study example below illustrates. Given the intensive role of the YSDF Account Manager and importance of a good relationship with the CSOs, these gaps in support have perhaps been felt more keenly than would have been the case with a traditional grant management role. The current Account Managers are acutely aware of this and are focused now on providing greater stability in the final year. This is reflected in the frequency of contact between them and their CSOs, which for most is currently exceeding the minimal requirement for quarterly visits. For those Account Managers taking on new CSO caseloads, extra efforts have been made to undertake additional visits where required to help with relationship building.

### Case Study Examples: Account Manager Turnover

As described above, relationships established between CSOs and their Account Managers are central to the role, and any change in Account Manager must be handled carefully. As the quotes from case study CSOs suggest, they cause a range of issues and can risk destabilising the relationship between the CSO and the programme:

*“Our original Account Manager was very supportive, he would send me emails a week ahead to remind me of up-coming reporting deadlines such as the monthly reports and quarterly returns [...] he would always call to discuss monitoring returns and give me feedback which was invaluable in terms of flagging up any issues early on and talking them through. [With the new Account Manager] there was no follow up call following the last monthly report so I called [the AM] to see if he wanted to discuss anything – he didn't feel there was anything that needed discussing.”*

*“It took us a good 6-9 months to build a relationship with our Account Manager and we will now be back to square one.”*

*“Our Account Manager has changed three times, we have found this transition*

*frustrating because we had invested time in creating good relationships with each.”*

According to one Account Manager, the handover process varied from one CSO to another depending on the previous Account Manager: *“hand on my heart I didn’t get all the info I wanted, it was a requirement for me to read up and seek out the info myself.”*

Notwithstanding the recent period of high Account Manager turnover, it is clear that the close monitoring of delivery and oversight of support has enabled close working relationships to develop with their CSOs, allowing any additional organisational issues to be identified and addressed as they come up. One of the Account Managers, for example, explained how her role enabled her to identify problems with the governance of her CSO, and so consultancy support was arranged to work with the Board.

#### **4.2.2 The Organisational Diagnostic Review Process**

While on the whole valued by CSOs and the Managing Body alike, a number of challenges to the process were evident. Undertaking the diagnostic review early in a CSO’s participation in the programme inevitably restricted the establishment of trust, potentially leading to the reluctance amongst some CSOs to be open about their perceived weaknesses. The condensed time for the Round 3 CSO reviews (due to the delayed start) also influenced the process. However the ongoing review of CSO development requirements, and participation in the support opportunities offered, allowed previously unidentified needs to be identified over time. One Business Advisor also raised the point that the skills of the facilitator are key, and could be likely to lead to variable quality reviews. Consequently, as has been the case with Round 2, new needs for the Round 3 CSOs have emerged later in the implementation process, with some Round 3 case studies querying the added value of this process. As one Account Manager explained:

*“Where organisations are self-aware it is a brilliantly useful tool. There was one case where we came out of the Organisational Diagnostic Test thinking they were going to be brilliant. On delivery they have proved strong, but in terms of the infrastructure there were some major issues – these soon came to light.”*

The majority of both the Round 2 and Round 3 case study CSOs reported finding the diagnostic exercise extremely valuable, providing an opportunity to reflect on their own organisational needs. While, as the example above suggests, some CSOs found the process to be more illuminating than others, all considered that their reviews were accurate, and provided a useful basis for prioritising YSDF support and corraling key influencers within their organisations around a specific area of weakness.

As time has passed, the outcomes of the reviews and the key areas for prioritisation have been superseded by the findings from subsequent processes, including the commissioning checklist, the financial health check and currently the exit planning process. Account Managers are now relying more on the outcomes of these activities for the latest intelligence about the needs and plans of the CSOs, although a number of the Business Advisors have plans to revisit the ODT for their CSOs. Nevertheless both the CSOs and the Managing Body representatives recognised that the initial diagnostic process had the following benefits:

- Identifying development needs on an independent basis – including those not recognised by the CSO in advance;
- Setting priorities for target development support – and the development of plans for support from the Integrated Support Programme;
- Starting off a process of ongoing review to monitor development as well as identify any new areas of need revealed; and
- Helping the CEO evidence areas of development need with their respective Boards.

### **4.2.3 The Development Facilitator/YSDF Champion Role**

The evaluation found a lack of clarity over the Development Facilitator position in some cases, or at least the need for dual contacts within the organisation, which can have practical implications for the Managing Body. While these can include issues such as who receives newsletters and is invited to events and training, the importance of the Development Facilitator role is heightened as the programme enters its final stages and the exit strategy period. In some cases, it will be important for the Account Manager to re-engage with and re-energise the initial Development Facilitator/individual with sufficient authority to make decisions and drive change.

At this stage of the programme it is too early to be definitive as to whether the Development Facilitator approach has achieved the objectives and expectations set for it. By and large the role seems to have become more of a 'lead contact' than the broader "YSDF Champion" function initially envisaged - although it may be more important that the 'right' people are engaged with the Integrated Support Programme than having a single conduit, and this does seem to have been achieved.

What was clear from the case study CSOs, and from anecdotal reports across the programme, was that the time and cost implications of providing the Development Facilitator role have been higher than expected. Most of the Development Facilitators reported giving more time to this role than initially budgeted for, often at the expense of their other roles outside of YSDF programme delivery. As a rule, the budget has allowed for around three to four days per month for the Development Facilitator role - while many of the case study CSOs reported the actual number of days required as being more than twice this amount. While there was an expectation that time inputs would reduce as CSOs left the set-up phase, in practice, certainly for the case studies, this has not happened (as described below).

#### **Case Study Example: Role of Development Facilitator**

The Development Facilitator of a Round 2 CSO estimated that the costs associated with their role were well in excess of those budgeted for, and considerably more than initially expected. The YSDF budget allowed for three days per month of her time to be paid for. In practice she estimated in the last month that she had spent in the region of 10 days.

Part of this could be put down to 'one off' costs such as discussions re delivery model, re-negotiating their delivery profile, and working out revised budgets for YSDF reporting, although she could not see the opportunity to recover this time going forward. She had always recognised the importance of this role, and had made the time to do it (often at the cost of other areas of her role).

### **4.2.4 The network events**

On the whole interviews with CSO staff attending network events suggested that they were not hugely valued. Despite the aim of gathering CSOs together to facilitate the sharing of good practice, participants found that the structure was still too plenary focused with not enough time for facilitated networking. For Round 2s, in the absence of a core-curriculum these network events were often the only means by which CSOs could come together. Half of the Round 3 case studies suggested that the facilitation of direct exchanges between CSOs might have been more useful, such as through supported exchange visits or organised on-line facilities where queries could be posted. There was a sense that much expertise already existed among the CSOs which was not being tapped into. Where CSOs, through their own initiative, have contacted other CSOs for advice on specific issues, they have found this fruitful.

## **4.3 Experiences of the Integrated Support Elements**

The Interim Report, which focused on the early implementation of the Round 2 projects, identified that there was a considerable interest in, and appetite for, the tailored support

element of the YSDF programme. Amongst the case studies CSOs we identified a common situation where projects' initial interest in the support available to them was tempered by their organisational capacity to manage it, notably where the CSOs were also going through a recruitment process and making preparations for service delivery. Nevertheless much interest was identified in the 'support' element of the programme, although this was balanced by concerns over whether this appetite could be sustained as the projects entered their main delivery stages.

Our latest fieldwork, and the analysis of the available monitoring data on engagement with the different aspects of the ISP, suggests that this appetite continued – with the Round 3 projects being as enthusiastic as their Round 2 counterparts at a similar time in their development. Indeed, examples were identified amongst the Round 3 case studies where projects were initially ambivalent towards the 'capacity development' aspect of the programme, but were enthused by the range and nature of support available to them. As one Round 3 CEO who was initially sceptical about the capacity development aspect of the programme, but who had been impressed by the range and level of services on offer, described: "*this is an opportunity to do something truly transformational*", an opportunity which he and others intended to exploit as far as possible. As for Pathfinders, their involvement has not been as extensive as the Round 2 and Round 3 projects, partly a reflection of the fact that this support was not available to them from the outset.

This section explores the CSOs' experiences of the different elements of the Integrated Support Programme, and additional services delivered by the Managing Body to support the programme's capacity development objectives, before exploring the impacts identified to date. The section draws heavily on the fieldwork with the 15 Round 2 and Round 3 case studies, as well as interviews with the Managing Body and the key support providers within it.

#### **4.3.1 The Bespoke Consultancy Support**

The bespoke consultancy support provided as part of the Integrated Support programme has been hugely valued by the CSOs. Most of the Round 2 case studies have had multiple consultants providing them with support in a range of areas. Linked in with their ODTs and action plans, and as a reflection of progress made with delivery, the emphasis of support has moved away from human resources to a focus more on marketing, communication and income generation

On the whole the support provided has been effectively tailored to meet the needs of the CSOs and has led to positive developments within them. The Managing Body Impact Report (2010) noted that the tailored elements of support delivered through specialist consultants were perceived by CSOs as having the greatest impact. From the case studies, and as reported previously, support with human resources in the crucial set-up stages was particularly valued by the CSOs, and has led to the introduction of new procedures and systems. One such CSO for example has successfully merged with other organisations as part of their YSDF project, now has a range of new HR policies, a new appraisal system and skills analysis tool, and training toolkits for managers on new systems/policies. More recent examples are provided in the two case studies below.

#### **Case Study Examples: Bespoke Consultancy Support**

In this case a package of support was designed to respond to anticipated changes in the competitive environment for the CSO in terms of funding and service commissioning, and the evolving needs of their target young people. Support included the development of a new marketing plan and measures to address issues of sustainability. The latter included research with stakeholders to establish their market position; development of new brand ideas, visuals and web page treatments for consultation; market research of neighbouring local authorities to establish opportunities for new delivery; and the establishment of 'top ten' list of contacts that the CSO needed to build relationships with. A key part of the tailored support was a dedicated resource to help with the swift recruitment of a new Business Manager, which was achieved within the desired timescale.

In the second, case, the most valued input for this Round 2 CSO has been through their bespoke consultant. According to one of the main project workers, he brings “*immense clarity*” and is really good for strategic questions. “*If he hadn’t been around, we wouldn’t have any ideas*”. They have “*nothing but praise*” for this support. The consultant has contributed to the development of their sales model, the business plan, and at the time of the last visit was developing plans for sustaining their wider delivery model. He has regular catch ups with the CSO staff about how well sustainability plans are progressing; and also brokers other sources of support. As a result of this, the CSO now has a sales plan, business plan, and marketing / communications plan, and senior staff are now increasingly aware that their roles should focus as much on future income generation as on operational delivery.

Overall, despite such positive examples, a key challenge with the consultancy support has been that the inputs required on both sides have been greater than originally anticipated. The Interim Report highlighted that initial expectations among the CSOs had been high about what could be accessed. This had led to some excessive front-loading of support at a time when CSOs were scaling up delivery at a significant rate – which in turn led to issues around some CSOs having the capacity to absorb the support at that time. In these cases, Account Managers subsequently worked with the CSOs to develop a more staggered and realistic timeline. Account Managers found the process of managing and facilitating multiple consultants in any one of the CSOs to be intensive, especially when compared with the Round 3 model. For CSOs, the capacity to absorb the support has been an on-going issue.

At the time of our fieldwork (early 2010) a small number of case studies struggled to see the immediate benefits of the bespoke support. For one of the case studies this was due to the difficulties experienced in finding the capacity to absorb the bespoke support. Consultants have struggled to engage with this particular CSO - initially due to their inability to absorb the volume of support on offer, and then due to changes in staff within the organisation. For the other case study, while benefiting early on from human resource inputs, the CSO felt that on reflection the diagnostic approach had not worked well as a process for identifying their needs – in part because at the time it was conducted their ability to identify and articulate these needs restricted its value. They also feel there was a lack of transparency in terms of the consultancy support available which, if communicated more clearly from the start, would also have supported them to take greater ownership of this element of the model and to be able to prioritise more effectively.

Finally, an issue identified in the last report was the provision of support to consortia and whether such support could be given to all members or just the lead. See the example below.

### Case Study Example: Consultancy Support to a Consortium

For one of the Round 2, which delivers its services through a consortium model, the bespoke support provided was perceived as invaluable, although some concerns were raised about the extent to which the various consultants were working together, and as yet full impacts across the consortium are yet to show. A key emphasis of the support has been on developing the consortium model strategically, and as part of this additional support was given around issues arising from the loss of one of the consortium members. Support has included work to develop marketing and branding for the consortium, which has engaged consortium partners, through joint training sessions. With the focus on the development of the consortium, rather than the services being developed for the young people, the benefits are more about policies and procedures and how they can be adopted and cascaded down through organisations. The bigger question of how far to formalise the consortium, and/or take a sub-contracting model, remains unresolved – despite consultancy support on this.

### 4.3.2 The Round 2 Business Mentor Support

The role of the Business Mentor is to act as an independent and confidential 'personal coach' for the Development Facilitator at every stage of development throughout the YSDF programme. Business Mentors bring expertise of leading large change management projects in the private sector, as well as skills in supporting CSOs. Unlike the Business Advisor role for Round 3, the Business Mentor is focused on the personal development of the individual rather than on influencing wider organisational change.<sup>25</sup>

A survey of mentors and Development Facilitators conducted across Round 2 and Pathfinders by Primetimers in the Summer of 2009 and then again in 2010<sup>26</sup>, showed that while overall there had been some early teething problems, the approach had got off to a good start and had become well embedded:

- The matching process had worked well with the development of positive working relationships;
- It was building the confidence and enhancing the personal skills of the Development Facilitator, with examples given particularly in the second survey of individuals feeling more effective in their jobs;
- The Development Facilitators believed it was benefitting their organisation and not just themselves; and
- There were specific examples of Development Facilitators doing something differently as a direct result of their mentoring - such as adopting new approaches to project management, delegation of workloads, and addressing staff management styles.

The mentoring seemed to have less of an impact in the early stages on helping the mentee develop new skills and, to a lesser degree, to find new solutions to problems:

- The first survey indicated a lack of understanding of the YSDF programme amongst the Development Facilitators. It is not clear whether this was because they expected their mentors to have more knowledge than they did, or a reflection of the fact that the Development Facilitators felt they had sufficient knowledge at the start. By the second survey, more Development Facilitators felt their awareness of YSDF had improved.
- The Development Facilitators also appeared to want their mentors to be more engaged within the wider YSDF programme in terms of having a more influential role, either to influence their organisations or the support received from the Managing Body.

However, as the role has become more embedded, improvements have been seen. The second survey, for example, showed an increase in the perceived impact of the mentor and in how the Development Facilitators rated their relationship with the mentor, with the 78% of those surveyed (up from 69%) strongly agreeing that the relationship was open and honest.

Our interviews with the mentors and Development Facilitators from the five Round 2 case studies in early 2010, and with the Managing Body, show that further progress has been made with the mentor role and its impacts. Despite some early problems caused by initial confusion about roles and responsibilities, and some inevitable compatibility issues, the mentor role has now become well established with all the case studies highly valuing this aspect of support. Following the early stages of allocation of the mentors, there have been relatively few examples of mentor turnover. Key points to note are that:

- The mentors were all been maintaining regular monthly face to face contact with their CSOs, with positive relationships being established in all cases. Mentors generally report that their time allocation has worked out about right, with an acknowledgement that there

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<sup>25</sup> For a discussion on the chemistry meeting process and early training provided for the mentor role, please see the Interim Report, GHK (2009).

<sup>26</sup> PrimeTimers, *Youth Sector Development Fund Mentoring Evaluation*, 31st July 2009; Prime Timers, *YSDF Mentoring Evaluation: Second Survey*, 23 July 2010.

will be peaks and troughs in terms of their inputs, and a recognition that the ability to be flexible and responsive is key to success.

- The mentors have largely taken an ‘organic’ approach to how they work with their respective CSOs. One mentor for example explained how they do not work together on the basis of setting milestones; their mentoring sessions are more “organic” and deal with “things as they arise”. Another mentor explained how in their case the initial diagnostic had not captured their main development issues, and that it is only as their relationship has developed over time that the real issues have been identified.
- All of the mentors were confident that their role was being fulfilled in terms of providing independent business mentor support. Indeed, Development Facilitators gave a range of examples of the positive role the mentor has played in supporting them to develop personally and to manage the rapidly evolving YSDF project – as in the examples below.

### Case Study Example: The Mentor Role

One case study found the coaching approach and the confidential nature of this role as “*extremely powerful*” in discussing personal needs and organisational issues. The Development Facilitator explained that they did not have previous experience of integrating an entirely new team into an existing organisation, and that the support of the mentor was crucial for troubleshooting and acting as a sounding board.

For another case study, the Development Facilitator and mentor have developed a strong relationship built on trust. According to the Development Facilitator, the mentor has been a key source of support: “*someone who is confidential and can offer a broader perspective on issues.*” She values her ‘questioning’ and role as a sounding board. In particular the mentor helped her through a challenging process of de-commissioning a sub-contracted provider – allowing her to reach a difficult decision more rapidly than would have been the case otherwise.

- Particular skills and expertise of the mentors valued by the CSOs include: the confidentiality; their practical experience; specific understanding of the CSO sector; their listening ability; and their supportive and non-directive style. Some case study CEOs initially questioned whether their mentor needed to have experience of the civil society sector to deliver their role effectively. However over time the view emerged that individuals with a range of experience within or outside of the sector were equally able to impart learning, and offer the benefit of their experience and expertise to help improve business strength and commissioning capacity.
- There have been some attempts made to bring YSDF mentors together. One mentor for example explained that they had attended three briefing sessions with two or three other mentors. These took the form of detailed half-day workshops about CSOs and the challenges they face, and a detailed overview of the YSDF project. For the mentor, the session was a useful ‘updating’ exercise. Despite such mechanisms to share learning and experiences, some mentors appeared to interpret thresholds of confidentiality differently, with some maintaining very little contact with the Managing Body. This confidentiality aspect has raised some issues in terms of the Account Managers’ ability to monitor this role, although on the whole relations have been positive and productive.

#### **4.3.3 The Core-Curriculum**

We have seen that overall attendance at the core-curriculum events has been high with no evidence of a shortage in demand. Indeed, the Managing Body believe that this aspect of support delivery has gone well both in terms of delivering the training and generating a rapport between the CSOs attending. Although satisfaction questionnaires completed by CSOs for each of the sessions attended are yet to be consolidated, feedback sheets from two specialist workshops, which were open to all CSOs, gave an indication of their

experiences of engaging with and responding to this kind of training. One such event was in June 2010 on Partnerships & Collaborations. Topics included:

- Finding and managing subcontractors;
- Running a partnership;
- Legal issues to consider;
- Mergers – the ultimate partnership; and
- Speed trading.

Of the 17 individuals attending, nine participants rated the workshop as good or excellent and two as average. Participants who responded saw this as contributing to their plans for sustainability and felt that it will help them in their plans for merging, where relevant.

In terms of feedback from CSOs more broadly to Account Managers, a number of common issues were raised. Overall feedback from the CSOs has generally been very positive with some sessions proving to be particularly popular. These included for example the diversifying income and the sales pipeline workshops. At the same time some CSOs have fed back that sessions have been ‘dry’ and that they already felt capable in some of the areas covered, for example safeguarding children. This has led to some CSOs being reluctant to participate. Conversely, some participants have struggled with the level of intensity required, a product of sending more junior staff – although one Round 3 participant described how she had found the content challenging but saw this ‘stretching’ as positive. Indeed, a key issue has been to determine the ‘level’ of the person who should be attending the sessions. For Round 3 CSOs, while all agreeing the need for support, capacity issues have led to them not being able to send the most relevant person. One Account Manager stressed that in addition to the core-curriculum CSOs are still receiving tailored support from the Business Advisor, and can also access bespoke support via specialist consultants where needed.

The Managing Body’s own Impact Report (2001) based on a survey with the CSOs, reported examples of mixed views about the value of the core-curriculum, for example:

*“Generally the core curriculum workshops have added little value. This is because they have been pitched too low a level for an organisation that won a YSDF grant. That said, some have been very useful and we recognise that it is hard to pitch sessions to all potential audiences.”*

This is further reflected in our interviews with CSO staff attending. Overall the core-curriculum offer was welcomed, but views on its content and potential impact were mixed. A commonly held view was that the sessions were “*hit and miss*”, and that the benefits did not always outweigh the difficulties of freeing up time to attend. Some of the sessions were considered to be too general, and needed to be more specific and personalised to the needs of organisations. This is partly linked to the generality of the support offered; inevitably not all individual needs or specific local contexts can be catered for. One case study for example attending the Marketing and Branding core-curriculum workshop felt that it was not rooted in local practical realities, expecting information on bidding opportunities in their area. A number of case study CSOs also felt that the sessions had benchmarked good practice rather than develop new capacity. While it was always intended that the Business Advisor would be instrumental in helping to embed new learning, it is not clear the extent to which this has happened in practice. The case study box below provides examples of the views expressed.

### Case Study Examples: Views on the Core Curriculum

Several case study CSOs and other consultees provided views on the Core Curriculum:

*“The core curriculum training so far has been a bit off pitch, for the Launch Pad event a lot was crammed into a day and a half and it was not relevantly pitched – it was aimed down here and we were up here.” (Round 3 Case Study)*

*“We deliver at the grass roots but they thought we were stupid, it’s an insult” (Round 3 Case Study)*

*“An inevitable problem of one-to-many training is that it won’t please everyone – there is no broad view of the CC – I don’t think this is possible.” (Account Manager)*

*“The Core Curriculum session on ‘Managing the Employee Infrastructure’ was helpful in reassuring us that we are in a good place with our Human Resource systems and also providing practical examples of how to improve some systems like checklists, but overall it helped to reassure us that we are on the right track. Ultimately, there was nothing ‘revelatory’ about the support we received.” (Round 3)*

#### **4.3.4 The Round 3 Business Advisor Support**

The Business Advisor role was a new aspect of support provided for the Round 3 CSOs. Embedded within the CSO, their role encompasses delivery as well as mentoring and advice to meet the requirements of the CSO. They are funded to deliver four days worth of support per month to each CSO. Unlike the Round 2 Mentor role, they also provide ‘hands on’ practical support, working closely with the CSO and the Account Manager to support the YSDF objectives. Importantly the Business Advisors are not required to maintain confidentiality in the same way as the mentors.

The vast majority of the Business Advisors recruited for the Round 3 CSOs were sourced equally from across the three Managing Body consortium partners, Catch 22, Primetimers and BtoB. This was achieved in a relatively short period of time, with good matches on the whole being established. The Business Advisors recruited represent a range of skill sets and areas of experiences. A key area of learning for the Managing Body has been the importance of getting the match right between the individual Business Advisor and the CSO. The Managing Body’ Impact Report (2010) based on a survey of the CSOs, showed that the perceived impact of this support was either very high or very low – depending on the relationship formed with the individual. The Managing Body has stepped in to replace Business Advisors, where the need arises. On the whole though turnover of Business Advisors has been relatively low, with just five being replaced so far, two of which were due to go on maternity leave. Where changes in Business Advisors were reported by the case study CSOs, the handover process was generally considered to have been effective.

#### **Case Study Example: Business Advisor Turnover**

One Round 3 CSO described how their Business Advisor had taken maternity leave, and had been replaced. The CSO described how the handover had been “*exemplary*”, with both Advisers conducting a joint visit and meeting with their core staff and partners. The new Adviser had clearly been well briefed, was seen as “*excellent – the last one would have been hard to beat, but they (the Managing Body) managed it*”, and lived locally, so had a clear understanding of the local context.

A Round 3 case study was undergoing a change in Business Advisor at the time of the second visit, which had not been at their request, but more to do with capacity issues of the Advisor and a potential conflict of interest. This had left the main contact at the CSO feeling frustrated: “*[The Business Advisor] and I have spent time and have developed the relationship, she understands the local issues and understands the local demand, [we] had a plan, but now she is leaving and we are waiting to be appointed a new one.*”

Two further case studies express some concerns with their Business Advisor, although not to the extent that they wished to seek a new one. For one of them, however it has led to a change of approach, with the Business Advisor now sharing their responsibilities with two other colleagues.

Another key learning point for the Managing Body was how best to monitor and manage the Business Advisor role to ensure accountability above and beyond the individual CSO. The

systems are now in place for Account Managers to have monthly contact with the Business Advisor, with their workplans being approved and monitored by the Account Managers and their timesheets submitted to the central team within the Managing Body for payment.

Interviews with CSO staff and the Business Advisors for all ten case studies show that they have generally used most if not all of their day allocation. There were not any examples from the case studies of the allocation overall being exceeded, although some flexibility has been allowed in terms of Business Advisors claiming more days for one month and less for others.

More generally, the case study CSOs were on the whole extremely positive about the Business Advisor role, particularly valuing their 'hands-on' contributions. Time to build up a relationship and trust is key, helped by the Business Advisor having a presence in the organisation. Similarly, Business Advisors and CSOs were happy with the progress made against workplans for the majority of the case studies. Most reported a good match between the needs of the CSOs and the skills of the Business Advisors. Although as the examples below show, the Business Advisor could not necessarily fulfil all the requirements.

### Case Study Example: Views on the Role of the Business Advisor

Individual CSO's views varied on the extent to which they could, or could be expected to, fulfil all their development requirements – for example:

*“YSDF support [through the BA] is much better compared with say Business Link, which assume you don't know much. We are a social enterprise and don't need to be told how to run a business – what I need is someone to do things for me.”*

*“We are still filling in forms but there is the potential for [the BA role] to be very good [and responsive] to the specific needs we have' [...] The business advisor is critical – she is challenging, she asks difficult questions.”*

The Business Advisors also recognised that levels of expectation could be high, and which perhaps could not be met. As two described:

*“I can't be all things to all people, when it involves diversifying into new markets, research and development, social enterprise and new models, and fundraising”*

*“Trustees is another area identified for support but this is not my area of expertise, it may get covered in the core curriculum.”*

The case studies below provide examples of effective Business Advisor support.

## Case Study: Effective Support from the Business Advisor

In the first example, the Round 3 CSO's Business Advisor had been working with them for six months, and felt that she only fully understands the organisation and has earned their trust. She had found the CSO to be very receptive, which she thinks is key. Following on from the diagnostic review, the Business Advisor with the CSO are working together on three specific areas: people and HR management, specifically skilling up the workforce and improving performance management systems; commissioning readiness, specifically building up new contacts and confidence; and governance, specifically developing the management committee and providing some financial expertise. The Business Advisor spends three to four days with the CSO each month, with an additional day per fortnight communicating with them between meetings. Both parties think this is an appropriate amount of time. The Business Advisor has been able to apply both carrot and stick with the CSO as their relationship has grown and developed – the quality of this relationship is key in effecting change. The Business Advisor believes the CSO is developing in terms of confidence and are seeing the value of becoming more professionalised.

In the second case the CSO's Business Advisor changed, which was a cause for concern given how she was very well thought of by the CEO. However, after an effective handover, the new Advisor was considered to be as good as the last one – knowledgeable, personable but not prepared to back down, and as she lives locally very aware of local issues and contexts. The diagnostic review and work of the first Advisor focused on governance issues and the role of the Board and Trustees. The new Advisor has taken this work forward, taking forward work on strategy, governance and publicity/marketing, with key activities including:

- Continuing to work with the CEO and the Board – facilitating relationships and holding 'visioning days' with the Board, senior managers, Trustees and staff. These led to the development of a new vision, mission and values statement for the organisation – and changing from "*thinking about what to do to actually doing it*". The BA described how by the end of July the CSO will have a completed, good quality strategic plan – and that they are already around 60% there.
- Providing on-going mentoring support to the CEO and his deputy - and thinking through their roles.
- Doing some publicity, marketing and re-branding work – which freed up the CEO's time, and including establishing a marketing sub-group to ensure the CSO promote themselves better.
- Spending time with CSO staff – to find out where she can offer help more widely.

The focus and implementation of support has varied depending on the needs of the CSO and the areas of expertise of the Business Advisors. Areas of support include mentoring/coaching, human resources, marketing/communication and supporting improved governance. Where issues arise that are outside the Business Advisor's area of expertise, they have been able to signpost to or bring in other consultants.

Finally, case study fieldwork suggested that the links between the Business Advisors and the Account Managers and the core curriculum were variable. Business Advisors interviewed all reported that they did not attend the core curriculum. While some of them thought this was a gap, and that provision should have allowed for this, others felt that this was not needed. In any case, there was little evidence that specific issues addressed in the core-curriculum were being systematically followed up by the Business Advisor.

#### **4.3.5 Additional Support Provided by the Managing Body**

A number of issues were also raised by the case study CSOs with respect to the additional support elements provided<sup>27</sup>:

##### **The YSDF Commissioning Checklist self-assessment tool.**

A number of CSOs reported finding this assessment process complex, lengthy and sometimes 'jargonistic', for example:

*"They need to stop using a sledgehammer for nuts, I found it to be aimed towards much bigger organisations, but what about us? It needs to be proportionate. All the questions about protocols; are they really relevant for us?" (Round 3 CSO)*

*"The Commissioning Checklist is a really daunting tool, an academic had clearly written it, it is very lengthy" (Business Advisor)*

Some in particular found that it duplicated some of the organisational diagnostic review process and that it did not reflect current economic/commissioning realities, i.e. that "no one is commissioning." Where there was perceived duplication, the Business Advisors explained that they themselves had included commissioning factors into the original ODT process, which explained some of the overlap between the two. The Managing Body (2010) Impact Report similarly reported low levels of satisfaction with this tool among CSOs. It was reported as having the least impact with some noting that it duplicated other tools and lacked focus. Nevertheless, among the case studies, there were also examples of CSOs who understood the rationale behind it and the potential for its use. For example, some noted that it had allowed some CSOs to reflect specifically on their support needs around commissioning, and helped the Business Advisor to focus on where to target support.

More generally from the Managing Body perspective, it was found to be "hugely valuable" in terms of helping to map out support needs in this area. When reviewing the combined delivery plans a key finding was "how diverse each of the CSO action plans were". Development needs ranged hugely, from simple tasks such as supporting them to better link into local/national funding alerts to helping them to effectively describe themselves to commissioners.

##### **Financial Health Checks**

The YSDF integrated support offered an opportunity for each organisation to have a facilitated financial health check. 25 CSOs across all three Rounds of the programme had so far engaged with the health checks, which generally consisted of completing a detailed form and a one day session, which staff with financial responsibility within the CSO attended (including the CEO). The Managing Body Impact Report (2010) noted that CSOs reported low or modest impacts from this activity. For Pathfinders and Round 2 CSOs, in particular, it was found to be reinforcing rather than revealing of new issues. Those case studies that had engaged found the process time consuming but useful in terms of providing good 'practical tips'. One R3 case study for example explained how they found it to be "very professional and thorough", highlighting information that they knew anyway but emphasising the value of "getting things out of their heads and onto paper." The trainer ran through core cost recovery issues, and made recommendations for financial reporting, which the CSO plans to action.

#### **4.4 Impacts of the Integrated Support**

This section examines the extent and nature of organisational impacts across the case studies resulting from YSDF support. It begins with an overview of their baseline capacity, then presents evidence of organisational outcomes according to the following themes:

- Human resources

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<sup>27</sup> It is not possible to report on case study experiences of the exit planning process as this just started at the time of our final fieldwork.

- Governance and Accountability
- Funding and Business Strategies
- Marketing and public relations
- Commissioning
- Evidencing success and capturing outcomes

While these are presented separately, it is important to emphasise, as shown in the previous Sub-section, that the ISP is experienced as a combined process and the affects are cumulative. It is also important to highlight that much of the organisational development, and awareness of it, by the CSOs was only just becoming apparent at the time of our last phase of fieldwork. This is particularly the case for the Round 3 CSOs, where their relatively short funding period is likely to influence the extent to which benefits can be achieved.

Nevertheless there was emerging evidence of positive organisational developments across the case study organisations mainly in relation to the support received via the tailored packages. As highlighted in the Managing Body's 2010 Impact report, just 7 per cent of CSOs surveyed felt the core-curriculum had a significant impact on them as organisations as opposed to 40% for the bespoke consultants and 55% for the mentoring.<sup>28</sup>

A number of case studies reported that YSDF support had served to accelerate capacity development. A common finding, for example, was that YSDF helped CSOs develop new and amend existing policies more quickly than would have been the case otherwise, particularly the raft of new human resource policies which have been a feature for many of the CSOs. However we have also seen in the case studies examples of entirely *new* capacity development, which in the absence of YSDF would not have happened at all, such as new business models. Examples of these are presented and discussed below.

We supplement the case study findings, where relevant, with information taken from the quarterly MI return data. These include, for example, measures about the 'number of tenders submitted' and the 'number of contracts won', which, while inevitably providing only a partial picture do provide us with some top level findings. Finally, we also refer to, where possible, the various impact studies conducted by the Managing Body.

#### **4.4.1 The baseline capacity of the YSDF funded CSOs**

Prior to YSDF, all the Round 2 CSOs were well established within their local geographical contexts and/or specialist/niche area. In addition to this, most already had a relatively diverse funding base, with all having an annual turnover of over £1 million. Indeed, the ability to handle the size of the YSDF grant was a pre-requisite for Round 2 funding. Similarly, while the Round 3 CSOs were smaller organisations, with annual turnovers of below £1m, they too were largely well-established CSOs and had to prove stable enough to absorb the YSDF grant. Despite this, the Round 2 and 3 organisations displayed a range of support needs associated with scaling up their service offers and meeting the demands of local authority commissioners. The tender assessment process and the subsequent diagnostic review further highlighted areas for development. These were:

- **Human resources:** including the recruitment of new staff and the introduction or development of formal performance management systems, appraisal frameworks and staff development processes
- **Governance:** ensuring the trustees reflect the community of stakeholders they serve, with clearly delegated responsibility (i.e. including through sub committees) and the monitoring of performance.
- **Funding and business strategy:** including diversifying revenue streams, becoming less dependent on short term grants; forward business planning and medium term strategy

<sup>28</sup> PrimeTimers (2010) Impact Report YSDF, May-June 2010. Ecorys

(most notably in relation to the funding taper); and introducing mechanisms to increase understanding of the needs of funders and linking these into business planning;

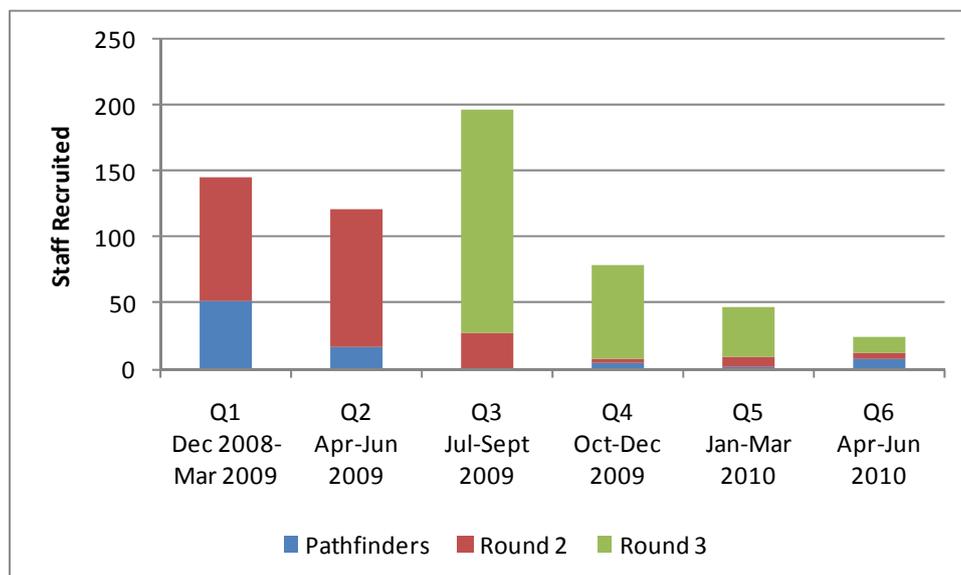
- **Marketing and public relations:** including the development of plans and materials to quantify and market their 'service offer'; increasing the ability of the organisation to maximise its impact through the media and public relations, including a marketing plan.
- **Commissioning:** including outreach, research and networking to increase understanding of the statutory commissioning process, and increasing capacity to win business through open tendering (i.e. identifying opportunities and bid writing skills).
- **Accountability and evidencing success:** although not explicitly identified development area in all cases, our research highlighted significant differences in the ability of CSOs to systematically collect and record management information on service user outcomes.

These themes are used in the Section below to structure the emerging evidence on organisational outcomes.

#### 4.4.2 Human Resources: Key Impacts

YSDF grant funding has been used to fund large numbers of new staff, with the CSOs successfully recruiting staff to a wide range of new positions (i.e. ranging from administration, research, fundraising and business development to youth development workers). According to latest MI some 626 additional staff had been recruited/seconded, exceeding the profile to end June 2010 of 587 (107% of profile). Figure 4.1 shows the numbers of staff recruited by quarter and Round, with Quarters 1 and 2 showing recruitment by the Pathfinders and Round 2 projects, with recruitment by the Round 3 projects being dominant from Quarter 3 on.

**Figure 4.1: Staff Recruitment/Secondment by Quarter and by Round**



Scaling up has helped build capacity among the staff with the introduction of these new posts, particularly in terms of fundraising and project management. Regarding delivery staff, YSDF funding has also helped expand provision in terms of, for example, night time provision and outreach, and services in new areas. Importantly this has helped build their external profile among funders in terms of a new reputation of being able to deliver on a larger scale. The case study below provides an example of this.

#### Case Study: Positive Impact of Scaling up Organisation and Delivery (Round 3)

At an organisational level, this CSO believes that YSDF funding has elevated their status within a City Council in terms of reputation and profile since they now work with

such large numbers of NEETs – ‘*people are sitting up and taking notice*’. The CSO have a good working relationship with the Deputy Head of Youth Services within the local authority – she and her staff have been very supportive in terms of talking about the project in positive terms and advocating on their behalf. The CSO believes that this has been useful, but realise it is difficult to measure or quantify this particular impact. In the past, the CSO haven’t had formalised referral routes, so this project has allowed links to develop with organisations such as Jobcentres. New links with alternative learning provision have also been useful, enabling cross referral if they need training for employment.

Round 3 CSOs are reporting notable improvements in their working relationships with local authorities, with the extra resources freeing up time to cultivate links with the senior officers and decision makers. This includes looking beyond traditional grant funders and making tentative bids to other commissioners, such as Primary Care Trusts. This was a particular target for Round 3 CSOs, who appear to be using the extra capacity to join networks and partnerships, where contacts seem to be leading to new funding opportunities.

Linked to this, we have also seen the development and implementation of new HR policies and systems. This is an area where there is strong evidence of tangible benefits as a direct result of support from the YSDF programme. For many CSOs there was the need, particularly given the significant scaling up of staff – including voluntary staff – to have the necessary human resources policies in place which many had been lacking. Having developed new human resources policies, the CSOs are now in a position to implement more comprehensive procedures. New performance review and appraisal practices are in place, with CSOs citing the support provided by the Managing Body as a key requirement for their smooth introduction and transition, notably the ‘best practice’ advice offered. A Round 3 CSO explained how as a result of the implementation of new HR policies, there is now an improved support structure for staff, with regular supervision and regular team meetings to allow issues to be picked up and good practice shared. Staff are involved in training once a month, looking at a range of issues involving sharing skills or inviting guests. See case study box below for an example from Round 2.

### Case Study: Positive Impact of Support with Human Resources (Round 2)

One Round 2 case study explained how the support they received from Catch 22 with the development of their HR policies was “*brilliant*”. The consultant was found to be hands on, practical and sensitive to their needs, identifying gaps and providing mentoring for the CSO’s HR administrator. The support they have received has had an impact on capacity by making their HR policies more robust, specifically:

- They were able to develop, update and refine the training of team managers in delivering staff appraisals; develop a communication strategy for the HR department; and conduct a review of job evaluations linked to career development and performance salaries.
- They re-launched their performance management systems, which will help progress them towards achieving Investors in People status.
- The consultant reviewed and updated external job advertisements, job descriptions which resulted in a significant increase in potential applicants applying for the new positions advertised. They have also updated existing job descriptions including Board members and Trustees.

Although the CSO feel that these changes would have happened to some extent without the integrated support, they acknowledge that YSDF has accelerated the process quite considerably.

#### 4.4.3 Governance: Key Impacts

The need to develop enhanced governance mechanisms was identified as a support need particularly but not exclusively among the Round 3 CSOs. Therefore, there have been a number of incidences across the case studies of tailored support being provided in this area. From this support, we have begun to see some improvements to governing structures which at the time of the fieldwork were beginning to take effect and impact on improved strategic approaches. See below two examples below from Round 3 CSOs.

#### Case Study Examples: Improved Strategic Planning and Governance

The Business Advisor has worked with this CSO to establish a six point strategic plan, which details what they will do over the next months/years in detail. The plan includes: taking forward plans for building a new purpose-built facility; expanding delivery profile; and developing the Board of Trustees. This strategic planning is also being linked to other support being received on the sales and development of the CSO's core business. Impacts to date have included:

- **Improved leadership capacity.** Over the last six months, the Director of the CSO has “moved on and made great steps”. The BA reported that he has come on “leaps and bounds as a manager” and that while he has always been good ‘facing down’ to his staff he has now developed his skills in ‘managing up’. His negotiation and political skills have improved greatly, meaning he is far more effective. Whereas at the start of YSDF the Business Advisor was providing almost ‘daily consultation’, now it has become more a case of confirming what the Director thinks rather than providing more intensive advice and guidance.
- **A clear business strategy is now in place.** Whereas before the CSO had lots of ideas, which were not always in line with an overarching strategy, now everyone is working to the same objectives.
- **Improved governance.** There has been a successful review of the Board's membership, leading to new recruitments. This work is ongoing but the project anticipates that changes to the Board's membership will improve governance of the CSO.
- **Improved market research.** The need to develop their branding was identified early on by the Business Advisor. To contribute to this developmental activity, the CSO have recently appointed a marketing company to conduct focus groups with parents, partners and others to inform their ongoing work. Their original bid stated the intention to develop a website to engage young people and collect their views about how the service should be developed. This website has not been set up yet (“we got ahead of ourselves”) but will be informed by the commissioned market research. Depending on the outcome of the market research, they may change the organisation's name.

In another case, a Round 3 CSO reported how the skills acquired through support from their Business Advisor had led to a focus on organisational change and in particular improvements to governance. As a result of this support the size of their Board of Trustees has been increased from three to five, and now includes people with other skills from outside the organisation. The CEO has also now rejoined the Board and is more closely involved in the day to day running of the organisation.

#### 4.4.4 Funding and Business Planning: Key Impacts

From the case studies, we found numerous examples of new funding and business planning processes as a result of tailored capacity support. The case studies below, one from Round 2 and two from Round 3, provide some fairly typical examples of improved business and financial planning as a result of the tailored support. These show evidence of increased abilities of forward business planning and medium term strategising.

## Case Study Examples: Improved Business and Financial Planning

As a result of support from their bespoke consultant, this Round 2 CSO for the first time had a sales plan, a business plan, and a marketing / communications plan tailored to trying to sustain and sell their delivery model. The CSO were also working with their consultant to look at how the team and ways of working would need to change across the CSO. They had set targets for the next three years together with a plan for one year to work alongside YSDF targets. As part of this the Development Facilitator role had become much more about advocating for, and supporting, change within the organisation to make it more commissioning ready, and in general, more proactive about funding. In the view of the consultant, the CSO's business processes were now "*extremely good*"; they had spent a lot of time getting processes right so that when money does come in they can scale up easily.

A Round 3 case study explained how the Business Advisor had developed a new financial reporting system with them that was appropriate to the CSO's needs. The previous financial report the CSO produced was not considered fit for purpose, as it was off the shelf rather than bespoke. At the time of the visit, the new system was almost complete, with training being planned for the project team on the use of the tool and how to analyse the data it would generate. The Business Advisor believes that the tool will support the team to provide more user-friendly information to the Board, and encourage them to be more active in reviewing their forecasts.

Finally, for another Round 3 CSO the focus of the Business Advisor support had been on embedding improved strategic planning throughout the organisation. The nature of this support and their benefits included:

- **Energising/re-aligning the Board** – including freeing up the role of the Chair to allow more time to focus in his role, and mobilising the CSO Board more broadly. The Business Advisor has worked with the CEO and the Board in terms of facilitating relationships. This included conducting two 'visioning days' with the Board, senior managers, Trustees and staff. These led to the development of a new vision, mission and values statement for the organisation – and changing from "thinking about what to do to actually doing it". The Business Advisor described how the CSO were currently part way towards a good quality strategic plan, which was due to be completed by the end of July 2010.
- **Widening horizons** – participation provided the organisation with both the time and the reason for reviewing how they do things and seeing how they could improve. This has created the space for the development of new publicity, marketing and re-branding work. This has entailed establishing a marketing sub-group of the main Board to ensure the CSO promote themselves better.

### 4.4.5 Marketing and Public Relations: Key Impacts

A key focus of support has also been on developing marketing and communication strategies and links with funders, particularly as the projects were entering the last year of funding. Although fieldwork with CSOs were in early 2010, we found some examples of CSOs becoming more effective at tailoring how they pitch their provision to reflect local commissioner needs. Catch 22 for example had played a role in assisting CSOs to map their offer and outcomes against local authority indicators and priorities, including Children and Young People Plans. They had also been active in helping larger national organisations within the Round 2s which work across several local authority areas to encourage them to be more open and flexible to a wider commissioning base. The case study examples below – one from Round 2 and the other from Round 3, show how support in this area has already led to new funding opportunities.

## Case Study Examples: Improved Marketing

With support from the Business Advisor, the R3 CSO was able to cite a number of specific examples of enhanced mechanisms for commissioning readiness. These included:

- Involvement in two new local partnership boards, which resulted in enquiries to provide outdoor activities for staff;
- New strategic meetings with local commissioners, including the probation service, and local authorities; and,
- New systems for routinely tracking opportunities through websites.

This has led to them currently working on a £0.5 million grant and commission 'package' through an application to the Big Lottery Fund, and seeking to develop their offer into a newly designed 20 week package of services. They have also had success in bidding for funding from the local County Sport Partnership, which is a new funder for the CSO.

The Round 2 CSO cited support received with the development of their media strategy as a key benefit. The organisation received support from BtoB to develop the organisation's existing media strategy, which included help with defining their 'unique selling point', developing a communication strategy to target audience groups more effectively, and steps to maintain and heighten their public relations profile. Although the CSO felt that they may have developed these individual activities over time, they would have been done separately, whereas the more 'holistic' approach facilitated by the YSDF was felt to offer greater benefits in the long term.

### **4.4.6 Commissioning: Key Impacts**

The need to support CSOs in developing more strategic and effective links with existing and new commissioners was highlighted as a priority for a number of CSOs. Of course this aspect of support and any achievements gained are very context driven, as much depends on the types of, and opportunities provided by, the local commissioners. While some commissioners may be very strong in taking a strategic approach to commissioning and working well with the CSO sector, others are less so. The amount and nature of funding available also varies and is likely to diminish overall in coming years. These factors will influence the extent to which enhanced commissioning readiness on the part of the CSO can translate into increased rates and values of commissions.

This is also an area of activity for which programme level MI is available. This showed that all but six projects had profiles for the submission of tenders to the end June 2010 (three of the Pathfinders, one Round 2 and two Round 3 CSOs). For the most part these referred to the submission of a single tender, although others were more ambitious including one Round 3 project which expected to submit 16 tenders.

Across all three Rounds some 250 tenders were submitted, exceeding the profile of 153 (163% of profile), with one Round 2 CSO submitting 33 tenders and a Round 3 submitting 21 bids against profiles of 10 and four submissions respectively. While the number of tenders submitted is of course linked to the number of appropriate tendering opportunities available to the CSOs, the data shows considerable activity in this area. However it is less clear from the monitoring data as to whether these were 'new' opportunities (i.e. those submitted to 'new' commissioners and other funders the CSOs had not engaged with previously) or submissions to existing or previous funders.

In terms of new contracts secured, programme level MI to the end of June 2010 shows that across the three programme Rounds some 105 CSO bids had been successful, exceeding the expected profile of 71 (148% of profile). At the Round and project level:

- The Pathfinders – the four Pathfinders setting profiles for new contracts secured exceeded their profile overall, reporting 20 new contracts against a profile of 10. One Pathfinder reported securing 16 new contracts against a target of six, while the remaining three projects met their profiles.
- The Round 2 projects – 11 CSOs set profiles to win 15 new contracts, which was again comfortably exceeded with 24 wins being reported. Six projects met or exceeded their targets, including two cases where one win was profiled but seven wins were achieved by each.
- The Round 3 projects – 21 CSOs set profiles for a total of 49 new contracts, which was exceeded with 61 ‘wins’ being reported. Nine projects failed to meet their profiles, with several exceeding expectations and doubling the number of successful tenders.

Progress in terms of new contracts secured has consequently been strong, although as suggested above the monitoring information does not provide detail on whether the new contracts secured are from new or existing/previous funders, or whether they represent an increase in activity (and success) compared to previous levels. While timing issues limits the extent to which the number of new tenders submitted can be compared to those won at this point, the data suggests that some projects are reporting securing more new contracts than they have submitted bids, and it may be that the variable is being interpreted differently on the ground.

To varying degrees, each CSO had invested time and funds in dedicated business development and fundraising support, either for the first time or in support of existing arrangements. This often involved the allocation of staff to establish or extend lines of communication with a range of public sector partners, most notably local authorities (or across a large number of local authorities, often beyond traditional areas of interest). This led to examples from across Round 2 and Round 3 of higher levels of activity in terms of submitting funding bids not only to local authorities but also to grant funders. In this sense, the push to diversify funding sources via the tailored support, has begun to impact on CSOs. While inevitably not all bids have been successful, a number of case study CSOs have reported a range of successes in new income generated. For some this has been into new markets, either thematically and/or spatially. A number of illustrative case study examples are provided below:

### Case Study Examples: Impact on Commissioning Readiness

- One Round 2 CSO sought to extend the coverage of its new YSDF services to commissioners across three new local authority areas, and establish a range of new provision including sailing and marine engine maintenance through a merger with an existing provider and the establishment of a sailing and diving centre on its current site. Successes have been achieved in both areas, with a contract being secured with a local authority they had not bid to before, and the sailing and diving centre both proving an attractor to young people and a generator of revenue in its own right (through a shop and hiring the facilities to local groups and organisations, including the local rescue services for training events).
- One Round 3 CSO reported submitting over 30 bids for funding, considerably above the number reported in their quarterly claims. Of these six were successful, seven were unsuccessful and eight were outstanding. A total of £151,000 of new income has been secured, with the value of the successful bids ranging from £2,000 for a music project from a charitable trust to over £120,000 from DfE to undertake outreach work. The pending bids tended to be larger, with two for £80,000 and several for around £30,000, with sources including Comic Relief, Youth Music and various charities.
- The delivery schedule for one Round 3 CSO sets the target for submitting three new funding bids over the life of the project. However they have already submitted at least five bids with more in the pipeline, two of which have been successful including a large

commission from a neighbouring local authority - a new client for them.

- A Managing Body consortium representative who is also a Business Advisor felt that CSOs are now much more aware of local authority commissioning processes and are doing a better job at delivering services and promoting themselves. He gave one example, of a Round 3 CSO that had just been approached and offered a £44,000 grant. He explained that this would have been unheard of a few years ago. They are now a key partner with the local authority and are viewed as a credible provider.

The case study fieldwork revealed that not all CSOs were always willing to solely attribute these successes to YSDF. However for many, it was felt that the enhanced mechanisms above had contributed to achievements gained. Nevertheless, CSOs have struggled with securing enough income to off-set the YSDF tapered funding in the final year. While the current exit planning processes underway will clarify this further going forward, from discussions with the case studies it was clear that the external context and reduced availability of funding opportunities overall was already beginning to impact. This is discussed more fully in the Section 4.5 below.

#### **4.4.7 Evidencing success and capturing outcomes: Key Impacts**

Although not explicitly identified as an area for development in all cases, our research also highlighted significant differences in the ability of CSOs to systematically collect and record management information related to service user outcomes. Indeed, improving data collection and analysis is a significant challenge for many CSOs, particularly those working in consortia, where different practices and approaches may need to be harmonised and standardised. Nevertheless being able to evidence success is crucial in winning new work. From the case studies, it was clear from the outset that for most of them this was an area that needed development. There were some examples of CSOs with good tools already in place. For example at least one of the Round 3 CSOs was already using the 'Rickter Scale' tool to capture baseline and follow up information about individual young people. However even for those with experience in this area, the scaling up of delivery has also brought for many the challenge of improving or, in some cases, introducing new MI systems.

The Managing Body has provided funding for a number of CSOs to purchase new data storage systems, such as QES. While the case studies experienced delays in acquiring these, they are now all up and running. There has also been a dedicated workshop on this topic as part of the core curriculum, and bespoke consultancy has also been provided on this to some of the Round 2 CSOs. There is also evidence that CSOs are using their local evaluations to gather data on service user impacts, although as the box below shows this is not always the case. However, there were still a large number of cases where CSOs were not collecting basic data, or were relying on anecdotal evidence or solely on young peoples' self-assessments.

#### **Use of Local Evaluations to Collect Service User Outcome Data**

The majority of YSDF funded CSOs have appointed an independent local evaluator. While many contain a component on consulting young people, this is not necessarily the case for all the CSOs. Where young people are included in the local evaluation, they are being questioned about a range of issues including their experiences of the programme and their views on the development of the project. Methods include interviews, questionnaires, focus groups and feedback forms from activities, as well as a range of other sources including the use of social networking sites, video/sound recording and diaries. In terms of systematically measuring distance travelled and outcomes achieved, it is less clear what the local evaluations are delivering. The majority of external evaluators are basing their research on a sample of young people. For some, the young people in the sample will be tracked through the course of the programme and become case studies, whereas for

others they will be asked to provide their views through a focus group or interview.

*Source: Managing Body survey of all Round 2 and Round 3 CSOs conducted in May 2010, plus additional information from the GHK case studies.*

Ultimately, it seems that additional focus on supporting the CSOs to collect data on the young people they work with, and the achievements resulting, early in the programme would have been helpful. This has meant that evidence of CSOs making improvements in this area is only now becoming apparent.

#### **4.5 Progress Towards Sustainability**

As we have seen, all aspects of the capacity development to date has been about making the CSOs stronger and more sustainable. For example, evidencing outcomes helps their planning but also is important for winning new work. A strong governing board and HR policies all help with this. However, even if CSOs got better at commissioning, the lack of funding opportunities out there, will pose barriers to the achievement of sustainability. The tapered approach to the grant funding was one of the mechanisms deployed by the Managing Body to encourage CSOs to plan for sustainability early on and thus improve the chances for sustainability.

CSOs were expected to source an average of 25% of their funding from alternative sources in the final year of YSDF, which means that they must secure amounts of between £60k and £120k in the final year. For it to be counted against the taper, the funding needs to cover budget items formerly covered by YSDF. Beyond this the Managing Body are quite flexible in terms of how the CSO use this additional funding - for example if it is for a different locality then it can still be counted. Some CSOs have struggled to understand the principal of the taper and what is eligible but, perhaps more importantly, many appear to be struggling to secure the funding required to sustain the levels of delivery to date. Indeed, the scale of YSDF investment in delivery, which has led to high levels of staff recruitment, has created particular risks for the CSOs – including whether they will be able to secure replacement funding of sufficient scale, particularly in the current climate. The Managing Body acknowledges that for some CSOs, consideration may have to be given to scaling down delivery ahead of March 2011.

A number of case studies and commissioners interviewed referred to specific changes to and challenges associated with their local commissioning contexts. These are described below.

## Case Study Examples: The Changing Commissioning Context

The operational environment for CSOs is becoming increasingly challenging, given the changed economic and political landscape compared to when YSDF funding was originally allocated. For example, we were told by the commissioners interviewed that as contract budgets are reduced, increasing pressure is placed on them to:

- cut the costs of contract management and administration;
- place fewer, larger contracts, most notably among local authorities; and
- in some cases to offer shorter term or 'spot contracts'.

As discussed in Section 2, perhaps the most significant recent development has been the shift towards payment-by-results for providers of children and young people's services.

Similarly, concerns were also expressed by CSOs that the public sector seemed more likely to keep services in-house, to protect internal staff and support employment. A number of examples specific to their local context were also given:

- restructuring in one authority after moving to unitary status and a poor Ofsted report;
- the existence of six unitary authorities which do not work in partnership particularly on commissioning; and
- insufficient or no appropriate tenders being let. For example one city-based Round 3 CSO explained that the few commissions available had been secured by more national organisations, and that currently there were no ITTs that were relevant to their area of specialism from their local authority or grant funders.

This prompted CSOs to widen the search for funding, looking beyond established networks and many reverting back to grant funders. In a minority of cases, some CSOs are also exploring opportunities to establish consortiums that bring together a range of skills and experience.

More generally, the role of tapered funding to incentivise a focus on sustainability from the outset has perhaps been more effective with Round 2 than with Round 3 CSOs. For the latter, having only fully commenced in the summer of 2009, is it too early to expect them to secure displacement funding on the scale required. For one of the case studies this has had the effect of incentivising them to 'over-achieve' on delivery in their first year, with staff working extremely long hours. Although they have been successful in income generation, and as far as the Managing Body is concerned have secured substitute funding, the CSO's intention is that by the end of the programme they will have still met their overall targets even with reduced funding in the final year.

In addition to this it seems that a number of CSOs did not budget for a dedicated fundraising post as part of the YSDF grant, and have missed a significant opportunity as a result. Project managers, Development Facilitators or CEOs have had to take responsibility in these cases for income generation, which for many was on top of an already busy workload. Some CSOs have been able to find ways round this by hiring part time fundraisers. One case study with targeted bespoke support was able to recruit a new full time business development post, albeit late into the programme. Others have had to rely on delivery staff to contribute. Either way, the lack of a dedicated role for fundraising has inevitably restricted capacity in this area, and is perhaps a key learning point for the YSDF model.

Finally, while we have yet to find evidence of CSOs displacing in-house providers, at this point in the programme we would suggest that this is as expected. CSOs, certainly those in Round 3, will only now be gaining the benefits of capacity development. In terms of the external context it is also clear from the commissioner interviews that local authorities operate within long term commissioning strategies/cycles (many of which were mid-cycle), so any changes on this scale would come in the future. Underpinning all of this, however, is the

issue of how local authorities will or are able to respond to cuts in public spending. As Section 2 has shown, commissioner interviews were indicating that it is likely to mean services are more likely to be kept in-house - a trend that a programme such as YSDF alone cannot influence.

## 5 Service Delivery: Progress and Impacts

### KEY FINDINGS

- YSDF funding has enabled the case study CSOs to **scale up delivery** in terms of staff numbers and spatial coverage, and implement a range of delivery and organisational models. The Round 3 CSOs, with an emphasis on Friday and Saturday night provision, included a range of organisations and models including social enterprises, sport providers, outreach provision, music/arts providers and enhanced youth club provision.
- Overall delivery across the programme is **progressing well against throughput targets**. Monitoring information to the end of June 2010 shows that over 57,000 young people had engaged with the YSDF programme through the 45 Pathfinder, Round 2 and Round 3 projects, some 145% of the programme profile.
- **Projects exceeding their targets** tended to be where CSOs are: expanding existing rather than developing new models; meeting unmet demand among young people for activities of interest to them; and deploying flexible and highly committed delivery staff.
- **For those underachieving against their throughput profiles**, the reasons for this include: the delayed start for the Round 3 programme; the setting of targets which some have found to be unrealistic; and issues with consortia/local authority delivery/referral partners - a particular issue for the Round 2 case studies.
- One of the aims of YSDF was to support CSOs to better involve young people in decision making and delivery. The case studies provided some examples of **new participatory approaches** being established. On the whole though, and in line with the Interim Report, there appears to be limited evidence yet of any new mechanisms for young people's participation. Most examples from the case studies tended to be with CSOs with existing strengths in this area. In other cases some CSOs have experienced implementation delays, and it appears this aspect of YSDF has not been a priority for all the CSOs.
- In terms of **the impact of YSDF funded service delivery**, the latest MI shows that almost 10,000 young people have progressed to positive destinations, 21,363 examples of increased positive factors/soft outcomes have been achieved, and over 10,000 young people have completed training/achieved qualifications. In addition over 1,600 young people have been trained as peer mentors or youth workers.
- The case studies also showed that **YSDF is providing the space for personal development among disadvantaged young people**, contributing to 'hard' outcomes such as progression to education and new qualifications, and beginning to have impacts at local community levels.
- A key emerging finding from the majority of our case studies was that YSDF funded services were **filling gaps in local provision**. This is reflected for many in the high demand experienced for their services, particularly those in rural, but also in inner city urban, areas. Young people noted that these CSOs were providing them with something constructive to do, often in areas with little existing provision. There was also emerging evidence that YSDF services were diverting young people away from negative behaviour, reflected in interviews with them and to some extent in wider local statistics.

### 5.1 Introduction

As we have seen a key aim of the YSDF programme was to grant fund projects to enhance or develop new service delivery; alongside the bespoke business support described in the previous section. This section now turns to progress made with, and impacts resulting from, the YSDF funded service delivery. It is important to document this in its own right in terms of accountability and also to explore the links between the organisational changes discussed in the previous section and any improvements made to the service offer and outcomes. It begins by providing an overview of the range of delivery models. It then gives a programme

level picture of progress made in terms of delivery outputs, including total numbers of young people supported. Finally, it explores the key outcomes that had been achieved to date.

A range of data has been drawn upon in this section, these include:

- The quarterly claim/monitoring information collected by the Managing Body from each CSO. Here a series of 'high level' milestone, output and outcome measures were developed at the start of the programme to capture progress and impact, which allow the achievements of the projects across all three Rounds to be reported, set against individual 'profiles' for achievement established with each CSO to provide a review of performance against expectation.
- Qualitative research data generated through the case study fieldwork with the fifteen case study CSOs. This involved two phases of project visits to five Round 2 CSOs and ten Round 3 CSOs. Questions on service delivery featured in interviews with strategic and delivery project staff, the Mentors/Business Advisors, and with over 300 service users. See Annex 3 for an overview of the interviewees.

## 5.2 Delivery Models

As we have seen in Section 3, a diverse range of organisations and delivery models have been funded through Round 2 and Round 3 including social enterprises, sports providers, mobile/outreach provision, music/arts providers, enhanced youth club provision and consortia. One of the Round 2 YSDF recipients was a consortium of six organisations representing a new way of working for all the CSOs involved. In this case, YSDF allowed them to test out a more formal partnership approach to delivery with a view to building capacity of some of the smaller partners and providing a more holistic service for young people (see example below).

### Case Study: A Consortium Model (Round 2)

This case study is a consortium of six CSOs led by one of the member organisations. Each member has areas of expertise which form the focus of the YSDF project such as support for substance mis-users, young people NEET, young homeless people, looked after children and the provision of learning and progression. The rationale for a consortium approach was to develop a critical mass amongst the VCS in this niche area in order to more effectively respond to commissioners' requirements in the local and surrounding area. There are particular expectations of impact that arise from this model of delivery in terms of a significantly increased level and quality of service provision (at the individual organisational level), but also more effective cross referrals between the services.

The following case study from Round 3 provides an example of a social enterprise creative company, delivering youth work for the first time with YSDF.

### Case Study: A Creative Social Enterprise (Round 3)

This CSO is a successful social enterprise which does not see itself as a traditional youth organisation, having worked mainly in the past with young adults. The CSO has used YSDF funding to develop a new programme of work specifically for young people, and funding has served to boost their core team and their bank of freelancer media professionals. The aim of the funded activity is to "*give young people who are furthest from the mainstream*" the opportunity to engage in creative activities. Industry professionals provide a range of creative based activities to the young people on a flexible rolling 12 week programme. These include film making, script techniques, drama, photography and theatre.

The following case study provides a contrasting example, of an established youth provider which with YSDF funding is extending its support work for young people of Black and Minority Ethnic (BME) origin to young people from all communities in the local area.

### Case Study: A BME Focused Organisation Working with Young Volunteers (Round 3)

This CSO has an excellent reputation for delivering young people activities for BME groups, having won a number of awards for good practice, in particular for their model of training young volunteers and mentors. YSDF funding is being used to expand their reach and deliver a wider range of activities in order to work with a wider base of disadvantaged young people. Their delivery includes Friday night activities such as dance, multimedia, boxing, singing and football and one-to-one key work support for young people referred from other services. This entails flexible and tailored support including counselling and facilitated group work.

A key feature of the Round 3 CSOs has been that many draw on high volumes of volunteers, sessional or freelance staff. This has proved vital in terms of allowing for greater flexibility, such as with meeting higher than expected demand. The use of young people as mentors and volunteers has also been an important part of the delivery model itself in terms of offering role-models to and inspiring young people. However while this type of delivery can bring this added value to service provision, it carries with it a tendency to understate the true cost of delivery.

## 5.3 Service Delivery Outputs

As the Interim Report was produced at an early stage in the implementation of the Round 2 projects, and before the selection of the Round 3 CSOs, data on outputs and outcomes was understandably limited. This report provides a more complete picture of performance, with data being drawn from the high level monitoring data collected by the Managing Body to the end of June 2010. In terms of service outputs the following measures are reported:

- OPA1 – the number of young people engaged and supported under YSDF; and
- OPA4 – the number of community volunteers/mentors.

We also include examples from the case study CSOs of delivery against output targets.

### 5.3.1 *Young People Engaged and Supported under YSDF*

Some 58,604 young people had been engaged with and supported by the three rounds of the YSDF programme, considerably in excess (149%) of the profile figure of 39,281 to the end of June 2010. The wide range of services delivered by the projects means that 'engaged and supported' under YSDF will have a different meaning across the programme, from engagement through outreach and Friday/Saturday night provision to more formalised programmes including accredited training outcomes.

Profiles for engaging young people were also exceeded at the Round level, with the:

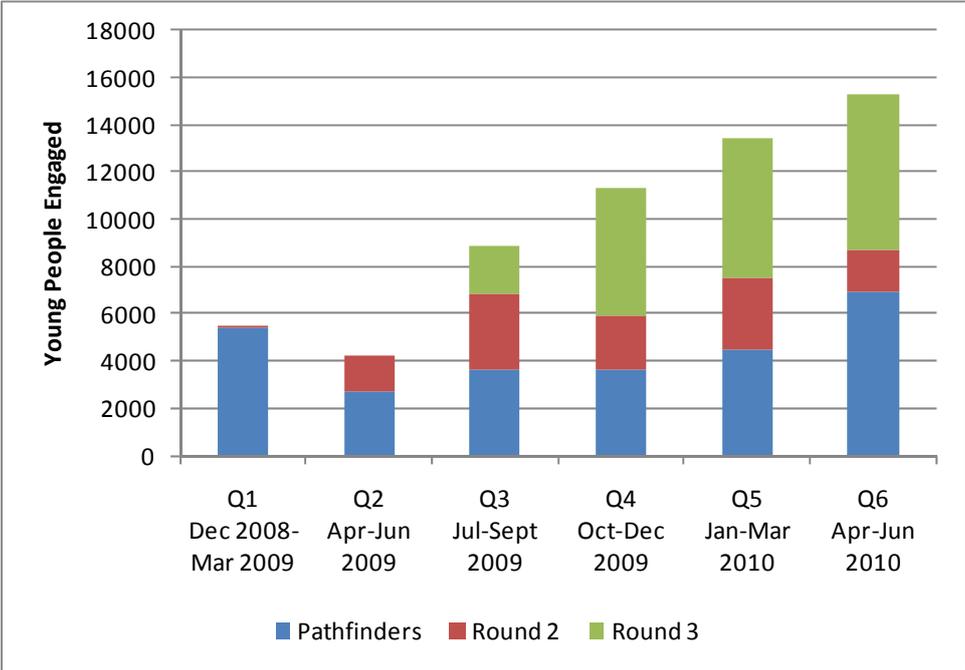
- Pathfinders engaging 26,794 young people, against a profile of 17,569 (152% of profile);
- Round 2 projects engaging with 11,886, against a profile of 10,067 (118% of profile); and
- Round 3 projects engaging with 19,924, against a profile of 11,645 (171% of profile).

Figure 5.1 below shows how the numbers of young people engaging with the three Rounds of the programme has grown by quarter to the end of June 2010.

As the figure shows, the numbers of young people engaged has grown steadily with the introduction of new programme Rounds. In Q1 the vast majority of engagement was through the Pathfinders, with initial recruitment to the Round 2 projects taking place towards the end of the period. Quarter 2 sees the Round 2 projects starting to recruit young people, as the

Pathfinders move towards a more stable recruitment profile. Similarly the Round 3 projects first appear in Q3, before increasing numbers in Quarters 4 to 6.

**Figure 5.1: Engagement of Young People with YSDF Projects, Total and by Round**



MI was not collected across the programme on the characteristics of individual service users, so it is not possible to describe the types of young people engaged across the programme and their specific needs. However the case study fieldwork found that, for the case study projects at least, the young people engaged were in line with the programme’s intended target groups. Consequently the young people engaged included those who were NEET/at risk of NEET, in/at risk of involvement with gangs, ex-offenders/at risk of offending, homeless and substance mis-users; rurally isolated young people and young people engaged in/at risk of ASB.

In terms of output achieved against targets, at both the programme and Round level performance comfortably exceeded profile. However, the picture at the individual project level was understandably more varied:

- Four of the five Pathfinder projects either exactly met or exceeded their profiles, with one more than tripling and another more than doubling the number of young people engaged.
- Six of the 12 Round 2 projects exceeded their profiles (from 102% to 168% of their profiles), although the remaining six fell behind (one marginally at 99% of profile, the others achieving between 36% and 91% of profile).
- Most of the Round 3 projects exceeded their profiles – with three more than doubling their targets and two doing so by a factor of six. However five projects failed to meet their profiles – although all achieved more than two thirds of their profiles and three achieved 75% or more.

Overall progress in terms of the engagement and recruitment of young people has been strong across the programme. While a small number of projects failed to meet their profiles to the end of June 2010, they were more than made up for by those exceeding their profiles – and exceeding them safely.

As the MI data above has shown, overall delivery across Rounds 2 and 3 is progressing well against throughput targets, which was also reflected in the case studies. They showed that delivery schedules have largely remained as planned, with few formal changes made to their aims, target groups or throughput targets. Where made, changes related to the scheduling of delivery, reflecting the delayed start up for Round 3 and delays experienced by some Round

2 and 3 CSOs in recruiting staff. Where the scheduling of outputs and outcomes was adjusted, the Managing Body was keen to ensure that overall throughput targets were adhered to.

There are examples within the case studies of some exceeding (often to a considerable degree) and others underachieving against their targets. Those exceeding their targets tend to be the Round 3 case studies, despite experiencing a delayed programme start. Many Round 3 CSOs were able to 'hit the ground running', helped in some cases by their plans to expand existing 'tried and tested' models coupled with high demand for their services and highly committed delivery staff. The two case studies below show examples of CSOs exceeding their targets from Rounds 2 and 3.

### Case Study: CSO Exceeding Throughput Targets (Round 2)

This Round 2 CSO has consistently exceeded its targets for engaging young people in their YSDF activities, working with 450 individuals against a target of 370 to end March 2010. Their target groups include young people NEET, involved or at risk of in offending/ASB, and disengaged or at risk of disengagement from school and society more widely. Within this, young people worked with have also faced issues such as homelessness, involvement in knife and gang crime, and histories of drug and alcohol abuse.

The project has extended the coverage of its previous role as a provider of training to young people NEET or with learning disabilities, to include enhanced student support and outreach services – "*we have become a 'first steps' provider*" – with a new team being recruited and trained and the necessary infrastructure to deliver effective outreach services being developed.

While well regarded in the local authority areas they currently serve, the CSO has expanded the areas they recruit from into other districts in the city within which they are based. Their YSDF project has also included merging with another provider, specialist in providing positive activities through sailing and diving experiences, to extend their overall offer, provide an alternative revenue stream and provide a 'hook' to attract young people at the outset. The CSO has also established new provision on site, including hairdressing and sports facilities, to extend their offer based on activities which have proven to be attractive to young people.

In addition to exceeding their targets for engaging young people, the CSO has also exceeded their profile for outcomes, including progress to positive destinations and increased protective factors and achieving a range of soft outcomes.

### Case Study: CSO Exceeding Throughput Targets (Round 3)

At the time of the first evaluation visit (November 2009) the CSO was slightly behind on its expected outputs, outcomes and milestones, caused mainly by the delayed start. The project was slightly behind on numbers engaged and outcomes achieved, but ahead in terms of service participation. Milestones were all on target.

By the second visit (March 2010) the project had caught up with and exceeded the numbers of young people engaged – both overall and for each of their three delivery sites. However the characteristics of those engaged have varied from profile – over-performing on young people displaying risk taking behaviour and at risk of offending/ASB, but behind on other variables such as those NEET/at risk of NEET. The project has continued to over-perform in terms of participation in services/activities, particularly attendance at IAG workshops and other positive activities (cooking, music, art etc). In addition Matrix accreditation has been achieved and the number of staff training sessions exceeded.

For those underachieving against their throughput targets, reasons include:

- The delayed start for the Round 3 programme - which affected project set up and delayed delivery for some CSOs. The specific delay between getting through the first stage and receiving formal notification meant that some CSOs had to turn work away 'just in case' for fear of taking too much on, whilst others felt they could not miss these opportunities – leading to capacity issues at a time when they were seeking to return to their delivery profiles.
- The setting of targets which some CSOs have found later to be unrealistic – for example with at least one case study being unable to recruit the expected numbers to a Friday night club. As Section 3 showed, other Round 3 projects have also fallen behind, particularly in terms of their reported outcomes. This raises the question about whether expectations on projected outputs/outcomes necessarily matched the Round 3 CSO delivery models in terms of their 'lighter-touch' approaches to engagement with young people, perhaps exacerbated by the short timescales imposed by delayed start.
- Issues with consortia/LA delivery/referral partners - a particular issue for the Round 2 case studies. Here a key aspect of YSDF funded delivery has been the joint delivery of services with partners, whether local authority providers or through CSO based consortia. This has posed particular challenges.

Several of the CSOs described facing multiple challenges, as the example below illustrates.

### Case Study: Delivery Challenges (Round 2)

This Round 2 project is working in a CSO based consortium with links to statutory services to deliver gender-sensitive services for young women and men. Using both group and one to one sessions, the project is designed to promote healthy relationships and to increase protective factors against involvement in sexual and gang violence. The CSO, however, is not currently meeting its throughput targets, and is some way behind on its target throughput. The CSO staff cite a number of reasons for this, including:

- The termination of contract for one of their delivery partners;
- Variable relationships with referral partners and statutory agencies;
- Recruitment difficulties; and
- Over-ambitious delivery targets.

The final issue related to the severity of needs and the complexity of cases they were working with, which include issues with guns and weapons, assault, kidnapping, stabbing and rape. The project had found that significantly more time than anticipated has been spent by staff on advocacy, child protection and on multi-agency working. The CSO now has a 'recovery plan' negotiated with, and monitored by, the Managing Body.

Another challenge to delivery has been where CSOs are working closely with or recruiting from statutory youth services. This has served to highlight for some a potential clash between approaches to youth work provision. One Round 3 case study for example explained how they have not been able to recruit much needed outreach workers for their service from the pool of youth workers available in their locality. They have found that qualified youth workers have refused to work the required hours (Friday and Saturday nights) or refused to work with young people who are perceived as being under the influence of alcohol or drugs. The case study referred to above delivering gender-sensitive services for young women and men also explained how their work with high need young people often raises serious safeguarding issues. This has meant the need for collaboration with statutory child protection services, which has at times led to conflicts in approaches.

### 5.3.2 Number of Community Volunteers/Mentors

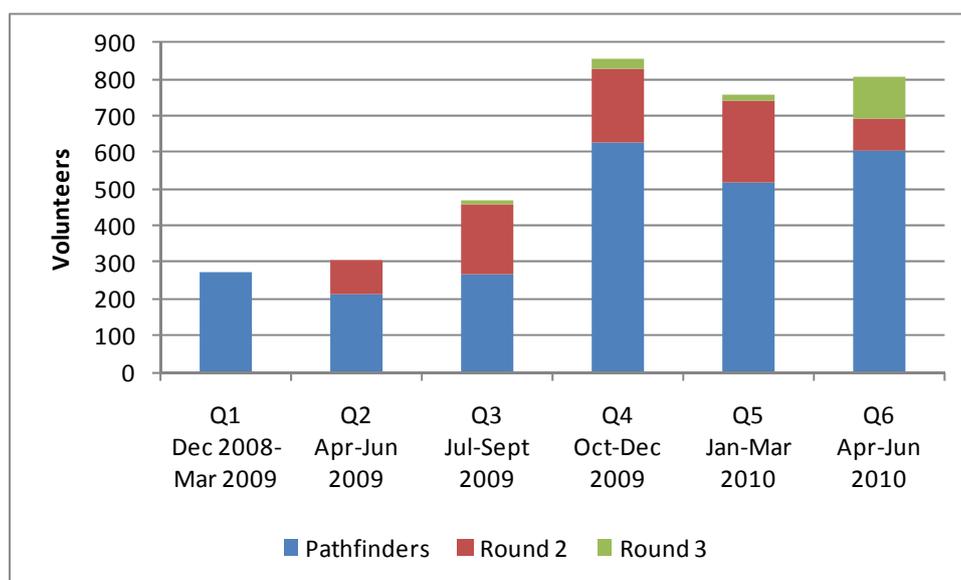
This measure reports the number of volunteers engaged by the CSOs in their activities, which range from supporting the delivery of services to young people to an involvement in recruiting new young people through community based outreach services. Across the programme the numbers engaged have exceeded profile, with 3,458 individuals engaged (more than doubling the expected profile of 1,570).

Within this, each programme Round also exceeded their profiles, with:

- The four Pathfinders setting profiles in this area comfortably exceeded them, with 2,492 young people volunteering against a target of 779 (more than trebling their profile);
- The five Round 2 projects with a profile engaged with 798 volunteers against a profile of 665 – with all achieving their targets and achieving 120% of profile overall; and
- The ten Round 3 projects with a profile engaged with 168 volunteers against a profile of 126 (133%). Of the ten, six met or exceeded their profiles (from 100% to 271%), whereas four failed to meet them (achieving between 47% and 92%).

Figure 5.2 below shows how the numbers of volunteers engaged across the programme has grown by quarter to the end of June 2010. The figure shows that the Pathfinders have engaged the majority of volunteers to date, with participation in the Round 2 and 3 projects being broadly stable across Quarters 3, 4 and 5, and increasing amongst the Round 3 projects in Quarter 6.

**Figure 5.2: Number of Volunteers involved in YSDF Projects, by Quarter and by Round**



### 5.3.3 Young People Participation

Establishing mechanisms for the participation of young people was one of the objectives set for the YSDF funded CSOs. A review of the CSO's participatory mechanisms was included in the diagnostic process and targets were set for establishing new mechanisms. Some support was also provided to CSOs as part of the core-curriculum and the network events although not from the outset.

According to the latest available quarterly MI, considerable progress had been made with involving young people in decision making, with the all but two of the CSOs now reporting involving young people in project decision making. MI to end June 2010 shows that some 456 events took place/individuals took part (94% of profile), although it is not clear from the data the nature and frequency of individual young people's contributions. Of the two projects not reporting involving young people in service planning one had not set milestones in this

area, and the second described how plans to involve young people in project steering group meetings had been delayed.

The evaluation case study fieldwork also explored the extent to which YSDF had had an effect on enhancing the ability of CSOs to engage young people in the design and delivery of their services. From the case studies it is clear that the participation of young people is interpreted differently by the individual CSOs. While for some formal participatory mechanisms are valued and seen as important to shaping their delivery model, others favour more informal on-going consultation methods, where young people choose activities they participate in. With YSDF funding, we have seen some examples of *new* participatory approaches being established where such mechanisms had not existed previously. While many of the Round 2 CSOs already had well developed approaches in place, the introduction of new approaches was found among the Round 3 CSOs, as the examples from the case studies below illustrate.

### Case Study: Establishment of a Youth Forum (Round 3)

This CSO had developed new approaches to engaging young people in decision making as a result of YSDF funding, establishing a Youth Forum with representation across the different areas of provision offered. So far, the forum had met twice and recruited 27 young people across five vocational areas. Membership is open to all young people, with the aim of all ages being represented. The aim of the Forum is to:

- Consult with young people - the project team believe they have gained some “*extra data we didn't have before*” about where young people hang around and their views, concerns and fears. For example, a key message that came through the consultation, and which surprised them, was that the main concern for young people was not that there are insufficient activities for them to do, but that they do not feel safe.
- Support young people to design projects themselves and bid for funding - although this is yet to happen, the project expects young people in the forum to play an active role in the design of projects. This is considered a long term ambition which will take time and commitment to achieve. As well as encouraging leadership and aspirations, the project consider it important that young people have “*ownership of projects*”. They recognise that there may be a skills gap among their staff about how to facilitate this sort of activity, and highlighted the lack of funding to support this type of work.

Specific staff, part funded by YSDF, manage the collection of MI and play an important role in ensuring feedback from the Youth Forum is used to inform the current programme. They have taken on board feedback from young people (both within the Youth Forum and collected informally) about the need for more activities geared to girls. As a result dance sessions have been run, which have proven popular.

### Case Study: Young People Led Provision (Round 3)

Each of the three youth clubs provided by this CSO has a young people's forum, which meet every six weeks to consult on delivery and potential activities. They adhere to the REACH and Hear By Rights tools. The CSO also has two additional projects, which also have the active involvement of young people. For a music project young people plan and organise the events including marketing and publicity, and elsewhere a young people led Management Committee is now in place comprising eight young people. This group has been formally constituted and takes responsibility for overall running of the club, including its bank account and overseeing the payment of salaries to the youth workers. They have a planning session for each term where they review resources, numbers and staffing, and are currently planning a five day residential for members of

the Management Committee.

More generally planned activities for the club include: Easter Egg Hunt; two days for older girls to cover STDs and teen relationships; a mentoring programme – with six ‘successful’ adults (aged 25-30) showing what is possible and giving support and inspiration to the young people attending the club. The Managing Committee members are also working towards Youth Achievement Awards. Despite operating in a particularly transient community, the project has the highest levels of children and young people participation, which they consider “*shows how effective young people can be in designing and running services.*”

In some cases the Round 2 case studies had extended their youth consultation approach, including establishing more formalised approaches in the case below.

### Case Study: Formalising Youth Consultation Processes (Round 2)

This Round 2 CSO had a track record in consulting with the young people it serves on an informal basis, often through individual discussions or ‘focus groups’ of young people to find out what they thought of the provision offered and areas where improvements could be made. This had led to the CSO establishing new training provision which was more attractive to girls, as well as changes to existing services.

The CSO set the ambition in their YSDF delivery plan to formalise their consultation activities. The process began with the circulation of a questionnaire to establish the YSDF cohort’s views, interests, how best to communicate with them, and whether they would like a ‘youth forum’. As the responses to the questionnaire were positive, a series of meetings to promote the forum were held, representatives from different provision areas recruited and the forum ‘went live’ in the summer of 2009. While the young people involved described putting themselves forward for membership, the CSO staff described how they had encouraged some of the initial members to get involved.

The forum comprises 12 young people, each of whom have specific roles (e.g. Chair, Health and Safety representative, Events Manager etc), with facilitation from a member of the YSDF team. All forum members have so far been YSDF students, although the CSO was keen to stress that “*the forum is about the whole organisation, not just YSDF*”, and steps were being taken to introduce a wider range of individuals.

The forum meets fortnightly, with the individual members discussing any agenda items and issues with others in their provision area in advance, and feed information back afterwards. Issues discussed included safety procedures at the site, meetings with other providers around a video project, designing and leading an anti-racism campaign following an outbreak of violence locally, and proposing a ‘refer a friend’ scheme where young people are rewarded for ‘referring’ friends to the CSO.

Forum members have changed over time, and there has been little difficulty recruiting new individuals when required. In addition, forum members had also taken part in other activities, including attending a national conference for similar young peoples’ representative bodies. Each of the forum representatives welcomed the opportunity to participate, describing the benefits as:

- Improved confidence – importantly as their suggestions were “*...never rubbished*” by the staff;
- Developing independent thinking – by showing their ideas were valid, being listened to, and leading to change (as one described “*we get what we ask for!*”); and
- A sense of satisfaction at having an active role in the running, and continued development of, the CSO – and the fact that, perhaps for the first time,

*“somebody actually listens to us”.*

The Managing Body also drew our attention to a non-case study Round 2 CSO that had developed a strand of work dedicated to the development of Young Ambassadors. The CSO employs young people (16-19 year olds) who have faced similar challenges to their current clients, and that have taken positive steps to overcome them. Such Ambassadors act as positive and realistic role models for their service users. As well as providing employment for these young people, they are also having positive impacts on the service delivery. Their ability to engage with and relate to their clients is *“reaping real benefits.”* The Ambassadors are also bringing new skills and abilities to YSDF, which is in turn enabling the CSO to run different activities with young people. They are also influencing relationships with outside agencies within the city, have established themselves as group who can speak with authority on behalf of young people, and are now routinely invited for consultation by the City Council.

Other young people from a range of projects also commented on their experiences of being consulted, most frequently about the type of activities they would like to undertake. Some examples are provided below.

### Case Study: Young Peoples' Views on Participation

Many of the young people interviewed described their experience of being consulted about their projects, including on the type of activities they would like to see:

*“We have a chance to say we want this and that to happen, loads of things can be different, we could have activities where everyone can get together, trips to places, if we are good and rewarded for being here”.*

*“They say, ‘that’s a good idea, and you can run with it’”* – citing the example of a suggestion to hand out leaflets in the local McDonalds as part of the project’s outreach work.

The consultations *“allow us to say what we want ... our opinions – it’s much more relaxed, not strict or controlling”*

*“They found out what to do for girls”* – with suggestions for dancing and horse riding being taken forward by the CSO

*“We give our view on most sessions, and talk to other people and ask what they would like”.*

*“There is adult in authority but it is not restricting, no rules, you can come to a meeting and just chill out, there is supervision and lines you don't cross but there is more freedom”.*

*“There are a few top people and we feed them ideas- everyone is on the committee – you put it to the head people and they take it to the workers”.*

On the whole though, and in line with findings from the Interim Report, most examples from the case studies of participatory mechanisms for young people tend to be with CSOs that were already strong in this area. In a small minority of cases, there is evidence to suggest that YSDF funding has been used to give structure to what had previously been informal consultations with young people. We have seen for example the setting up of forums and support being provided to young people to submit funding bids. In other cases, plans to establish formal mechanisms for involving young people have been put on hold, with many focusing on getting delivery up and running first. Overall it would seem that this aspect of YSDF has not been a priority for the participating CSOs, and given its importance could perhaps have benefited from initial and continued emphasis throughout the programme.

## 5.4 Service Delivery Outcomes

This Sub-section presents the programme level picture of outcomes and also qualitative findings from the case studies. Measuring the impact of service delivery requires developing a clear understanding of service user outcomes and distance travelled, both in terms of hard outcomes (such as positive destinations/qualifications) and soft outcomes (such as increased protective factors and the acquisition of 'soft' skills). In its broadest sense, YSDF - as part of the wider Every Child Matters (ECM) framework - seeks to improve the outcomes of participating young people in terms of the five ECM outcomes.<sup>29</sup> The Managing Body further identified specific outcomes for young people accessing YSDF funded services, which formed the basis for MI quarterly data. These were:

- Young people moving to positive destinations (OCA1);
- Young people achieving increased protective factors/soft outcomes (OCA2);
- Young people completing training/achieving accreditation (OCA3); and
- The number of peer mentors/volunteers trained (OCA5).

Overall, the performance of the programme in terms of the service user outcomes achieved is also strong, with over 9,000 progressing to positive destinations and over 21,000 showing an increase in protective factors/soft outcomes at the end of June 2010.

Before presenting the findings on service user outcomes, it is worth emphasising again that this evaluation is reporting prior to the end of the YSDF programme, which is due to continue until the end of March 2011. The MI available for this report includes data up to the end of June 2010. Inevitably, the picture that we present is therefore only a partial one. The evaluation is also relying on MI data that is still variable in quality in terms of: data collection and reporting; consistency of use of terms and definitions; and evidence of baseline data and progression. The data in this and subsequent sections should therefore be read with caution.

### 5.4.1 Young People Achieving Positive Destinations

At the end of June 2010 the YSDF projects supported some 9,641 young people to achieve positive destinations compared to the all programme profile of 10,670 (90%). Here under-performance, particularly in the context of over-performance in terms of engagement, can be at least partly explained by the lag time between young people engaging with their projects and the achievement of this, and other, positive outcomes.

As would be expected, performance varies between both Rounds and individual projects, with headline figures showing:

- The Pathfinder projects achieved 4,363 young people progressing to positive destinations, exceeding (114%) the expected profile of 3,814, and four of the five projects being on or some way ahead of profile. One project did not profile or record any destination outcomes at this point but reported 14 positive destinations, in two cases projects achieved over 400% and almost 300% of their respective profiles, and just one fell behind (71% of profile).
- The Round 2 projects reported 2,287 positive destinations against a profile of 3,209 (71%). At the project level performance was mixed, with five CSOs meeting or exceeding their profiles (achieving between 100% and 261% of profile) and seven falling behind (with all but one achieving less than half of their profiles).
- The Round 3 projects reported 2,991 destination outcomes against a profile of 3,647 (82%). All but two CSOs set profiles for this outcome (although small numbers in many cases), with ten achieving or exceeding their targets including one reporting outcomes

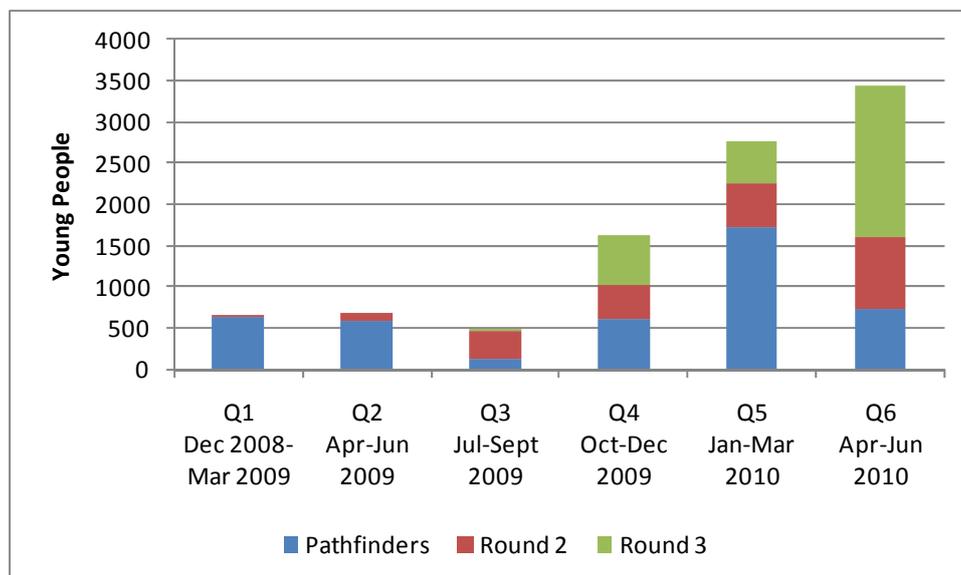
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<sup>29</sup> The ECM outcomes: be healthy, stay safe, enjoy and achieve, make a positive contribution and achieve economic well-being.

where none were profiled. The remaining CSOs fell behind profile, achieving between 0% and 96% of profile, with seven achieving 50% or more of their targets.

Figure 5.3 below shows the number of young people progressing to positive destinations by Round and by quarter to June 2010, and shows a steady increase (with the exception of Quarter 3) across the programme period. Quarter 6 shows particularly strong growth in the achievement of positive destinations by young people attending Round 2 and Round 3 projects.

**Figure 5.3: Young People Progressing to Positive Destinations by Round and Quarter**



The fieldwork across the 15 case studies suggested that most young people valued their engagement in projects more in terms of ‘personal’ impacts than tangible ‘hard’ outcomes. This is perhaps partly a reflection of the nature of the projects, particularly the Round 3 CSOs, which are focused more on drop-in or outreach delivery, but also of the stage the young people have reached on their ‘journey’ through project services.<sup>30</sup> There is, however, some emerging evidence of the added value of YSDF funded activities in terms of filling gaps in local provision and reported impacts on trends at the community level. Examples for both individual and wider community impacts are presented below.

Where CSOs and young people talked about positive destinations, the timing of the fieldwork meant that examples were mainly given by the Round 2 projects. Even in these cases, there were just few examples provided. These are described below.

### Service User Case Studies: Progression to Positive Destinations

- Young people who were or were at risk of being NEET interviewed for one case study explained how they had made firm plans to progress to further education (including E2E provision and apprenticeships), employment and work placements in sectors such as hairdressing and construction.
- For another project examples included young people previously NEET taking up volunteering opportunities such as sports coaching.

MI data for up to end June 2010, further showed that:

- Of the 450 young people so far engaged in one project, 78 had moved on to positive

<sup>30</sup> Interviews to date have not been conducted with young people following the end of an intervention. The planned telephone survey with young people who had ‘completed’ or left a YSDF project was also discontinued. It therefore has not been possible to qualitatively test those hard outcomes/positive destinations reported on by the CSOs.

destinations. Of these 32 were LLDD, 10 were ex-offenders, eight were homeless; and 31 had a history of substance abuse/alcohol misuse.

- Of the 835 young people engaging with another project, 36 defined as NEET had moved into learning programmes or mainstream education/training, and 22 had been referred to other support.
- Of the 283 young people engaged in another project, 16 had progressed to volunteer at future training courses or at the local film festival.
- Finally, of the 1,224 young people engaged in another project, 10 had gone onto organise arts and music events in the community, and 16 had started volunteering

For the CSOs that had struggled to or had yet to meet their targets on hard outcomes, achievements were at around half the numbers expected. A number of reasons for the shortfalls in performance in terms of hard outcomes were provided by the CSOs in their quarterly claims narratives, and as part of the fieldwork visits. These included, for example: delays in setting up systems or on-going challenges with developing tools for base lining young people and measuring/recording progression, delays in project set up leading to delays in the achievement of outcomes and fewer available work based learning places due to the external economic context.

#### **5.4.2 Young People Achieving Increased Protective Factors/Soft Outcomes**

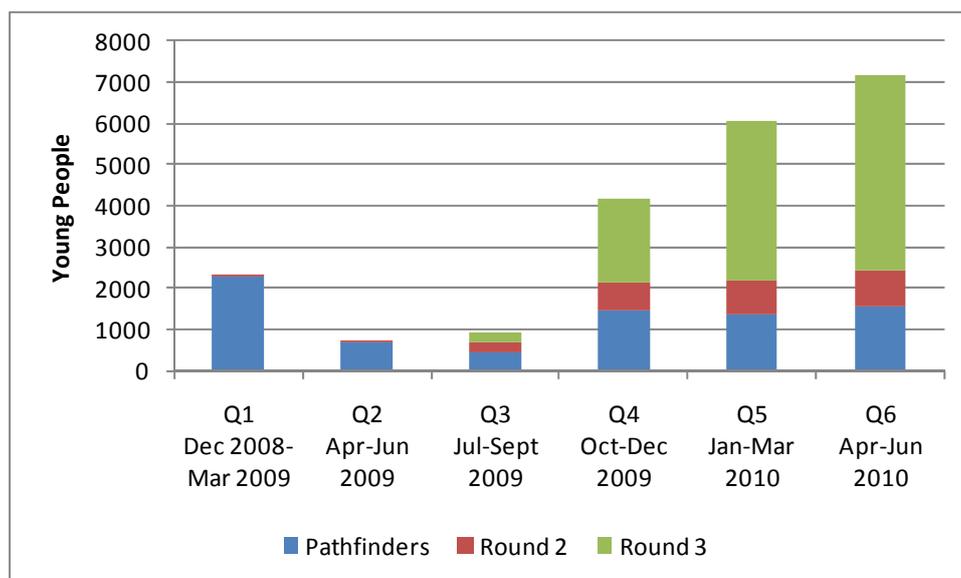
Here the projects reported 21,363<sup>31</sup> instances of young people achieving increased protective factors and/or soft outcomes as a result of their involvement with their projects, exceeding the profile set of 20,547 (104%). Again performance against this measure, and the profiles set for it, varied between the Rounds, as described below:

- The Pathfinders – the two projects with profiles in this area reported 7,775 young people achieving increased protective factors /soft outcomes, against a profile of 6,544 (119%). The Pathfinders dominated performance on this variable across the programme, with one project achieving over 7,500 outcomes (120% of profile), and the second almost doubling their profile with 257 young people benefiting from increased protective factors.
- The Round 2 projects reported 2,688 outcomes against a profile of 3,362 (80%). All but one project set profiles for this outcome, which were met or exceeded by six projects (achieving between 100% and 200%). Five failed to meet their profile, achieving between 0% and 68% of profile.
- The Round 3 projects achieved 10,900 outcomes against a profile of 10,641 (102% of profile). At the project level 10 projects exceeded their profiles (by between 106% and 357%), although 14 failed to meet them (achieving between 0% and 93%).

Figure 5.4 shows the distribution of increased protective factors/soft outcomes achieved across the programme, by Round and by Quarter.

<sup>31</sup> This total includes young people achieving one or more increased protective factors/soft outcome.

**Figure 5.4: Increased Protective Factors/Soft Outcomes by Round and Quarter**



For the CSOs that had yet to meet their targets on soft outcomes, these were coming in significantly under the expected numbers. The reasons for the shortfalls in soft outcome data provided by the CSOs via their quarterly claims narratives, and discussed as part of fieldwork visits, were the same as those noted above for the hard outcomes. These include, for example: delays in setting up systems or ongoing challenges with developing tools for baselining young people and measuring their progression, and delays in project set up, leading to an overall delay in achieving outcomes.

Our extensive contact with young people across all 15 case studies has shown that the majority are highly satisfied with the services they have received with many valuing the way the projects were run and the relationships formed with staff. On the whole the young people we met were very enthusiastic about their projects, as described in the examples below.

### Service User Examples: High levels of satisfaction

- *“I don’t know what you do but if you could get funding for RM to carry on that’d be wicked”*
- *“I wouldn’t change anything, to be honest I don’t see how it could be improved”*
- *“Its a really comfortable atmosphere, I can talk to them like a best-friend”.*
- *“The whole group was fun, I enjoyed doing something different.”*

In terms of impact and outcomes the majority of discussion focused on softer types of outcomes, including changes in attitude, behaviour and acquisition of new skills. Examples of outcomes are presented below according to the established key headings of key work skills, attitudinal skills, personal skills and practical skills. While project staff were often keen to stress that such outcomes were critical building blocks for the more tangible outcomes such as positive destinations, they also felt that these softer outcomes were also important in their own right. This is also implicit in many of the views expressed by the young people interviewed.

### Key Work Skills

Key work skills can include team working, problem solving, and the acquisition of vocational skills. While not all CSOs were working to achieve the full range of work skills, through the case study fieldwork many examples were identified of work-related skills being supported and achieved. For example there are a number of CSOs delivering music, media and arts

based provision, which use industry professionals or creative mentors to help young people produce professional music products and art or media work including film making, theatre, music production and events. Examples of key work skills gained are provided below.

## Case study examples: Key Work Skills

Young people from a range of projects reported on a range of tangible skills linked to future work opportunities, such as **new skills in music or film production**. In the words of one female interviewee:

*“it’s all new to me. I thought it was going to be difficult but it was easy picking up the filming skills. I find it fascinating, I’ve really enjoyed it.”*

According to the latest MI reported by one of the projects, of the 1,224 young people engaged so far, 21 have developed skills in **organisation, leadership, planning, marketing, performance and production skills**.

For a Round 2 project offering a package of support including work placements for young people at risk of NEET, their training providers reported that as a result of the project, the young people they take on are **more prepared for work-based learning**.

There were also examples of CSOs supporting generic transferable work skills such as **team working and time management**. For those young people with little previous experience of working with their peers – especially those who were outside the school system - the chance to work in teams in a supported environment was an important new experience for them.

For example, six young people (all from a deprived area, and some of which were NEET) explained how much effort they had put into the project both individually and as a group. For them working as a group helped develop new skills in cooperation, delegation and taking shared responsibility. At the start of the project they first had to decide together what they would do; the group decided to produce a music video. This meant producing a song, with all members of the group contributing to writing the lyrics. Working as a team, they discussed what things they liked and didn’t like. They also learnt how to use the camera equipment and carried out some interviewing. The group developed the video over several weeks, and explained how pleased they were with the end product: *“we got a good video out of it; can’t believe how good we did.”* In addition, to the music video, the group also had an opportunity to visit a professional recording studio and to meet the people working there. This helped raise their aspirations in terms of seeing how their skills can lead to paid work.

Another interviewee who was referred by the local Youth Offending Team, and who was at the time “tagged” and subject to a curfew, explained how

*“When I first joined this [arts based] project I didn’t know anyone in the group but being a part of this project has helped me work with other people as a team. .... I’m learning to work in a group and it’s good”.*

Because of this positive progress, the CSO had been able to negotiate an extension of his curfew with the Young Offending Team so he could attend the evening sessions.

## Attitudinal Skills

Attitudinal skills can include increased levels of motivation, confidence and self-esteem; higher personal and career aspirations; and the ability to plan for the future. Increased confidence was an important measure referred to by most of the projects, and a key finding to emerge from the young people interviewed across the case studies.

More detailed MI for one project shows that increased confidence is one of their outcome variables, with the latest available data showing that of the 257 young people engaged 21 had increased confidence through a music project. While the numbers were not particularly

high as a proportion of total throughput, the qualitative interviews conducted with young people from this project showed that enhanced confidence was a key benefit for many.<sup>32</sup>

More widely there were a range of examples from different projects of enhanced confidence as set out below:

### Case Study Examples: Increased Confidence

All the female young people interviewed for a Round2 project explained how it had helped to build their self-confidence:

- *“they say things that help you with your personality and help you to not be shy. I don’t like to talk, and they help me to talk out and say no”.*
- *“It’s helped me and my self esteem. I’ve learned how to speak out, not be shy and don’t let boys take advantage. It’s helped me”.*
- *“It makes you do things you’re proud of and my mum is proud of me too. It makes you know what you’re good at and shows you what you’re good at. Before, I used to think I wasn’t good at anything”.*

For a Round 3 music production and performance project targeting young people NEET, the young male interviewees explained how much they valued this project:

- *“it is a comfortable environment – we can express ourselves more”*
- *“I feel confident and nearly professional”*
- *“It is a good thing, we can make something of ourselves.”*

Young people also reported increased motivation and raised aspirations. For example when asked what difference the YSDF project had made to him, one male service user reported that it had helped him to prioritise and realise what he has to do and when to do it, and that it had *“motivated him to do better”*. He said, *“I didn’t care about school as much before or about my future”*. Similarly, for another project, a young person explained how the project had given her *“so many ideas about what I should do in the future”*. Future plans had been the focus of one of the group sessions, which had given another young person *“interesting ideas about things I never thought of”*, such as writing and dancing. Additional examples of changes in the attitudes of young people are provided below.

### Service User Case Study: Attitudinal Skills

One young person described how involvement with their YSDF project has led to a series of benefits, most important of which was a change in his overall attitude. He described how he used to have a lot of problems when he was younger, and was very disengaged from mainstream education and services. He came into the project through his brother who has been involved in the Step Up programme. Since joining the project he had been doing music production in his house, but could not focus because of his girlfriend and two children. His brother introduced him to a project worker and has since been using a music production studio for two hours a week.

On Friday nights he has now started volunteering doing detached work in the community. This involves approaching young people *“on their own turf”* about issues in general, to try to engage with them to persuade them to come to the project. *“It’s all about creating dialogue with them and finding out what their interests are”*. This, he says, creates a whole new dynamic for the young people as it shows that they really care.

Since becoming involved in the project he said he had become more focused and determined to succeed not only in his music but in life in general. He gets a real sense of

<sup>32</sup> The project has specific tools in place to capture data on this outcome, so information on this should improve.

achievement out of it, and now wants to do more volunteering. He says that for the first time in his life *“I now go home at night and think ‘that was a good day’”*.

## Personal Skills

Personal skills include improved attendance at school or project sessions; improved emotional and social skills; and improved engagement with learning or project activity. Indeed, the successful engagement of hard to reach young people in structured positive activities was seen by staff and young people as an important outcome in its own right. One Round 2 CSO for example highlights as a positive outcome that engagement and retention rates were high, with of 118 young people identified 99 voluntarily engaged and 92 continued to the end of the programme.

For a Round 3 project, which provides structured youth club provision, it was felt that such activity gave young people a space to be who they wanted to be outside of restrictive environments (such as home, school or existing peer groups). For another project offering targeted support to high need young people, experience suggested that this was beneficial in getting young people involved in positive activities in the first place, and then supporting them through a series of engaging and flexible activities including short courses, personal development opportunities and counselling.

Impacts for young people in this respect are typically ‘low level’, but are significant for them as individuals given their personal circumstances. Two of the case studies include in their delivery schedule and MI reporting reference to enhanced emotional skill. One project for example reports in their latest MI submission that of the 363 young people engaged 110 were showing an increase in social/emotional skills and a reduction in the likelihood to engage in harmful behaviour, and 77 showed an increased awareness for community cohesion. The other project similarly reported that of the 283 young people engaged, 198 were showing an increase in social/emotional skills and a reduction in the likelihood to engage in harmful behaviour.

The case study fieldwork was also able to identify some specific young people case studies. Two examples are provided below.

### Service User Case Studies: Personal Skills

This young person had never previously engaged in any such activity. He heard about the project through his Youth Offending Team, and had very low initial expectations about attending. He has been doing art work with the support of a Creative Mentor. *“ I used to hate art before I came here. We set up Photoshop and I got good at it.”* Activities have included designing and making radio advertisements for the Creative Mentor, flyers for Connexions, pictures for a library and T-shirts and album covers. Before coming to this project the young person didn't know what he would do with his life *“I don't know, probably go to prison, I was dossing on the streets, getting into big bits of trouble.”* Since the project his views have changed - *“ I want to go to college.... I'm trying to get in to do graphics in September,... or work here and take the mentor's job!”*

Another young person described how he had been attending school but only sporadically as he was being bullied and had low self confidence. As a result of this a Common Assessment Framework meeting took place, which led to his referral to this YSDF funded project. He had been interested in art, but because he lacked confidence he did not engage at school. A YSDF funded project worker went to the boy's home, asked him to show him his artwork, and explained how he could take it further through visiting the project. He was very reluctant to leave the house (he only had one older male friend, in a different peer group) but they attended the Friday night drop-in sessions. He now attends every week and has started to interact with and make friends with other people. This was seen as a big achievement by the young person and by

project staff.

## Practical Skills

Some of examples of improved practical skills among service users engaged in YSDF projects were also identified. Practical skills here refer to the acquisition of qualifications (explored separately in this report) but also improved life skills more broadly for example in terms of managing personal relationships and raised awareness around drug use and sexual health. As one project worker explained:

*“Success for the young people means that they have got something out of their engagement in the broadest sense – a sense of engagement, gained a particular skill, part of something that they weren’t previously”. (Project Worker)*

Some specific examples are presented below.

### Case Study Examples: Practical Skills

Enhanced practical life skills among service users was particularly evident in projects with a strand focused on skill acquisitions, such as those offering qualifications but also those delivering targeted awareness raising activities. For young people engaged in one such project, targeted group and one-to-one support focused on **healthy relationships and making safe choices**. A number of the young people interviewed explained how the group gave them the space to think about scenarios which in real life they would not have the time and space for. This they really valued, and all felt that it had helped with their future know-how about how to deal with relationships:

*“I’d know what to do now – I would have an idea”*

*“it helps us with boyfriends”*

*“it helps us when we are interrogated by boys”*

*“if they want to have sex we know we can say no.”*

For another project offering **drug awareness and sexual health** workshops, young people attending explained that they were more aware of issues around drugs and sexual health – as well as being more able to discuss these issues with their peers:

*‘They tell you about drugs but take the pressure off – if you do it, you now think about what you’re doing’.*

*‘I have made new friends – I am not out doing other stuff – you can meet new people’.*

There were also examples where projects have provided tailored one to one support for young people with specific needs. For example two young people who were interviewed in one case study project were in vulnerable positions at the point of accessing the project, including having problems with their mental health, homelessness and alcohol abuse. They considered that the support they received was appropriate and flexible (and compared favourably to alternatives), with both being clear that these services:

- helped them to gain a better sense of their situations
- provided them with the practical means to address their immediate problems
- improved relationships with their families and peers, and
- gave them a clearer sense of their future plans.

Another interviewee who was a young carer explained how she had been able to take part in social activities with their mentor that had not been possible previously due to costs and lack of time. In turn, this support had helped her to cope with her own

situation better and deal with her depression.

Key practical and life skills were also reflected in a number of additional outcomes reported by some as part of their MI submissions. For example:

- One CSO described how of the 257 young people engaged to date, 65 had reduced reoffending/anti-social behaviour and 68 young people had reduced their drug-use; and
- A second CSO explained how of the 1,224 young people engaged 458 had reduced their substance misuse and alcohol consumption, 597 have increased awareness of substance misuse and sexual health issues, and 60 are no longer engaged in risky behaviour due to increased confidence.

### **5.4.3 Young People Completing Training/Achieving Qualifications (OCA3)**

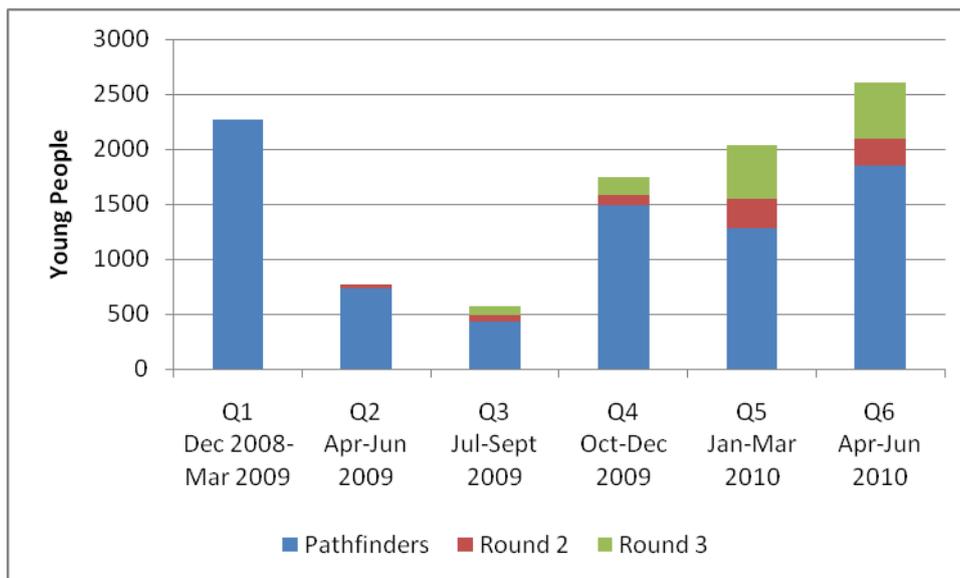
Across the programme, some 10,157 cases of young people completing their training/achieving a qualification were reported against a profile of 9,815 across the programme, 103% of the number expected. This covered a range of training areas, from the provision of 'softer skills' such as attitudinal, personal and key work skills to accredited qualifications/units towards qualifications. Not all of the projects are delivering 'training' services, although 32 had profiles for achievements in this area to the end June 2010, and an additional Round 3 project reported that 32 training outcomes had been achieved earlier than expected.

Performance by Round and project showed that the majority of accreditation outcomes had been achieved by the Pathfinders, and as described previously one project in particular:

- The Pathfinders – the three Pathfinder projects where accreditation outcomes were expected exceeded their profiles, with a total of 8,220 outcomes recorded against a profile of 6,712 (122%). This was dominated by one project, which reported over 7,500 training/accreditation outcomes (120% of profile, and accounting for three quarters of all programme outcomes reported under this measure).
- Round 2 – eight Round 2 projects were profiled to achieve accreditation outcomes by end June, and reported 682 cases against a profile of 1,068 (64%). While two of the six exceeded their profiles (156% and 164% of profile respectively), the remainder achieved between 31% and 58% of their profiles.
- Round 3 – here 21 projects set profiles for training/accreditation, reporting 1,255 outcomes against a profile of 2,035 (62%). Five Round 3 projects met or exceeded their profiles (achieving between 127% and 452% of profile – the latter achieving 199 outcomes against a profile of 44), while 17 fell behind and achieved between 0% and 91% of their profiles.

Figure 5.5 below shows the distribution of young people completing training/gaining qualifications by Round and by Quarter.

**Figure 5.5: Young People Completing Training/Gaining Qualifications**



As the Figure above shows, the majority of outcomes in this area have been achieved by the Pathfinder projects, although the numbers of completion/achievement outcomes are increasing amongst the Round 2 and Round 3 projects as outcomes in this area begin to be achieved. In terms of qualitative findings, four case study CSOs were not scheduled to report on these at the time of reporting. Of the remaining eleven, three had either met or exceeded their targets. Data for two of these are provided in generic form and are reflected in the overall findings outlined above. The one CSO that provided qualification data against a more detailed breakdown showed that of the 450 young people engaged 85 had completed all elements of their progression pathways plan.

Just two of the case studies provided any additional qualitative findings on these specific outcomes. For one of the Round 2 case studies, the young people interviewed explained that they had achieved at least part qualification in vocational areas including construction, painting and decorating and landscaping.

Over 100 young people had gained qualifications, or units towards them, with the project, exceeding the profile set to the end of March 2010. For one of the Round 3 case study CSOs, where supporting young people to achieve accreditation in team working is central to delivery, many of those interviewed described this as a considerable achievement - particularly those who had no other previous qualifications. One young person for example, had achieved two qualifications in video production and team working, which he had added to his CV. As with many of his peers attending the project, this young person had rarely attended school and had little previous experience of working with others, so the chance to work in a team in a supported environment was an important new experience. He did not know any other members of his group on joining the project, and explained that his participation had helped him to work with others, make new friends and “*get on better*” with others. As he described: “*I preferred to work on my own, but I’m learning to work in a group and it’s good .... [the project]... is something you have to stick with and work at but it’s all worth it in the end*”.

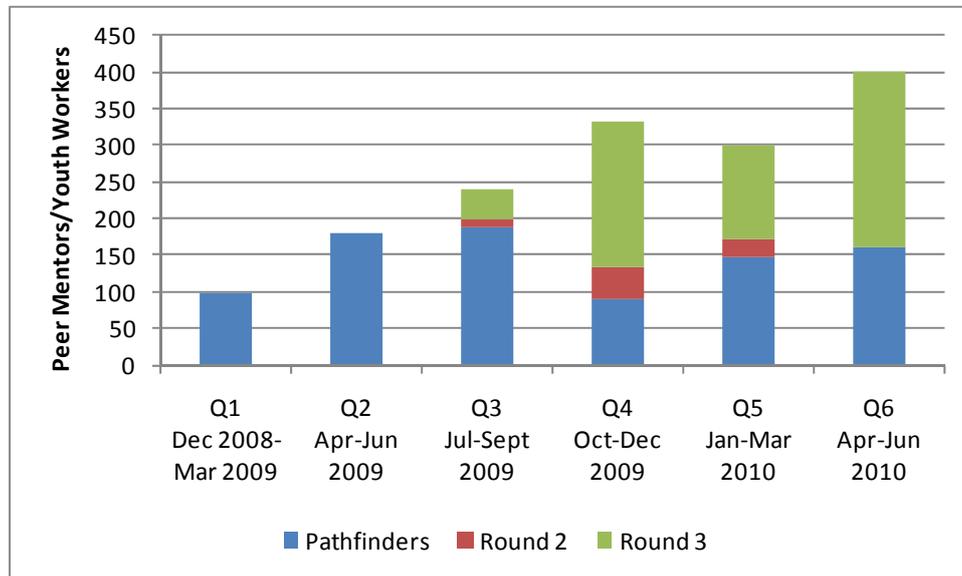
#### **Number of Peer Mentors/Youth Workers Trained (OCA5)**

Across the programme 1,641 individuals had been trained as peer mentors or youth workers at the end of June 2010, against a profile of 1,555 (106% of profile). Just 16 projects set profiles for this measure – two Pathfinders, two Round 2 and 12 Round 3 projects:

- One Pathfinder project exceeded its profile (with 863 individuals being trained against a profile of 635, 136%), and one fell behind (91 individuals trained against a profile of 100, 91%).

- The two Round 2 projects fell behind their profiles, with one reporting training 81 individuals against a profile of 186 (44%), and the second not reporting any outcomes against a profile of 15; and

**Figure 5.6: Peer Mentors/Youth Workers Trained by Round and Quarter**



- The 12 Round 3 projects with profiles in this area reported training 606 individuals against a profile of 619 (98% of profile). Across the projects, six exceeded their profiles (between 103% and 300%), while seven fell behind (achieving between 60% and 93%).

Figure 5.6 above shows the distribution of peer mentors/youth workers trained by Round and Quarter, with the majority of outcomes being achieved by the one Pathfinder project and across the Round 3 projects.

Several of the young people interviewed in the case study CSOs described their experiences of mentoring others – on both a formal and informal basis, as described below.

### Case Study Examples: Mentoring

In one Round 2 project service users were also involved in delivering elements of the project, following an ‘informal’ mentoring process where they supported other young people attending the project. Those interviewed considered that this had helped them develop their ‘people skills’, and as one stated *“it has helped me to progress, improve my skills and help deliver the programme to help the kids”*.

Each considered that their mentoring experience would be important in the future. They concluded that being involved in the delivery of the services, on a voluntarily basis, gave them something substantial to add to their CV, as well as gaining skills which were useful. In one conversation a group of mentors referred to their engagement as part of their identity – *“you learn more as a person, you are doing something and you feel like you belong –you can feel content and happy”*.

In another Round 3 project one participant found that being a mentor had helped improve her confidence and find a job after school. She has always been interested in helping people less fortunate than herself, and had recently successfully applied to become a catering assistant. She knew that the mentoring role came with clear boundaries: *“I’m not trained in [counselling, like the keyworkers], but if it’s for advice then I’ll talk to them as friend or as a sister cos I see them as a younger sister...but in terms of professionals..I refer them to the [keyworkers] who can help”*. Her engagement with her CSO will continue on a volunteer basis, with her mentoring experience being a contributing factor: *“as far as I’m concerned, there’s no place like it ...we’re all brothers*

*and sisters, it's like a second home"*

Several mentors also described the benefits they felt resulted from their mentoring experience, as one described:

*"it was all about learning, experience and new skills ... giving a positive experience to other people".* The individual now plans to learn more about project management at college, and is "passionate" about doing youth work because of her experiences.

#### **5.4.4 Added Value of YSDF Funded Activities**

A key emerging finding from the majority of our case studies was that the YSDF funded services were filling gaps in local provision. This is reflected for many in the high demand for their services experienced by the CSOs, particularly those delivering in rural areas but also in inner city urban areas. Young people in particular noted that these CSOs were providing them with something constructive to do, often in areas where there is little existing provision.

For example, for one urban-based Round 3 project twenty young people NEET or at risk of NEET were interviewed. All described that without their project they would not have been aware of, or likely to participate in, other similar opportunities where they were available. As one described when asked what he would do without the project *"I don't know, I was dossing on the streets, getting into big bits of trouble.."* although his views had changed - *"I want to go to college.... I'm trying to get in to do graphics in September,... or work here and take the mentor's job!"* A rural Round 3 case study, for example, also showed how YSDF funding was providing something to do on Friday and Saturday nights for young people in a safe and positive environment - in areas where provision for young people is highly limited or the only competition is pubs or clubs. Similarly for another rural CSO high demand and the issue of 'having nothing to do' was particularly marked – with staff and service users citing high levels of alcohol and drug consumption among the local youth population. One service user explained how she has stopped drinking alcohol and taking drugs altogether as a result of the project, *"because now I've got something to do."* An additional example of rural provision is described below.

#### **Case Study Example - Rural Round 3 CSO**

One Round 3 CSO was operating in a rural former mining area comprising a string of disconnected settlements, and with little youth provision through the week and at weekends. Visits to their four delivery sites, and interviews with youth workers and young people attending, identified that the new Friday and Saturday night provision supported by YSDF was filling an unmet need. However the position was more complex, with young people from across the settlements describing a history of youth provision being established locally, or on a mobile basis, but with little consistency and tending to close once funding ended.

Demand for Friday and Saturday night provision was extremely high, with young people travelling some distance from across a wide area to attend, often on foot or by bicycle given the limited public transport options. Many described how their parents were happy for them to attend, as they were in a safe environment, not hanging around on street corners and away from possible negative influences. The young people enjoyed their evenings at the centres, which offered a range of activities from sports to cooking, as well as workshops on topics such as alcohol and drug misuse, health and healthy living, and relationships and sexual health – *"..alcohol and drugs and smoking and STDs and stuff"*. At the time of the last visit one group had designed posters warning of the dangers of mephedrone (or 'meow meow', a designer drug in the news at the time) around the theme of 'don't be a lab rat'. However the young people also appreciated having a space to 'hang out', where they were not pressurised into taking part in other activities and could chat with friends or play computer games – *"It's relaxing... it is just a*

*place to go, if I wasn't here I'd be bored right now".*

For the young people interviewed, making and maintaining friendships was a key benefit in an area where it was easy to feel isolated. They described how the services allowed them to meet both new people and friends from different schools and different areas – as one described, the project “*gets us out of the house ....and 'it keeps us busy and out of trouble'.* ‘*You get to see your mates if you're not at the same school – there are different schools – we wouldn't hang out otherwise'.* Another described recently moving into the area from London, and that attending the evening provision had enabled him to make friends and settle in quickly - “*I moved here a year and a half ago and came to Youthy – it was a nightmare going to a youth club in London, most of them are closing because young people are not going, and every week there was a fight – here everyone gets on".*

The young people also described how attending workshop sessions as part of the evening provision had influenced how they thought about things. Several described how these gave them the opportunity to discuss topics that they could not raise at home – particularly around sex and drugs. Key here was the way in which the sessions were delivered – inclusive, led by but not dominated by a youth worker, and with rules around each person being allowed to have their say.

The fact that the YSDF services were a free resource for the young people, which they could attend at no cost, was really important. Many of those interviewed explained that they would not be able to attend if there was a charge for the services. This brings added value to young people, particularly for those projects offering access to professional industry facilities like music production, or art production media work – that would normally be prohibitively expensive and out of the reach of most young people.

There was also emerging evidence of the effect these services were having in terms of diverting young people away from negative behaviours, as reflected in some of the young people interviews and to some extent in wider local statistics. A number of young people accessing drop-in provision for example explained how, in the absence of this provision, they would be hanging out on the streets. As one person explained “*I was always on the street, getting stopped by the police.*” As explained above, some CSOs are committed to identifying and reporting impacts in terms of local area statistics, such as NEET figures and Police ASB hotspot data. For these, while some were only able to provide anecdotal evidence at this stage, others were able to refer to the latest available statistics. A Round 2 case study for example cited that NEET numbers had been reduced in four of the five schools in which they had been operating, with an overall reduction of NEET being reported at a rate 3.82% across the five schools. The case study below provides an example of impact in relation to local ASB statistics - although even with locally targeted initiatives, there are issues around attribution, which the CSOs have yet to begin to address.

## Case Study Examples: Added Value of YSDF Services

This Round 3 case study described how it was contributing to the reduction of the levels of anti-social behaviour in their local area. Key achievements included:

- **Improved relationships between the police and the local community, with a subsequent reduction in antisocial behaviour rates.** The Police have a presence at every project session and are taking a lead in some areas. This has had “*a massive effect on police relationships with local youths, which in turn affects antisocial behaviour rates.*” Early statistics indicate that in the first 12 weeks of the project, antisocial behaviour rates fell by 36.8% - in a rural area where no other services were being offered – so attribution here was possible.
- **Reaching marginalised young people.** The Connexions representative reported that through the programme some of their Personal Advisors had made contact with a

number of marginalised young people that they had been trying to contact unsuccessfully for some time. According to the interviewee this is because the project provides “*safe and anonymous territory*”, which contrasts to the more ‘traditional’ Connexions culture of “*officialdom*” and “*making formal appointments*”. She considers that the project is filling an important gap in NEET provision in the county because it is flexible and non-prescriptive.

Another case study made specific reference to the additional benefits accrued at a community level from bringing together young people who previously had not had the opportunities to socialise. A Round 3 urban based CSO, for example, explained how their collaborative events had brought together a diverse mix of young people. One young person explained that this had been:

*“really good because we got on with them [the other groups of young people]...they weren’t even our type of people .... they look like they are carrying a knife and a spliff .... but they were safe. Even though they didn’t know us they were shaking our hands afterwards, and commenting and being honest saying that we had bad points but also good points.”*

## 6 Conclusions and Learning

This Early Findings report has described progress with the implementation of the YSDF programme across its three Rounds, with a particular focus on the experiences of the 15 Round 2 and Round 3 case study CSOs. At this point in the programme, we set out below our conclusions in relation to the original research questions and identify the emerging lessons for future policy and practice. On completion of the programme, it will be important for the DfE to further explore the impact of YSDF on the participating CSOs as well as on the wider youth CSO sector.

### 6.1 Conclusions

Overall the service delivery aspect of the programme has progressed well, with over 57,000 young people participating in the 45 Pathfinder, Round 2 and Round 3 projects, considerably over profile for each of the programme Rounds. Each of the participating CSOs are also reporting the achievement of outcomes, including progression to positive destinations such as work or further education, and soft outcomes and increased protective factors including improved key work, attitudinal, personal and practical skills. While the achievement of outcome profiles across the three Rounds is variable, the most recent quarter has seen an increase in reporting and an over-performance in many areas.

In terms of the capacity development element of the programme, the interest and participation in the Integrated Support Programme amongst the Round 2 CSOs has been sustained, with the Round 3 CSOs showing a similar level of engagement with their revised support structure. The Pathfinder projects are also engaging with the support structure to a greater degree, although their participation is limited compared to their Round 2 and Round 3 counterparts.

Our main conclusions are structured to address the original research questions that underpinned the evaluation, and presented in relation to the delivery of integrated support; the effect on business models; the commissioning environment; and service user impacts.

#### Delivering Integrated Support

- The YSDF programme has shown that there is both a need and a considerable appetite for capacity development services among small and medium sized CSOs (less so for the larger CSOs).
- While there are a range of generic support packages available for CSOs, YSDF is an ambitious and innovative approach to delivering support for capacity development. By providing a combination of grant funding and comprehensive, individually tailored packages of support, the programme is distinctive in both its scale and ambition. Elsewhere capacity development initiatives have tended to either support specific activities (for example how to effectively deliver projects and services for funders such as the European Social Fund, and improving the sustainability of Big Lottery investments), or through developmental support/a combination of support and loans (such as FutureBuilders and ChangeUp). To our knowledge, none have offered the range, intensity and depth of support provided under YSDF.
- The Managing Body Consortium in particular has been extremely effective in providing tailored quality support, challenge and advice to the participating CSOs. The consortium model of the Managing Body was key to providing ready access to consultants from a range of relevant backgrounds at a relatively low cost.
- A key strength of the YSDF model has been the ability of the Managing Body to adapt and evolve their support offer to respond to emerging and changing needs within the timeframe of the programme. This included the introduction in Round 3 of a new support package, designed to better meet the needs of smaller scale CSOs and building on the experience of Round 2.

- The challenge function of the Managing Body, embodied through the diagnostic review, the Account Manager and the tailored support, was a crucial factor in achieving change within the participating organisations. The balance between supporting and challenging a CSO can be difficult to achieve, which the Managing Body delivered well; CSOs welcomed the tailored support available and there is evidence of high rates of satisfaction. Even those CSOs who engaged with the programme primarily because of the grant funding available came to welcome the capacity building support available to them.
- The time and effort required to deliver and engage with the support on both sides were greater than originally anticipated. For CSOs, having the capacity to absorb the support has been an on-going challenge, particularly in the context of the large scaling up of service delivery. In such cases, support was staggered to avoid over-loading CSO staff. For the Managing Body, while the planned daily allocation for the Mentors and the Business Advisors has largely proved accurate; the inputs at management level particularly from Consortium members were higher than planned.
- Having a dedicated 'Development Facilitator' or 'Project Champion' within the CSO was significant in terms of: providing a lead contact for the Managing Body; championing YSDF within the organisation; and coordinating the YSDF funded delivery and the various ISP inputs. However in practice, Account Managers and Business Advisors often needed to engage with more than one individual in each CSOs, commonly the CEO and the project manager.
- The role of the Business Mentor in providing confidential coaching and one to one support to the Development Facilitator for the Round 2 CSOs was one of the more innovative aspects of the support programme. Contrary to initial concerns from some of the CSOs, where a mentor has come with expertise from outside the youth CSO sector, this has proved effective and beneficial in terms of bringing in new perspectives and approaches to business development. The benefits directly attributable to the Mentor are, at this point, primarily experienced by the individuals involved, in terms of increased confidence and enhanced management skills. However, the expectation is that these benefits will, over time, influence the wider development of the organisation and the services it provides.
- Similarly the role of the embedded Business Advisor in Round 3 offers some useful learning. The BA role took on an organisational-wide brief and provided hands-on support as well as mentoring, where needed. This was the most effective element of the tailored support offer in terms of achieving immediate benefits. The BA was able to directly contribute to organisational development in terms of designing and producing new human resource policies; advising on engaging with new commissioners and supporting bid writing.
- Finally the use by the Managing Body of a 'one-to-many' delivery model through the 'core-curriculum' to complement the tailored support provided a cheaper and more economical means of supporting a larger number of CSOs. While designed to be tailored as much as possible to the developmental needs identified through the diagnostic processes, in practice, this was perceived by the CSOs as less useful and effective as the tailored embedded support. Indeed, where we have seen the early indicators of tangible changes within organisations, this was considered by them to result from the bespoke support rather than the core curriculum.

### **Impact on Business Models**

- There was evidence of organisational impacts as a result of the integrated support, even at this point in the programme. Benefits to the organisations included:
  - **The introduction of more effective approaches to workforce recruitment and development**, both in terms of investment in new management posts and enhanced

- support to existing staff and volunteers through improved human resource policies, safeguarding training and performance review systems;
- **Enhanced external profile** and better links with existing and new funders through the scaling up of delivery and organisational capacity, improved strategic planning including new business plans, improved leadership and governance and enhanced marketing/ communication strategies;
  - **New income generated from a range of existing and new funders** as a result of the push by consultants and Business Advisors to diversify funding sources; and
  - **Increased potential to better evidence success** through the introduction of new management information systems and the use of software. The extent to which this will translate to improved data collection and reporting, however, will only be clear by the end of the programme.
- Many CSOs were already well established, delivering tried and tested services to young people and were poised for growth and development. In these cases the role of the integrated support proved timely and vital in terms of helping to achieve growth and development on a scale and pace which otherwise would not have been possible. While many CSOs may have achieved this in the absence of YSDF, it is more likely that they would have been on a smaller scale or taken a longer time to achieve.
  - The investment of YSDF in the CSO workforce, through the recruitment of new staff, training and the support provided to develop or enhance human resource systems and practices, yielded some of the more immediate and tangible gains, particularly in terms of enhanced work practices. Large scale recruitment within a finite grant programme, however, carries the risks of the CSO not being able to maintain staff through to the end of the programme and beyond. This can affect delivery and also risks the loss of skills gained through the ISP.
  - For the medium-sized and large CSOs funded through the YSDF programme, we saw little evidence that their relative size (expressed in terms of annual turnover) was a determining factor in achieving enhanced business models. Indeed there is no single measure of whether a CSO is ready for investment, and while there is evidence that a CSO must demonstrate it has the capacity and skills available to benefit from intensive support, there are a range of other factors (beyond financial turnover) which should influence whether an organisation is 'investment ready'. These include: a sufficient period of successful service delivery which proves the business model works; confidence that local demand justifies an increase in the scale of service delivery; or the ability to replicate delivery in other areas (potentially through partnership or collaboration). However, as the early Round 2 experiences suggested, organisations may require a level of existing capability and capacity before they can engage effectively with developmental services of the depth and intensity provided under YSDF.
  - A specific question for the evaluation was the extent to which the YSDF investment helped CSOs become less reliant on grants and more able to secure long term income. To a large extent, the potential for sustainability is heavily influenced by local economic and political conditions. Therefore, while we saw evidence of CSOs diversifying their income sources, the current economic climate meant that many expected to rely more, not less, on grant donors, as alternative funding streams to local authorities dried up.
  - Finally, it is too early to be conclusive on the final impacts of YSDF on capacity development and particularly the ongoing sustainability of the CSOs supported. Evidence from the case study CSOs suggests that many positive steps have been made in this direction and real change achieved, although the change in economic climate and public sector context will be a crucial influence. However, a leading indicator of success overall on completion of the programme in 2011 will be the extent to which CSOs have managed to increase their annual turnover over the life of the programme. Inevitably a

key factor to consider will be the external environment and the extent or otherwise of funding opportunities available to these CSOs.

### **Engagement with the commissioning environment**

- YSDF has helped CSOs to raise their profile with commissioners and increase their capacity and skills to bid for funding, although from the case studies it was clear that many were already well known to key commissioners in their areas. Indeed, given the size of CSOs that were funded through YSDF (i.e. £99,000 - £11.5m turnover ), we would expect a good level of understanding in this area. However with the tailored support made available, there was emerging evidence among some CSOs (not all) of positive improvements had been made to the ways in which opportunities were identified and responded to. These included the recruitment of additional staff with business development or research remits, the more effective distribution of bid development tasks between staff, and the development of new or enhancement of existing contacts with commissioning bodies, particularly local authorities
- There was no evidence of the YSDF helping CSOs to become more involved in the early stages of commissioning. Arguably, the individual CSO is limited in its scope to influence and change commissioning processes at the local level. Indeed, the YSDF was not set up to influence commissioner practice; this was the focus of its sister programme the Commissioning Support Programme. Outcomes resulting from this have yet to be published.
- In terms of the extent to which the YSDF has helped CSOs to respond more effectively to tenders, at this stage in the programme, the evidence is not conclusive. We know that CSOs overall have submitted more tenders in line with, and sometimes exceeding, agreed target numbers. While there are some examples within the case studies of successful wins, the MI is not available overall to show how effective the new bids have been (i.e. no information is available on the 'additionality' of the support made available and whether, without support, the CSOs would have been successful anyway). The value of bids submitted and won amongst the case study CSOs ranged considerably, with the value of individual wins ranging from £10,000 - £15,000 to over £120,000.
- Key to achieving sustainability is the ability of CSOs to demonstrate to potential funders the impact and cost effectiveness of their delivery (an issue which will increase in importance as public expenditure falls). However both achieving and identifying outcomes within the youth sector is challenging, particularly given the importance of soft outcomes and measures of distance travelled in assessing impact. In an environment where contracts are increasingly moving towards a payment by results approach, the commissioners interviewed recognised the importance of CSOs' abilities to deliver outcomes as part of the commissioning and selection process. In practice, commissioners rely on a range of factors in making decisions, often including the reputation of the CSO and evidence of past delivery (using a range of 'hard' and 'soft' outcome measures). And, of course, the commissioners themselves differ significantly in terms of the significance they place on performance data and their ability to interpret or interrogate this data.
- A key question for YSDF is the extent to which such programmes can help create a more level playing field for CSOs. Within youth sector provision the main competitors are youth CSO providers and local authority in-house provision; it is not an area yet that the private sector has made significant inroads. To date we have yet to find evidence of CSOs displacing in-house providers, and at this point in the programme we would suggest that this is as expected. However, we suggest that the main factor in creating a level playing field is less about the capacity or otherwise of the CSOs, but more about the appetite of local authorities to commission services. While such decisions may in part depend on the commissioners' perceptions of the CSOs operating in their areas, they are most likely to be influenced by wider external funding decisions (i.e. recognition of the distinctive capability and specialities of CSOs, attitudes to competition and its role in driving up

standards, the flexibility made available to adjust the scale of delivery, cost savings compared to in-house providers).

- While we would not expect YSDF to have directly influenced commissioners, given its focus on supporting CSOs, it does have the potential to shape the market at the local level. This is mainly through raising the profile of local CSOs among commissioners (through the scaling up of their work, including through consortia), and increasing the ability of the CSOs to effectively promote their work. While commissioners interviewed expressed little awareness of YSDF, they recognised the value of building capacity within this sector and welcomed the investment.

### **Impact on Service users**

- Although baseline data on user characteristics at the programme level was limited, fieldwork with the fifteen case studies showed a variety of service user needs. These included: those who were NEET/at risk of NEET, in/at risk of involvement with gangs /knife crime, ex-offenders/at risk of offending, homeless and substance mis-users; rurally isolated young people, young people from military families and young people engaged in/at risk of ASB. As such the programme, based on the limited information made available, appears to be reaching and working with its intended target groups.
- Case study fieldwork suggested that the CSOs had engaged more disadvantaged young people as a result of YSDF. There was evidence of added value, particularly among the rural projects, where in the absence of the YSDF service there were few alternative sources of purposeful opportunities for young people available. We found some evidence that YSDF funding supported service outcomes that would have occurred anyway, but at no extra charge.
- In terms of service user throughput and outcomes, the grant funding has allowed a large number of CSOs to overachieve (some by a significant margin) against their delivery targets and many reporting positive outcomes, including progression to positive destinations and the achievement of increased protective factors and soft outcomes. Case study fieldwork showed, in particular, that the YSDF funded provision was providing an opportunity for personal development among disadvantaged young people, as well as contributing to 'hard' outcomes such as progression into education and the acquisition of new qualifications.
- The nature and 'depth' of the outcomes achieved by young people clearly depends on the nature of the services provided, which range from intensive 'formalised' training provision leading to accredited qualifications to Friday and Saturday night "drop-in" provision, featuring diversionary activities and 'informal learning' opportunities.
- The extent to which changes within organisations as a result of the capacity development and the grant funding will filter through to an improved quality of service will become more apparent as the programme develops. In some cases, the grant funding has been used to introduce wholly new, or extend the coverage of existing, services, which are already impacting on the young people who participate in them. In other cases, where capacity development has focused more on the organisation, the effects for service users will be indirect and take longer to reveal themselves. At this point, the outputs achieved through the enhanced professionalization of the workforce, such as improved safeguarding policies and training, are areas where more immediate benefits for service users are most likely.
- Capturing and reporting on quality outcome data is notoriously difficult, especially in the youth sector, yet there was less of an emphasis placed on this within the ISP, particularly early on. So although we have seen some improvements to how CSOs monitor outcomes and impact, such as through the purchase and use of new IT software, we have not seen as much progress in this area. We do expect, however, most improvements to be made in the latter stages of the programme, as new MI software and associated systems become embedded.

- The impact of the YSDF on building the capacity of CSOs to more effectively engage young people in the design and delivery of services is not clear cut. While the topic has featured in some of the Core Curriculum and network events, it was not explicitly pushed from the start and did not feature as a priority in the tailored support. Consequently, those that were already strong in this area continued to perform well in engaging young people through formal mechanisms, and those for which this was a new area of activity tended to afford it limited priority. More generally there was evidence of on-going and embedded informal engagement activities across the case studies, in that young people were consulted on the activities they were engaging in.
- The combination of grant funding and support for capacity development is one of the unique features of YSDF. The grant element provided funding for new services to be introduced or existing services enhanced, which included paying for new staff in both 'delivery' and more core business-related roles within each organisation. Consequently the grant also contributed to overall efforts to raise capacity by:
  - Funding additional posts with a service delivery remit – for example additional youth work and support staff, establishing new outreach teams, etc; and
  - Funding new posts with more of an 'organisational' remit – for example dedicated HR and finance posts, staff with a business development remit and staff with a broader research/bidding support role.

## **6.2 Learning and Policy Implications**

In light of the conclusions above and in order to inform future policy and practice, this Sub-section presents the key learning as they relate to the emerging priorities of the new Coalition Government. First we comment on the overall role of CSOs in delivering youth services, including strengths and opportunities, we then highlight the support needs of CSOs arising from this, and finally we present the practical implications and potential gains of supporting CSOs in the current economic climate.

### **6.2.1 The role of CSOs in delivering youth services**

As we have seen from this evaluation and the wider literature (see the Interim Report), there is widespread recognition of the strengths and value of the sector's involvement in the design and delivery of public services and in particular youth services. The CSO sector is valued for the innovation and change it can promote through:

- Specialist and community level knowledge, experience and skills, taking account of the direct experience of the end user;
- Flexibility and responsiveness, being free from rigid and top-down rules and red tape.
- Independence from statutory services, the sector tends to be free of traditional structures and rules;
- The buy-in of users, as staff are considered to be committed and independent from statutory providers;
- The potential for greater cost-efficiency in delivering services through the harnessing of volunteers; and
- The organisation and involvement of people in service delivery, whether as users or self-help groups.

Of course, these attributes are not obvious in every CSO, nor can they be seen as the full extent of skills required to deliver public services effectively and efficiently. Indeed, the PWC (2006) report, which provided the main rationale for YSDF, found that while CSOs delivered a significant amount of activities across most areas of publicly funded provision, the sector played only a limited role in providing youth services. They argued that the sector's capacity to respond to opportunities could be increased by addressing concerns about performance

management and accountability. As shown through this evaluation, perhaps one of the key weaknesses of the sector is the ability to be accountable and to evidence outcomes. These and other support needs are discussed below.

## **6.2.2 The support needs of CSOs in delivering youth services**

The YSDF has helped reveal in detail the range of support needs among CSOs in the youth sector. In line with the findings from the Futurebuilders evaluation (2010), it was clear from the YSDF that any organisational development must take account of internal organisational management (i.e. human resource and financial management) and external relationship factors (i.e. relations with funders, and partnership/collaborative working with others). They can be summarised as follows:

### Internal organisational management

- Human resources, including the recruitment of new staff and the introduction or development of formal performance management systems, appraisal frameworks and staff development processes; also, perhaps more surprisingly, safeguarding policies and procedures. Additional systems and process factors include financial systems and the collection and analysis of management information.
- Governance, accountability and leadership - ensuring the trustees reflect the community of stakeholders they serve, with clearly delegated responsibility (i.e. including through sub committees) and the monitoring of performance.
- Funding and business strategy, including diversifying revenue streams, becoming less dependent on short term grants; forward business planning and medium term strategy ; and introducing mechanisms to increase understanding of the needs of funders and linking these into business planning.

### External relationship management

- Marketing and public relations, including the development of plans and materials to quantify and market their 'service offer'; increasing the ability of the organisation to maximise its impact through the media and public relations, including a marketing plan.
- Commissioning, including outreach, research and networking to increase understanding of the statutory commissioning process, and increasing capacity to win business through open tendering (i.e. identifying opportunities and bid writing skills).
- Accountability, in line with other evaluation findings (such as FutureBuilders 2010), evidencing success and capturing outcomes was a key weakness across the board. Although not explicitly identified as an area for development in all cases, our research highlighted significant differences in the ability of CSOs to systematically collect and record management information related to service user outcomes.

In addition, other studies have shown that youth sector CSOs can show amongst the lowest take-up of existing voluntary and community sector support<sup>33</sup>.

## **6.2.3 Whether and how these support needs should be met in the current economic climate**

The scale of public expenditure cuts, both those already announced and expected through the Comprehensive Spending Review (October 2010), and on-going concerns about young people and anti-social behaviour, highlight the need to 'deliver more with less'. While public expenditure is likely to decline in real terms, the Government has signalled that the opportunities available to CSOs to deliver public services are likely to grow.

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<sup>33</sup> See "Supporting a Stronger Civil Society" consultation, Cabinet Office; <http://www.cabinetoffice.gov.uk/media/426258/support-stronger-civil-society.pdf>

We know, for example, that local authorities are examining opportunities to outsource council services to social enterprises or companies over the next few years (Suffolk County Council having decided that it can reduce its budget by 30% in this way). Despite the significant funding made available through the YSDF, the rationale for investing in developing the capacity of youth sector organisations is as valid today as it was in 2008. While there is little scope to fund a single programme as generously as the YSDF, the question is ‘what alternative options are available to build the capacity of the sector and what lessons can be drawn from the YSDF?’

Therefore, we explore and suggest a number of alternative practical options for building the capacity of this sector, which draw on the important lessons from YSDF.

**What kind of support works? Tailored and personalised support is the only way to achieve change**

While the options for funding an initiative similar to YSDF in the current funding climate are likely to be limited, there are elements from the model that could be replicated. Ultimately YSDF has shown that tailored capacity development can work; but that achieving transformational change takes time and comes with a price. Substantial investment is needed to provide responsive, tailored and embedded support; and effort is required on all sides, without which the likelihood of substantial organisational change is limited. We have seen that providing one-to-many workshops alone is not enough; and that for real and sustainable change in capacity to be achieved support must be delivered as part of an intensive and tailored process. For the support to be effective CSOs must be committed to change and be prepared to dedicate time to it; consequently they must be able to see the potential benefits that can result. The YSDF model of a diagnostic review in partnership with the CSO, followed by the ongoing involvement of a hands-on “critical friend” with a support and challenge function has been shown to work - be this in the form of a bespoke technical consultant; a mentor or an embedded Business Advisor.

However each tailored approach has different cost and practical implications. The overall spend on capacity development activity by YSDF Round to the end of August 2010 is shown in Table 6.1, with the different elements being compared in Table 6.2 below.

**Table 6.1: Overall Spend on Capacity Development by Round, to end August 2010**

|                    | <b>Overall Spend</b> | <b>Spend per CSO</b> |
|--------------------|----------------------|----------------------|
| Pathfinders        | £95,841              | £19,168              |
| Round 2 CSOs       | £339,131             | £26,087              |
| Round 3 CSOs       | £727,678             | £29,107              |
| <b>Total spend</b> | <b>£1,162,650</b>    | <b>£27,038</b>       |

Considerable care should be applied to the interpretation of the spend data, not least as the programme is ongoing and such an assessment should take place at programme end. It is also noteworthy that the ranges of spend per CSO vary considerably.

The Core Curriculum model provides some useful lessons regarding one-to-many training approaches. Although almost 300 individuals attended the core-curriculum sessions held at the time of writing, mainly from Round 3 CSOs, it was found that the CSOs were less

**Table 6.2 Different Types of Tailored Support: Lessons from YSDF<sup>34</sup>**

|                                    | <b>Key features</b>   | <b>Strengths and Weaknesses</b>   | <b>Total Spend* and Spend per CSO</b>  |
|------------------------------------|---|---|--|
| <b>Bespoke Consultancy Support</b> | An intensive model of support with multiple consultants supporting the CSO across a range of areas  | It provides the CSO with in-depth technical expertise to address specific development needs identified in the initial diagnostic reviews.<br>This is time intensive for the CSOs in terms of engaging with/acting on outcomes, and for the MB in coordinating inputs.   | Total spend: £340,416 (this includes for all 3 Rounds)<br><b>Spend per CSO using consultancy ( all 3 Rounds): £10,315</b><br><br>Shown so far to be effective, but costly to replicate – particularly if not sourced through and subsided by a central managing body. If sourced centrally can be cost-efficient through economies of scale.   |
| <b>Independent Business Mentor</b> | The Mentor provides one to one confidential support to the Development Facilitator on a monthly basis.  | The mentor provided the much needed space for the lead manager to reflect and develop. Beneficial, although provides support only to the individual.  | Total spend: £38,660 (Pathfinders and Round 2 CSOs only)<br><b>Spend per CSO: £2,148</b><br><br>This suggests a model that is inexpensive but effective, if targeted well and a good match is secured.   |
| <b>A Core Curriculum</b>           | The Core Curriculum is a programme of one-to-many training events, covering a range of topics identified through the diagnostic review processes, for Round 3 CSOs, and ‘Specialist Workshops’ for Round 2 and Pathfinder CSOs. | The one-to-many model can be cost efficient to deliver, and the more coherent and structured support was more helpful to Round 3 CSOs in terms of being able to plan for, and so better absorb, the support.<br><br>However, CSOs were less convinced of the tangible benefits resulting, and engagement was perceived as time intensive in terms of attending workshops meaning time away from delivery. | Total spend – £107, 793 (includes for all 3 Rounds)<br><b>Spend per CSO attending: £2,567</b><br><br>The Core Curriculum is more cost-efficient to deliver and CSOs have received a higher volume of training. But cost-effectiveness less clear – where changes have been achieved to date these result from the embedded support rather than CC. Also true costs higher if you consider participants travel costs, day away from office etc – which need to be recognised. |
| <b>Embedded Business Advisor</b>   | The BA supports the CSO on a weekly basis, beginning with a hands-on ‘doing’ role and shifting to a ‘mentoring’ role over time.   | The BA role provides targeted in-depth expertise to progress discreet pieces of work. Routed through one person makes it more manageable than the consultancy approach, allowing relationships/understandings to develop between the BA and the CSO.<br>However, it can be challenging to source the right breadth and mix of skills, and additional specialist skills may be required.                   | Total Spend: £483,804 (Round 3 CSOs only)<br><b>Spend per CSO: £19,352</b><br><br>This suggests a more expensive model compared with both the bespoke consultancy and the Business Mentor role, but reflects a hands-on role and an organisational wide brief; and compared with the bespoke consultancy a regular weekly presence.  |
| <b>Additional Support</b>          | Financial Healthcheck, Commissioning Checklist, Commissioning Action Plan, Sales Pipeline, Exit Planning and Safeguarding   |   | Spend - £191,978 (includes for all 3 Rounds)<br><b>Spend per participating CSO: £1,324</b>   |

\* Total spend to end of August 2010

<sup>34</sup> It is important to reiterate that this analysis is based on spend and findings prior to the end of the programme and thus is not based on a full understanding of true impact.

enthusiastic about this element of the support package. For the CSO workers, attendance represented a day (sometimes more) away from delivery, and so was seen as having a high time cost for limited benefits in comparison to the direct hands-on tailored support. Such a model is perhaps more useful where CSOs have a number of basic developmental needs, which might be expected with very small grassroots organisations. With YSDF we found that it was the combination of the core-curriculum and the in-depth tailored support that made the difference. The networking events were not necessarily effective mechanisms for building capacity through peer support. In the view of the case study CSOs attending them, too much time was spent in the meetings on plenary sessions, and not enough on facilitated and focused interactions between the CSOs. While the events have sought to combine information dissemination and networking between projects, building on communities of interest and organising events around clusters of CSOs may be more effective.

One possible model, for example, could be the offer of ‘taster’ sessions at no charge to the CSO, which would include a tailored diagnostic review. This could then be followed by a series of chargeable tailored support sessions. If CSOs are supported to see the potential benefits and the value of investing in this, then they may well engage and be willing to pay. This carries the risk of appealing only to those with lower support needs, i.e. those with some existing knowledge and ambition to grow. However, as we discuss in the next section, targeted support and ‘backing the winners’ is perhaps the most effective approach in rolling out the support.

### **How should the support be disseminated? The ‘honey pot’ approach**

Funding for capacity building is finite, and consideration has to be given to how best support can be rolled out. Given what we know about the importance of tailored support and the costs associated with this, we suggest that rather than a ‘pepper-pot’ approach where small amounts of money/support is given to a wide range of CSOs, a ‘honey-pot’ approach is taken i.e. higher levels of support is invested within a smaller number of well-targeted CSOs. This would help ensure that change is achieved, but would rely on appropriate and accurate targeting and following an approach that “backs the winners.”

Furthermore, the YSDF is one of a number of programmes providing funding and support to CSOs, delivered by national and local bodies. However, none offer the intensive level of provision, challenge and support available through the ISP. We suggest that encouragement be given to local bodies to review and rationalise their support programmes (i.e. through ‘place based budgets’<sup>35</sup>).

YSDF targeted its support to just over 40 CSOs across England. It adopted an open call competitive tendering process – with certain criteria restricting who could apply such as size of annual turnover. Going forward, selection through competition may be a useful approach to follow as it ensures those CSOs who seek to participate are committed to organisational change; as well as allowing for the selection of those who have the greatest potential for achieving such change. In the case of the latter, selection criteria could include:

- The ambition to scale up delivery – where the CSO can provide evidence of existing demand and potential funding opportunities to support expansion;
- Sufficient capacity/capability to absorb and build on any support offered – i.e. whether they are “investor – ready”, with certain ‘benchmarks for participation’ being set such as rigour of financial systems; and
- The extent to which the CSO can evidence that what it delivers works, and whether this level of delivery is sustainable and evidenced through a track record over a series of years.

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<sup>35</sup> This approach involves councils calculating all the expenditure of key public sector partners, often focussed on specific areas or policy themes, and then rethinking the options for public service delivery. See Place-based budgets, the future governance of local public services, LGA (June 2010)

Another distinguishing feature of YSDF was that it provided grant funding alongside capacity support. This proved important in terms of providing a resource to underpin the capacity development activities, and as a hook to engage some CSOs who might not otherwise have engaged (or prioritised engagement) in capacity development. While this dual approach had allowed investments to be made in staffing capacity, it required a significant level of funding. Consequently alternative grant models could be explored, for example smaller grants for 'demonstration' projects might be more applicable.

### **Who should pay for and lead on the support? All stakeholders should be prepared to invest**

The key question in considering options for future capacity support, is who could and should pay for this? Should it be the CSOs themselves, the LA commissioners, private investors, or does central government still have a role to play?

We suggest that all of the above stakeholders have a role to play, and should be prepared to invest given the likely returns, i.e. a stronger and healthier CSO sector that will contribute to increased competition, enhanced and sustainable service delivery and better outcomes for service users, as well as delivering cost-savings to the public purse.

Taking into account the roles of the various stakeholders, the broad principles for providing high quality capacity support are presented in Box 6.1 below.

#### **Box 6.1: Good Practice Principles for Delivering Quality Capacity Support to CSOs.**

In the current economic and policy context and the new drive towards localism, **local authorities should have the primary role in shaping the supply market and building the capacity of CSOs in their locality.** Capacity support to CSOs needs to be integral to commissioning priorities and informed by local intelligence. As part of this, local authority commissioners need to understand and appreciate the importance of their own commissioning practice in terms of its impacts on their local CSO stock. This means that they need to proactively conduct needs analyses, review supply market and involve potential suppliers in service planning stages – to allow the CSOs local intelligence to inform the shape and nature of contracts offered. Support needs among suppliers can then be identified, and can be used to inform a targeted approach to delivering support at the appropriate level. YSDF has shown that for real change to result there is the need for high quality, intensive, and so potentially costly inputs. Given this, we suggest the need to take a 'honey-pot' approach to resourcing and providing support. This necessitates careful targeting against specific criteria such as: the ambition to scale up delivery; sufficient existing capacity/capability to absorb and build on any support offered; and the extent to which the CSO can evidence that what it delivers works. Other factors which are key to developing a sustainable supply market that attracts the best of the youth sector CSOs include ensuring that:

- local authority purchasing is not simply price dominated tendering, as sometimes the 'best value' service is more expensive;
- local authorities have realistic expectations of what can be achieved, avoiding unrealistic targets for service improvement or cost reduction which cannot be achieved;
- they understand the need for an 'adequate return on investment', as poor margins lead to poor performance and will halt the capacity development of CSOs; and
- that good procurement processes are followed that control bid costs and timescales.

**The role of central government in delivering support to CSOs is equally crucial,** particularly if the goals of the Big Society agenda are to be achieved. In this context we suggest the role of central government is to both champion the need for CSO support and to guide, incentivise and where needed boost or match Local Authority funds. Central government, for example, could perform a 'quasi YSDF Managing Body function' by facilitating a central resource or network of business advisors/mentors. This would provide an easy route for local authority commissioners to source such support and potentially at a

comparatively reduced rate. Other functions might include the issuing of good practice, and the commissioning of research to identify gaps in youth provision. Obviously learning from the Commissioning Support Programme will be crucial here too.

**The CSO market itself needs to change and respond to the changing economic and policy context.** If Local Authorities do look more to this sector for the delivery of public services through the outsourcing of their services, then CSOs themselves need to be prepared to change and invest in their own capacity development. This could be via greater consortia working, through mergers or through greater investment in new core business and management staff.

**There is also the need to consider the potential role of private investors** in supporting either central government or local authorities in delivering this support. While innovative mechanisms such as Social Impact Bonds (SIB)<sup>36</sup> offer potential new funding mechanisms and opportunities, the extent to which they can be applied to this sector is yet to be tested. Current pilots of Social Impact Bonds in the criminal justice sector will begin to provide important lessons for understanding the extent to which a similar level of return on investment would be likely in the context of youth provision. As highlighted in Section 2, private investments rest on a payment by results approach, and as we have seen through YSDF the youth CSO sector continues to struggle with capturing and evidencing the outcomes achieved, particularly in terms of distance travelled. We suggest the SIB approach would work best with CSOs delivering services which produce exclusively 'hard' outcomes, such as young people progressing into work, education or training.

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<sup>36</sup> Social Impact Bonds allow for programme investment from outside government, with investors only receiving returns on if and when the programme achieves its objectives by an agreed amount.

# ANNEXES

## Annex 1: Acronyms used in this report

|      |  |
|------|--|
| AM   | Account Manager  |
| BA   | Business Advisor   |
| BME  | Black and Minority Ethnic  |
| CC   | Core Curriculum  |
| CEO  | Chief Executive Officer  |
| CSO  | Civil Society Organisation (previously referred to in the Interim Report as TSO – Third Sector Organisation) |
| CSR  | Comprehensive Spending Review  |
| DfE  | Department for Education   |
| IAG  | Information Advice and Guidance  |
| ISP  | Integrated Support Programme   |
| KPI  | Key Performance Indicator  |
| LA   | Local Authority  |
| MB   | Managing Body  |
| MI   | Management Information   |
| NEET | Not in Education, Employment or Training   |
| ODT  | Organisational Diagnostic Tool   |
| VCS  | Voluntary and Community Sector   |
| YSDF | Youth Sector Development Fund  |

## Annex 2: References

- Cabinet Office (2010) Building the Big Society, available at <http://www.cabinetoffice.gov.uk/media/407789/building-big-society.pdf>
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- PrimeTimers (2009) Youth Sector Development Fund Mentoring Evaluation.

### **Pathfinder Documents**

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- Schmitz, J (2009) *In-house Evaluation of Kids Company as a Youth Sector Development Fund Pathfinder*, April.
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- University of Teeside and UK Youth (2010) *Non-Formal Learning for a Big Society: Partnership working in the Youth Achievement Foundations Pathfinder*, June.

## Annex 3: Evidence Base

The evidence base for this report consists of a range of research activities drawing on both programme level MI and qualitative research with a select number of case studies.

- **In-depth document reviews for all 25 Round 3 CSOs.** This included a systematic review of all the key documentation including tender documents, ODTs, and MB assessment papers. This review process helped set out the key features of YSDF funded activities including aims, inputs, planned outputs and outcomes. These then informed the development of individual case study level logic models.
- **Case study fieldwork across Round 2 and Round 3 CSOs.** Overall we have interviewed 473 people from across five Round 2 case study CSOs and ten Round 3 case studies.<sup>37</sup> Since the 2009 report, we conducted an additional phase of fieldwork with our Round 2 case studies and two phases of fieldwork with our Round 3 case studies. These were concerned with exploring process, practice and early impact issues with reference to YSDF funding, and support in the context of their local commissioning environments. Activities included face to face and telephone interviews with a range of interviewees, namely frontline and management staff involved in service delivery; the Development Facilitator; key business/finance staff, key partner staff, the Mentor/Business Advisor and commissioner contacts. We also conducted interviews with service users for all 15 case studies. See Table 1 below for an overview of total number of interviewees. Many of the participants were interviewed more than once as part of the follow up project visits; in total we have conducted 556 interviews.

Table 1: Total Number of Case Study Fieldwork Participants by Group and by Case Study

| Case Study        | Project staff | MB Support Staff* | Partners/Commissioners | Service Users |
|-------------------|---------------|-------------------|------------------------|---------------|
| <b>Round 2</b>    |               |                   |                        |               |
| 1                 | 11            | 2                 | 2                      | 14            |
| 2                 | 6             | 2                 | 2                      | 24            |
| 3                 | 4             | 2                 | 4                      | 12            |
| 4                 | 4             | 2                 | 5                      | 37            |
| 5                 | 5             | 2                 | 1                      | 22            |
| <b>Round 3</b>    |               |                   |                        |               |
| 6                 | 11            | 2                 | 2                      | 14            |
| 7                 | 6             | 2                 | 2                      | 24            |
| 8                 | 4             | 2                 | 4                      | 12            |
| 9                 | 4             | 2                 | 5                      | 37            |
| 10                | 5             | 2                 | 1                      | 22            |
| 11                | 7             | 1                 | 6                      | 14            |
| 12                | 5             | 1                 | 3                      | 15            |
| 13                | 10            | 1                 | 4                      | 26            |
| 14                | 3             | 1                 | 3                      | 26            |
| 15                | 6             | 1                 | 3                      | 11            |
| <b>Total: 473</b> | <b>91</b>     | <b>25</b>         | <b>47</b>              | <b>310</b>    |

\* These included Account Managers, Business Advisors, Business Mentors and Consultants.

<sup>37</sup> The 2009 Interim Report described how six Round 2 projects were selected as case studies. The YSDF grant subsequently ended for one of these, and hence was dropped as a case study for the evaluation.

- **Managing Body and DfE interviews.** Since the 2009 report, we conducted a further round of face to face interviews with key stakeholders from within the Managing Body and DfE. These included the YSDF Programme Director, Programme Manager and the Deputy Programme Manager. We also interviewed the Business Support Development Manager; a selection of Account Managers and representatives from the three consortium partners: Business to Business, PrimeTimers and Catch 22. We also conducted a face to face interview with the DfE policy representative.
- **Analysis of Management Information** collected by the Managing Body. The Managing Body as part of its performance management role and in line with the individual delivery plans drawn up for each CSO collected quarterly data from the CSOs on key outputs and outcomes. Latest available data for up to the end of June 2010 were analysed and are presented in this report. This includes Pathfinders, Round 2s and Round 3s. Where available and relevant, this is further supplemented by additional information for the 15 case studies.
- **Synthesis of the Pathfinder evaluation findings** to date. Descriptive information for all Pathfinders were available and additional evaluation findings were provided for three of them. A synthesis of these reports is presented in Annex 4 below.

The planned telephone survey with service user completers from CSOs across Round 2 and Round 3 to be conducted by TNS-BRMB was discontinued. It was decided by the DfE that the risks that such a survey posed to CSO delivery in terms of time inputs and issues around service user confidentiality outweighed the potential benefits likely to result. Response rates among disadvantaged young people was anticipated to be very low.

## Annex 4: YSDF Pathfinders: A Synthesis of Findings to Date

### Introduction

This section provides a synthesis of the key findings to date from the internal evaluations currently being conducted of the five YSDF Pathfinders. While GHK was not tasked with conducting evaluations of the Pathfinder CSOs, as part of the wider evaluation we have completed the following:

- Telephone interviews with each of the Pathfinders early on in the programme;
- Two meetings with the evaluator teams for each of the Pathfinders; and
- A review of all key documentation and evaluation outputs received to date. Where outputs had not yet been available, this was supplemented by a review of the monthly reports submitted to the Managing Body.

Inevitably the findings presented in this section rely on what is available in the individual evaluation reports, and as Table 6.1 below shows there has been little, if any, focus on the capacity development aspects of the YSDF programme. The main focus of this section is therefore on progress and impacts with YSDF funded service delivery among the Pathfinder CSOs.

### The Pathfinders and YSDF Integrated Support

The YSDF Pathfinder Round began in April 2008 and completes in March 2011. The competitive tendering process for the Pathfinders began in December 2007, with CSOs being invited to bid for grant funding of between £1m - £5m per year over either one or three years, on a not for profit basis. The purpose of this initial funding round was to support larger CSOs working with the most disadvantaged young people, and also to fund a Pathfinder round that could disseminate learning to future funding rounds. Five YSDF Pathfinders were selected in March 2008, with a total funding allocation of £27,116,000, these were: Fairbridge, Kids Company, Leap Confronting Conflict, Advocacy Partners Speaking Up and UK Youth.

In terms of links with the Managing Body and the wider YSDF programme, the five Pathfinder CSOs have to some extent been relatively detached, when compared to the other funding rounds. With the Managing Body being established later in 2008, the Pathfinders initially reported directly to the then DCSF. The introduction to the Pathfinders of Managing Body-designed delivery schedules and reporting requirements was therefore applied retrospectively. Similarly the diagnostic review and the concept of targeted integrated support in line with the Round 2 support model was introduced to the Pathfinders once their services were already up and running. Subsequently most of the Pathfinders have not taken up integrated support to the same extent as their Round 2 and Round 3 counterparts. They have however made use of the mentoring support, with Business Mentors being allocated to all but one of the Pathfinders. The Pathfinders are also invited to participate in the YSDF Network events and Specialist Workshops as part of the core-curriculum offer.

### Overview of the Five YSDF Pathfinders

In terms of service delivery, YSDF funding is being used to support a diverse range of activities, from in-depth one to one support for extremely vulnerable young people to school based conflict resolution work and the establishment of non-formal alternative learning and support services. A brief outline of each of the five YSDF pathfinder funded services is provided below, and Section 3 of this report provides an overview of the performance of the Pathfinders against their delivery profiles as part of the programme wide analysis.

## **Fairbridge**

Fairbridge works with young people facing barriers to engaging with mainstream services, because of mental and emotional health issues, substance misuse problems and/ or homelessness. It aims to enable young people to view themselves differently and to think differently, offering a tailor-made action plan for each young person delivered in a safe environment that challenges negative behaviour and recognises achievement. The YSDF funding is being used to expand Fairbridge's regional teams to achieve optimum operating capacity and delivery from their eleven offices. This will enhance and develop the quality of support for young people, enabling them to raise their aspirations and change their lives for the better. YSDF funding is also being used to develop a long-term tracking model designed to track, record and evaluate the progress of a selected cohort of young people for two years after they have exited the Fairbridge programme. Once this tracking system is embedded, principles and learning will be shared with other CSO organisations.

## **Kids Company**

Kids Company provides emotional and practical support in a safe environment for young people, who have 'slipped through the net' and whose parents are unable to look after them properly. The charity, based in South London, has developed an approach that centres on the needs of the individual child. The charity's workers operate as quasi-parents by providing holistic support that ranges from organising dental care or new shoes through to the longer-term needs of the young person, such as psychological therapy. The YSDF funding is helping Kids Company to become a centre of excellence, enabling them to disseminate informed educational packages for service users and providers, and to continue with their direct wrap around delivery for young people. The organisation will develop work with the media on improving societal attitudes towards vulnerable young people.

## **LEAP Confronting Conflict**

LEAP Confronting Conflict raises awareness of conflicts facing young people in the community, and helps them find potential solutions to the issues they face. They also train adults who work with young people to confront conflict. Leap's vision is that conflict resolution and mediation should lie at the heart of all personal and social education programmes for young people. The YSDF project aims to grow the organisation's impact, regionally and nationally, by working with disadvantaged young people using replications of previous programmes to achieve proven outcomes. Leap Confronting Conflict will also tackle rising youth conflict, crime and violence by developing young leaders from their target groups with conflict management skills who can contribute positively to their communities. It also aims to establish a culture of prevention in schools and communities in specific geographical areas, and to prepare itself to be 'commissioning ready'.

## **Advocacy Partners Speaking Up**

Speaking Up helps to create positive choices for disabled people, by encouraging other organisations to understand their needs by representing their views or supporting them to speak up for themselves. The YSDF is funding the organisation to achieve their aim of supporting 7,000 disabled young people to make the transition into adulthood, by replicating and growing existing services, disseminating toolkits and applying proven methodologies. It aims to roll out three youth models (i.e. Young People Speaking Up; Young People Next Steps; and Youth Parliament) across nine Local Authority areas. In addition they will pilot their youth models with a new client group – young offenders or those at risk of offending. Toolkits will be produced for the projects, which will be disseminated nationally.

## **UK Youth**

UK Youth runs courses and programmes that offer accredited learning outcomes for young people disengaged from mainstream education. The organisation aims to equip young people with life skills that can be drawn upon throughout their lives. YSDF funding is being used to establish 10 Youth Achievement Foundations which will provide non-formal

alternative learning and support services. These are based on UK Youth’s established curriculum and are designed to put young people who are NEET or at risk of exclusion back on the path to success. Its aim is to engage with 500 disengaged young people and provide them with accredited awards and qualifications.

**Overview of the Pathfinder Evaluations**

All five of the Pathfinders were asked by the then DCSF to conduct or commission their own separate evaluations. Specific guidance was not provided on what the remit of these evaluations should be, nor has a mechanism been established to quality control their evaluation plans and outputs. Consequently a range of approaches have been adopted. Some have opted for internally led evaluations, whereas others have commissioned independent external evaluators. In terms of reporting schedules, most are due to report on findings at the end of the programme in March 2011, with two of the Pathfinders providing interim findings. The following table summarises the evaluation plans for each of the Pathfinders, and shows that all but one of the Pathfinders evaluations are focused exclusively on the YSDF service delivery aspect of the programme. Fairbridge, in line with their use of YSDF funding (i.e. to build up capacity of local teams) does have a focus on capacity development. Across the five, however, there is no research being conducted specifically into the impact of YSDF integrated support in terms of organisational changes or commissioning readiness.

Overview of Evaluation Approaches

| Pathfinder/Evaluation Lead  | Evaluation Methodology   |
|---|--|
| <p><b>Fairbridge</b></p> <p>External evaluator: Charities Evaluation Services and ‘Centris’ for the long-term tracking model.</p>     | <ul style="list-style-type: none"> <li>▪ The aim of this evaluation is to assess the development of Fairbridge’s capacity to deliver services, and to assess the outcomes for young people resulting from this increased capacity.</li> <li>▪ Tools have been developed to measure the following indicators: increases in staff and provision; development of provision and accreditation; influence on the youth sector; improved monitoring and evaluation systems; greater local management capacity; stronger financial position and ability to sustain increased level of effectiveness; and readiness for replication of the model used.</li> <li>▪ Outputs received to date: Evaluation Plan (2009); Evaluation progress update (June 2010).</li> </ul>   |
| <p><b>Kids Company</b></p> <p>Internal evaluator with external support from Queen Mary, University of London and Essex University</p> | <ul style="list-style-type: none"> <li>▪ Data from the Programme is being drawn from young people and Kids Company staff, taking a predominantly child-centred approach and drawing on the experiences of approximately 400 individuals. Data is being collected in seven main ways: analysis of case files through assessment records; a staff audit; a client audit; staff feedback forms, Goodman’s Strengths and Difficulties Questionnaires; a syllabus audit; staff interviews and case studies; and staff feedback forms.</li> <li>▪ The evaluation comprises three phases: Overview and Assessment (documentation of the level of client need); Review and Monitoring (the evaluation of outputs); and Analysis and Evaluation (the evaluation of outcomes).</li> <li>▪ Kids Company have adapted the Strengths and Difficulties Questionnaire for use with their young people. Once completed, the scores and average stress scores were compared with the national average. The SDQ was then administered as a ‘Before and After’ tool to explore the impact of Kids Company services. A ‘Goals and Outcomes Database’ is also being used to document the needs, interventions and outcomes achieved by individual young people. Quantitative data is supplemented with a detailed qualitative study documenting the experiences of 10 service users and their key workers.</li> <li>▪ Outputs received to date: Evaluation Plan (2009), Interim Report (2009); and Interim Report (2010)</li> </ul> |

|  |   |
|--|---|
| <p><b>Leap Confronting Conflict</b><br/>Internally led with input and support from external organisation 'Partners in Evaluation'.</p> | <ul style="list-style-type: none"> <li>▪ External consultancy services have been employed to build the capacity of Leap staff to conduct self-evaluation of the Pathfinder projects; and to facilitate a hybrid evaluation, drawing together self-evaluation and collection of some independent data.</li> <li>▪ Each of Leap's projects has its own set of outcomes and indicators, evaluation protocol and tools to measure outcomes. Tools include: pre and post conflict audits for schools; visual approaches including spectrums and graffiti walls; evaluation wheels to measure soft outcomes such as confidence and communication; and peer-led follow up interviews after mediation.</li> <li>▪ Evaluation capacity and learning at LEAP is being developed across the organisation using a six-stage framework: impact evidence; case study evidence; measuring distance travelled; performance management; measuring value added; and developing indicators for a balanced scorecard and strategy map.</li> <li>▪ Outputs received to date: Evaluation Plans (2009)</li> </ul>    |
| <p><b>Advocacy Partners Speaking Up</b><br/>Internally led with input and support from external organisation 'Social Solutions'.</p>   | <ul style="list-style-type: none"> <li>▪ This evaluation is measuring the impact of their models on the lives of disabled young people by developing a 'Personal Record of Achievement framework', which invites the young person to rate their progress. Progress is documented using the following headings: personal details of the young person; setting goals and recording progress; core achievements by young person; record of young person's progress reported by 'significant others'; young person's involvement with Speaking Up; final meetings with young people; and baseline information about young person.</li> <li>▪ This data is linked to a database currently being developed, which will be rolled out across all of the 'Active Voice' programmes.</li> <li>▪ Outputs received to date: Achievement Framework tool and guidance (2009).</li> </ul>   |
| <p><b>UK Youth</b><br/>External evaluator:<br/>University of Teeside</p>   | <ul style="list-style-type: none"> <li>▪ This evaluation operates at three levels, and aims to explore the impact on young people's life choices and assess the efficacy of the intervention at operational and partnership level. The levels are: the 'front-line' where interaction takes place with young people; at foundation partnership level; and at Pathfinder level.</li> <li>▪ Principle methods of data collection include: collecting secondary and primary data through a specially designed template to demonstrate progress and efficacy; case study analysis of individual Foundations to identify key challenges and best practices; interviews with young people, learning mentors and stakeholders to report on learning experiences, partnership working and personal outcomes; survey on pro-social behaviour for young people and participant observation.</li> <li>▪ Outputs received to date: Evaluation Plan ((2009); Annual Evaluation Report 2008-2009; Interim Report (2009); Annual Evaluation Report 2009-2010; and Interim Report 2010)</li> <li>▪</li> </ul> |

## Evidence of Key Achievements to Date

At the time of writing, two of the five Pathfinders had delivered formal evaluation reports documenting the progress achieved to date - Kids Company and UK Youth<sup>38</sup>. The remaining three Pathfinders offered some early findings through progress reports or presentations

<sup>38</sup> Johanna Schmitz (April 2009) *Kids Company Evaluation Report April 2009. YSDF Pathfinder Project; Johanna Schmitz (June 2010) An overview of key evaluation findings; The 'YSDF 400' between April 2008 and April 2010.* (A PowerPoint presentation, largely based on findings of report referenced above). Social Futures Institute (2010) *Non-Formal Learning for a Big Society: Partnership working in the Youth Achievement Foundations Pathfinder.* Evaluation report April 2009-April 2010.

made to the DfE<sup>39</sup>. Detailed evaluation findings of process, outcomes and impacts for these three Pathfinders will not be reported until the end of the programme in March 2011. In these latter cases, we have also reviewed the information submitted to the Managing Body as part of their monthly reports. Given the variety of delivery models, we present the key achievements separately for each of the five Pathfinders.

## **Fairbridge**

According to the latest evaluation progress report (June 2010):

- Good progress has been made so far with delivery. To date Fairbridge has met or exceeded its YSDF targets for throughput and outcomes for young people. According to CES (2010) 3,386 young people have so far engaged with the programme.
- To date 1,939 (58%) of the young people engaged have achieved at least one positive outcome, rising to 71% in Year Two. The evaluation also reports that 814 (24%) in total have completed the full 100-hour access programme, rising to 36% in Year 2.

In terms of capacity-building, good progress was also reported:

- Staff recruitment continued and team size has grown as planned through 2009/10, towards the planned staffing complement of 12 individuals. Seven teams (as against a target of six) had 11 or 12 staff in post at the end of March 2010. In June 2010, for the first time, all Fairbridge England teams had 10 or more staff in post.
- A number of challenges were noted, such as: the time and costs absorbed by significant levels of recruitment and induction; difficulties in recruitment in London and the South, and at higher skill levels; and the higher demands for equipment, resources and accommodation resulting from a larger team delivering more programme days. Fairbridge managers were able to adapt to this by: staggering recruitment over time; altering the format of interview and recruitment procedures; and giving existing staff opportunities to 'step up' into new roles.

Finally, in the presentation to DfE (June 2010), Fairbridge reported that the additional capacity developed locally and nationally as a result of YSDF has enabled a concerted drive for new 'sales', repeat business, fund-raising and greater PR.

## **Kids Company**

Kids Company report on their "YSDF 400" young people, of which 300 are high risk and 100 medium risk. In practice the cumulative number of young people supported through YSDF is in the region of 600. The report provides some useful baseline information on the characteristics of the young people using YSDF funded services, for example: 52% of the YSDF sample presented with potentially life-threatening circumstances, and 83% reported experience of trauma in their lives.

Outcomes recorded up to April 2009 superseded YSDF targets and included:

- 87% of the YSDF sample achieving at least two goals (clients chose five goals from a series of guaranteed and desired outcomes set out by Kids Company for service users).
- Most goals were achieved in the area of Education, Employment and Training.
- 93 clients were re-housed, representing 60% of those in need of housing.
- Living conditions were improved for 181 clients, representing 77% of those in need for more stable housing.

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<sup>39</sup> Speaking up and Advocacy Partners (2010) 'Pathfinder Evaluation'. A Powerpoint presentation; LEAP CC (2010) Pathfinder: Creating a legacy of prevention. Leap confronting conflict. A PowerPoint presentation; and Charities Evaluation Services (June 2010) *Fairbridge Pathfinder Project: Evaluation 2010 Progress report on the development of the evaluation from Charities Evaluation Services.*

- 53% of the sample set and achieved the goal of returning to education or training.
- 97 YSDF clients regularly engaged in a range of therapies.

The 2010 Interim report also shows that outcomes achieved have exceeded YSDF targets:

- 371 young people to date have achieved one goal set in their assessment and care plan – against a profile of 250 and a programme target of 400.
- 355 young people to date have achieved two of the goals in their assessment and goal plan – against a profile of 200 and a programme target of 320.
- 167 young people to date have gained one or more accredited qualifications, including 13 at Level 3 and seven at degree level, and exceeding the programme target of 160.

A detailed qualitative study of the Kids Company model of key worker intervention was also produced by Essex University. Closely following the experiences of ten selected young people, the findings suggest that YSDF funded delivery has successfully impacted on sustained and therapeutic relationships between key workers and young people.

### **Leap Confronting Conflict**

The latest interim findings presented at a recent DfE meeting in London (June 2010) showed that:

- Leap CC were currently working in four geographical areas, with 18 schools having completed programmes to date.
- Leap CC had completed 20 Quarrel Shop leadership training courses.
- 10,000 young people had completed the introduction to mediation training (schools) and Leap's leadership courses (schools and community).
- Two-fifths (41%) of young people were referred for mediation as a result of fighting or bullying, and that 60% of young people reported that in the absence of this mediation support the situation would have at least carried on or escalated.
- 800 young people had so far gained certificates for accredited course work.

Recent monthly reports submitted to the Managing Body provide a range of anecdotal evidence on feedback received by young people, peer mediators and teaching staff.

### **Advocacy Partners Speaking Up**

Latest interim findings presented as part of the recent DfE meeting in London (June 2010) showed that:

- They have exceeded their YSDF throughput target, with over 4,000 young people having been supported to date.
- Both the young people themselves and observations report that young people have: grown in confidence; improved independent living skills; and developed greater ambitions and aspirations. These include: improved social skills; improved ability to manage change; a sense of belonging and ownership that they have not had previously; travel and budgeting skills; and improved team work skills.
- Although figures are not yet available, the evaluation also reported that many of the young people are now using the skills they have gained to progress beyond the projects. This includes progression to college (where they have dropped out previously), volunteering, work experience and paid jobs, and accessing wider social networks

It was also reported that the planned pilot of working with a different client group, i.e. young people who offend or are at risk of offending, has not worked and that this aspect of the programme will cease.

In terms of the impact of YSDF on sustainability, they reported that the Fund has allowed Advocacy Partners Speaking Up to dramatically increase their presence, build on their existing networks and establish new relationships with local authorities. YSDF has also raised the organisation's presence nationally, particularly in terms of delivering projects with young disabled people.

## **UK Youth**

In 2008 UK Youth received funding from the new Youth Sector Development Fund to set up 10 Youth Achievement Foundations. Youth Achievement Foundations are small independent schools providing a vocational and activity based curriculum of personal and social development for vulnerable young people who are often at risk of exclusion. The Foundations are based either within schools or in separate settings operated by organisations experienced in alternative curricular delivery.

In 2008 three Foundations were established in Macclesfield, Cheshire; Sevenoaks, Kent; (Kent was discontinued at end of year 1 as the school operating it was to be merged) and in Gloucester, Gloucestershire. A further four Foundations opened in September 2009 in Bransgore, Hampshire; Middlesbrough, Tees Valley; Chesterfield, Derbyshire; and Bristol, Avon. In addition, six Foundations opened in September 2010 in Sheffield, Dearne Valley, Wirral, Dudley, Thurrock & London,> Bringing the total to 12 operational Foundations exceeding the target by 20%.

The objective of the Youth Achievement Foundations (YAFs) Pathfinder project is to demonstrate the efficacy of adopting non-formal learning in alternative school environments for young people who have been excluded, or are close to exclusion, from conventional schooling. Key findings to date include:

- 72 young people were engaged in the first year of delivery (Sept 08 – July 2009);
- 190 young people enrolled in 2nd academic year (2009-10);
- Available evidence suggests that young people in the YAFs are taking important steps towards re-engaging with society by building confidence and self-esteem. Average attendance has been 78.3% compared with below 50% in their previous settings;
- The developing of students' pro-social skills and their engagement with the YAF curriculum has been built upon by enabling them to complete awards;
- 151 young people (76.5 per cent) achieved accreditation with 83 young people (43.7 per cent) achieving more than one accredited outcome;
- 279 qualifications achieved by young people;
- A sample of the awards and qualifications equated to 3,124.5 points on the Qualification Framework. This is equivalent to 53 GCSE A\* or 78 GCSE C. On average, each accredited student achieved a GCSE B1;
- The use of awards and qualifications vary across Foundations, adapting to local needs and opportunities, although YAA Bronze and Wider Key Skills are used in each Foundation;
- Referral organisations and parents report significant changes in behaviour of young people;
- The awards and qualifications have so far enabled 49 young people (24 per cent) to move on to further education and employment; and
- Most students in the sample continue in education, either in YAFs (55 per cent), colleges (22 per cent) or in more specialised training (10 per cent). A small proportion has been able to secure employment (5 per cent) or an apprenticeship (2 per cent).

## **Summary Points**

- The YSDF Pathfinder Round began in April 2008 and will complete by the end of March 2011. The purpose of this initial funding round was to support larger CSOs working with the most disadvantaged young people, and which could disseminate learning to future

funding rounds. Five YSDF Pathfinders were selected with a total funding allocation of £27,116,000, namely Fairbridge, Kids Company, Leap Confronting Conflict, Advocacy Partners Speaking Up and UK Youth.

- The five Pathfinders are all progressing well with delivery, and in keeping with the size of their organisations and the amount of funding received are generally operating on a larger scale than the other YSDF CSOs.
- A range of approaches to evaluation have been adopted by the Pathfinders, some using internal staff and others commissioning independent external evaluators. For most of the Pathfinders, the focus of evaluation is solely on service delivery; reflecting the fact that most of their YSDF activity is focused on delivery, rather than on enhancing capacity or commissioning readiness.
- This section therefore has not been able to explore links with and impact of the Managing Body support in any detail. However it is apparent that levels of engagement with the Managing Body among the five pathfinders has been mixed.
- As the programme enters into the final year, and in particular exit planning, it will be important for the Managing Body to facilitate learning between all funding rounds. While these CSOs have a national profile, they tend to operate at local levels and therefore face many of the same issues as their Round 2 and Round 3 counterparts.

## Annex 5: The Core Curriculum Programme

| <b>Lead</b> | <b>Work stream</b>              | <b>Subject</b>  | <b>Date</b>    | <b>CSO attendance</b>       |
|-------------|---------------------------------|---|----------------|-----------------------------|
| C22         | Performance Management          | Management Information Systems                                  | November 2009  | 19 R3 CSOs                  |
| BtoB        | Income Generation 1 & 2         | Marketing and Communications to get more funding                | December 2009  | 17 R3 CSO                   |
| BtoB        | People 1                        | Managing the employee infrastructure                            | January 2010   | 17 R3 CSOs                  |
| BtoB        | Income Generation               | Income Diversification – developing alternative funding sources | February 2010  | 17 R3 CSOs                  |
| C22         | Performance Management          | Young People Engagement & Participation                         | February 2010  | 3 PF; 6 R2 CSOs; 19 R3 CSOs |
| BtoB        | People 2                        | Leadership and management skills                                | March 2010     | 13 R3 CSOs                  |
| BtoB        | Income Generation               | Understanding the Changing face of Commissioning                | April 2010     | 3 PF; 3 R2 CSOs; 12 R3 CSOs |
| PT          | People                          | Safeguarding  | May 2010       | 4 PF; 6 R2 CSOs; 14 R3 CSOs |
| PT          | Financial & Business Management | Financial and business management- Residential                  | June 2010      | 13 R3 CSOs                  |
| PT          | Strategic Management            | Partnerships and Collaborations                                 | June 2010      | 3 PF; 5 R2 CSOs; 9 R3 CSOs  |
| BtoB        | Income Generation               | Tendering/Income Generation 1                                   | September 2010 | -                           |
| BtoB        | Income Generation               | Tendering/Income Generation 2                                   | September 2010 | -                           |
| PT/C22/BtoB | Income Generation               | Corporate Funders/Donors  | October 2010   | -                           |
| PT          | Strategic Management            | Governance and Strategic Management                             | November 2010  | -                           |

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